

1933 Industries Inc.

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1933 Industries enters high value cannabis flower market in Nevada

1933 Industries Inc (CSE:TGIF) (OTCQX:GIFF), a vertically integrated cannabis packaged goods company, said Wednesday that it had added premium smokable flower and pre-roll joints to its portfolio of brands.

The Vancouver-based company noted that 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 instore sales in May and recorded a 52% rise in sales, compared to the previous month when brick-and-mortar stores operated only through home delivery and curbside pickup. According to BDS Analytics, sales reached \$58.2 million in May, 6% lower, compared to May 2019, but strong enough to drive year-to-date sales to \$273.2 million.

READ: 1933 Industries' premium Canna Hemp brand of CBD products now available in most of the US

"What this data tells us is that the Nevada cannabis market has weathered the coronavirus (COVID-19) pandemic well and that the market for cannabis flower is thriving," Eugene Ruiz, who is the president of 1933 Industries, said in a statement.

According to BDS figures for May, flower sales accounted for 52% of the overall sales, reaching over \$30 million, a 19% jump from the year earlier. 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 over 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 mix, the company will introduce a new revenue stream.

"We are preparing to enter the smokable flower market segment with a differentiated premium tier product offering," continued 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 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."

Ruiz said the premium flower would accelerate the company's "sales momentum into next year" because of its much higher price point.

"We expect that wholesale demand across our entire product portfolio will accelerate as the market in Nevada readjusts post-covid," he added.

Price: 0.06

Market Cap: \$17.13 m

1 Year Share Price Graph



Share Information

Code: TGIF

Listing: CSE

| | | |
|----------------|-------------|------------|
| 52 week | High | Low |
| | 0.29 | 0.05 |

Sector: Cannabis

Website: 1933industries.com

Company Synopsis:

1933 Industries Inc. is a vertically integrated, brand-focused cannabis company with operations in the United States and Canada. Operating through two subsidiary companies, 1933 Industries owns leading cannabis brands as well as licensed cannabis cultivation, extraction, processing and manufacturing assets.

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With almost 6,000 plants in its facility, 1993 is targeting around 500 pounds of biomass per month of which 350 pounds will be smokable flower and the balance will go into concentrates.

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