

1933 Industries

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1933 Industries is tapping into the Silver state, with plans to grow

- Well-positioned to take advantage of the blossoming US cannabis market
- Has been in the middle of a major expansion in Nevada, with new cultivation facility and new hemp processing facility
- Seen strong sales from hemp-based, CBD products to over 600 retail locations around the US
- Poised to capitalize on the hemp/CBD rush

1933 Industries (CSE:TGIF) (OTCMKTS:TGIF) is a cannabis company with operations in the United States and Canada. Operating via three subsidiaries, 1933 owns licensed medical and recreational cannabis cultivation and production assets, hemp-based, CBD infused products, CBD extraction services and a specialized cannabis advisory firm, that supports clients in security, intelligence and due diligence.

As for the name? The "1933" in the company name is a nod to the year when the prohibition of alcohol ended in the US.

Vancouver-based 1933 has three subsidiaries. One is Alternative Medicine Association LC, a licensed medical and adult-use cannabis cultivation and production facility in Las Vegas that produces its own line of products and manufactures other company's brands. AMA's products include concentrates such as Cake Batter, Crumble and Sugar; a vape pen sold with distillate oil; and several flower strains.

With more than 42 million visitors each year, Las Vegas is poised to become one of the world's largest adult-use cannabis markets and 1933 is well-positioned in the silver state. The firm is aiming to establish its foothold in several different parts of the value chain in the North American medical and adult-use cannabis industries and replicate its model in other jurisdictions.

READ: 1933 Industries increases capacity at Las Vegas hemp extraction facility

Another subsidiary is Infused MFG, a Las Vegas-based manufacturer of hemp- and cannabidiol-based medicinal and skin care products. In March, 1933 Industries acquired Spire Global Strategy, an advisory firm in Vancouver that helps client businesses stay secure, compliant and competitive. The company focuses on four areas of concern for cannabis companies: international production, sales and import-export licensing agreements; domestic licensing; public policy development; and design of large-scale hemp, cannabis and cannabidiol projects for clients.

How it is doing

1933 has had a busy few months, expanding its capacity. The firm is ramping up cultivation to achieve full production capacity at its new facility -- a newly built 67,750 sq/ft cultivation facility in Las Vegas. The facility is divided into five different zones with 15 bloom rooms and four veg rooms.

Price: C\$0.42

Market Cap: C\$100.94M

1 Year Share Price Graph



Share Information

Code: TGIF

Listing: CSE

52 week High Low
C\$0.67 C\$0.30

Sector: Cannabis

Website: 1933industries.com

Company Synopsis:

1933 Industries Inc. is a vertically integrated cannabis company with operations in the United States and Canada.

Author:

Proactive Investors Ltd

+44 (0)207 989 0813

action@proactiveinvestors.com

The firm is also establishing a new hemp processing facility in Nevada, to produce CBD extracts for full spectrum oils, distillates and isolates. It's one of the largest in Nevada, and the company has invested heavily in the design of its customized equipment to provide maximum capacity and efficiency.

"We believe that the time and capital invested in the R&D (research and development) of the facility will provide much larger returns for shareholders in the future," said CEO Brayden Sutton.

During the last year, demand for hemp/CBD products has significantly increased and this is a trend that is expected to continue, especially after passing of the 2018 Farm Bill. This is good news for 1933, which is poised to capitalize on the demand having spent years building a foundation in the space. The firm has a strong foothold in both legalized cannabis from cannabidiol (CBD) and tetrahydrocannabinol (THC) products.

In April, it announced the launch of new cannabis brand products with hip-hop legend, Kurupt. The product line, known as Gotti's Gold, debuted at the NuWu Cannabis Marketplace celebration in Las Vegas, sponsored by the firm's brand, Canna Hemp.

It also announced the launch of Canna Fused, a line of tetrahydrocannabinol (THC) and cannabidiol (CBD) wellness products. Developed by the company's subsidiaries, Alternative Medicine Association and Infused MFG, the Canna Fused line features vape pens, cartridges, lotions and lip balms, mirroring the Canna Hemp suite of products.

Inflection points

Demand for hemp/CBD products has significantly increased and is a trend that is expected to continue, especially after passing of the 2018 Farm Bill and 1933 is well-positioned to capitalize on the boom. There is a compelling opportunity in hemp-derived CBD and high-quality CBD-branded products.

The firm is blazing new trails as it continues its expansion, notably its new lab facility for secondary extraction, distillation, isolation and purification of CBD for bulk sales to other product manufacturers and for internal use, which could have a significant impact on its bottom line.

Contact Katie Lewis at katie@proactiveinvestors.com

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