December 3, 2020

Indus Holdings, Inc. Announces Updated Fourth Quarter Guidance

SALINAS, Calif., Dec. 03, 2020 (GLOBE NEWSWIRE) -- **Indus Holdings, Inc.** ("Indus" or the "Company") (CSE:INDS; OTCQX: INDXF), a leading, vertically-integrated, California-focused cannabis company, announces updated guidance for the fourth quarter ending December 31, 2020. All figures stated are in US Dollars.

Based on preliminary financial information and subject to year-end closing adjustments, as updated guidance, Indus expects net revenue for the fourth quarter to be approximately $9.5 million to $11.5 million, a decline from the previously expected $14 million.

The updated guidance is the direct result of continued suppressed cultivation yields from our cultivation resulting from the wildfires in late summer, early fall. Previously, the Company anticipated some continued deterioration in yields, however losses have been more pronounced than anticipated.

The Company believes that disruption is temporary in nature and should not impact our expectations for either the first quarter or the balance of 2021. Furthermore, the Company believes that the addition of recently installed Argus automated environmental control systems should mitigate future losses in the event of a recurrence. Such environmental controls allow the cultivation team to swiftly respond to erratic changes in the external environment like those we saw earlier this year.

"The decision to update our previously expected financial results for the fourth quarter 2020 was not taken lightly but we feel that it is the prudent one to make," added George Allen, Chairman of the Board for Indus Holdings, Inc. "We remain focused on our commitment to building cannabis cultivations at unprecedented scale in California and on driving long-term value for our shareholders. With the right team in place, we have taken a meticulous approach this year to reevaluate our efficiencies and strategic planning – with a flexibility to adapt – and we saw great improvements so far; and we will continue to do so to respond accordingly."

ABOUT INDUS HOLDINGS, INC

Indus Holdings, Inc. (CSE: INDS; OTCQX: INDXF) is a vertically-integrated cannabis company with advanced production capabilities, including cultivation, extraction,

manufacturing, brand sales & marketing, and distribution. Founded in 2014 and based in Salinas, California, Indus offers services supporting every step of the supply chain and an extensive portfolio of award-winning brands, including Cypress Cannabis, House Weed, The Original Pot Co., MOON, Humble Flower, and Kaizen Medicinals. Indus Distribution, a division of Indus Holdings, Inc., is a leading distributor of cannabis products, servicing an extensive portfolio of brands and licensed retailers.

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Forward-Looking Information and Statements and non-IFRS Financial Measures

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only Indus' beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of Indus' control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved." The forward-looking information and forward-looking statements contained herein may include, but are not limited to, the ability of the Company to successfully achieve business objectives, including the contemplated net revenue for the fourth quarter 2020, that the Company's greenhouse will not experience prolonged suppressed yields resulting from the wildfires in 2020, and expectations for other economic, business, and/or competitive factors. There can be no assurance that such forward-looking information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such forward-looking information. This forward-looking information reflects Indus' current beliefs and is based on information currently available to Indus and on assumptions Indus believes are reasonable.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of

Indus to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; delay or failure to receive board or regulatory approvals; the actual results of future operations; operating and development costs; competition; changes in legislation or regulations affecting Indus; the timing and availability of external financing on acceptable terms; the available funds of Indus and the anticipated use of such funds; delay or inability to complete an acquisition; favorable production levels and outputs; prolonged or more detrimental than anticipated impact on production yields resulting from the wildfires in 2020; the stability of pricing of cannabis products; the level of demand for cannabis product; the availability of third-party service providers and other inputs for Indus' operations; lack of qualified, skilled labor or loss of key individuals; and risks and delays resulting from the COVID-19 pandemic. A description of additional assumptions used to develop such forward-looking information and a description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in Indus' disclosure documents, such as Indus' annual information form filed on the SEDAR website at www.sedar.com. Although Indus has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Forward-looking information contained in this news release is expressly qualified by this cautionary statement.

This press release includes non-IFRS financial measures, specifically adjusted EBITDA, which is not a measure of financial performance under IFRS and should not be considered superior to, as a substitute for or as an alternative to, and should only be considered in conjunction with IFRS financial measures.

The forward-looking information contained in this news release represents the expectations of Indus as of the date of this news release and, accordingly, is subject to change after such date. However, Indus expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law. Neither the Canadian Securities Exchange nor its Regulation Service Provider has reviewed, or accepts responsibility for the adequacy or accuracy of, the content of this news release.

INDUS HOLDINGS, INC.

Source: Indus Holdings, Inc.