FinCanna Capital – The Only Publicly Traded, Royalty-Focused Company for the Licensed U.S. Cannabis Industry Provides Corporate Update

written by Raj Shah | March 2, 2021

March 2, 2021 (Source) – ***Royalty Model Provides Access to Early Stage Licenced U.S. Cannabis Companies and Leverage to High-Margin Revenues***

FinCanna Capital Corp. ("**FinCanna**" or the "**Company**") (CSE:CALI), a royalty company for the licensed U.S. cannabis industry, is pleased to provide a corporate update further to its recently announced upsized financing of $2 million.

As referenced in recent corporate communications regarding its investee companies, FinCanna is positioned to generate an ongoing royalty income stream from these investments as they continue to scale their operations throughout 2021. A summary of the Company's past news releases and information regarding FinCanna's portfolio companies can be found at www.fincannacapital.com

Andriyko Herchak, CEO of FinCanna Capital stated, "As the only publicly traded, royalty-focused company for the licensed U.S. cannabis industry, we have commenced and are uniquely positioned to generate high margin revenue in perpetuity from our fast-growing private U.S. based investee companies. These investments

have taken patience, however, as these businesses continue to expand their customer base, our shareholders stand to benefit from the low cost, high margin structure of our royalty model. Like many investors, we are bullish on the U.S. cannabis sector as a whole and look forward to sharing our progress over the coming weeks and months."

The FinCanna Royalty Model

FinCanna invests permanent and secured capital in early-stage private businesses in the licensed U.S. cannabis sector for a percentage of both their topline revenue and economic interest in a sale of the business. The model, while providing a number of benefits to its investees, is also highly attractive to FinCanna shareholders:

- Focused on the licensed U.S. Cannabis industry, the largest cannabis market in the world
- Provides access to synergistic early-stage licensed U.S. cannabis companies, across multiple sectors resulting in leverage to high-margin revenue to FinCanna
- Designed to be profitable based on its low operating overhead and high-margin revenue model

The Democratic victory in the recent US election is widely perceived as an endorsement for the legalization of cannabis nationally which in turn has triggered what is being referred to as the "new green rush". Fueled by strong consumer demand, annual legal cannabis sales are projected to grow at a compound annual growth rate (CAGR) of 21%, to reach more than $41 billion by 2025. (New Frontier Data)

This rapid market growth has attracted significant increased interest from the financial sector as evidenced by the influx of capital into the space. Investment opportunities are proliferating as cannabis businesses position themselves to attract new capital from investors as this market momentum

accelerates. As noted in a recent article from BNN Bloomberg, U.S. cannabis companies netted more than US$975 million in new equity raises in the first two weeks of 2021.

The increased participation from investors in the sector has also been reflected in increased valuations of publicly listed U.S. focused cannabis companies as registered on the US Marijuana Index that has recorded a year to date gain of ~55%.

About FinCanna Capital Corp.

FinCanna is a royalty company that provides growth capital to rapidly emerging private companies operating in the licensed U.S cannabis industry. The Company earns its revenue from royalties paid by its investee companies that are calculated based on a percentage of their total revenues.

FinCanna's scalable royalty model provides an attractive alternative or complement to debt or equity financing for its investee companies. FinCanna is focused on delivering high impact returns to its shareholders by way of a strategically diversified investment portfolio.

For additional information visit www.fincannacapital.com

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Information set forth in this news release may involve forward-looking statements under applicable securities laws. Forward-

looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation, statements about how the developing U.S. legal regime will impact the cannabis industry, including any possible future changes to U.S. laws , regulations or policies that may follow from the changes in government resulting from the U.S. election, statements about FinCanna's ability to source suitable projects, FinCanna's ability to fund and source future projects, FinCanna's ability to earn and realize revenues from its investee companies, and statements about FinCanna's ability to generate revenues and operating profits and the timing thereof.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the risks identified in FinCanna's Annual Information Form and Management's discussion and analysis available in FinCanna's profile at www.sedar.com. and other reports and filings with the applicable Canadian securities regulators. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the respective companies undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by

applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking statements. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.