

XS Financial Highlights Precision Extraction Solutions, an OEM Partner Within the Preferred Vendor Program

LOS ANGELES--(BUSINESS WIRE)--July 7, 2020--**XS Financial Inc. ("XS Financial", "XS" or the "Company") (CSE: XSF) (OTCQB: XSHLF)** a specialty finance company engaged in equipment leasing in the United States, is pleased to provide an update on original equipment manufacturers ("**OEM**"), within its Preferred Vendor Program.

Nic Shafer, VP of Marketing at Precision Extraction Solutions commented, "As cannabis legalization continues to sweep the nation, we have found a lot of our customers are scaling up their operations. With over 70% of our clients seeking financing options for their extraction facilities, we are excited to partner with XS Financial to help our clients get the financing they need to get their operations up and running quickly."

OEM Highlights:

Precision Extraction Solutions ("Precision Extraction") is committed to evolve the science of extraction equipment and technology by developing the most desired and sought-after extraction equipment, technology, and specialty equipment on the market. There is no such thing as a truly "turnkey" one-size fits all solution for cannabis processing. Each laboratory has its own unique limitations and even geographical implications that must be properly considered. The key principal that sets Precision Extraction apart from competitors is the ability to appropriately identify these key design parameters and effectively design the correct end-to-end solution to meet the individual customer needs.

- Utilize design, engineering, and manufacturing expertise to ensure that all products are safe, high-quality, reliable and refined.
- Committed to provide customers with the highest quality extraction equipment, technology, customer service, and tech support so that their business can thrive in the fast-paced cannabis industry.
- The number one provider of extraction equipment and technology – Precision Extraction's goal is to help customers thrive in the extraction industry, hence why more award-winning concentrates are made with Precision® than any other brand!

To learn more about Precision Extraction, please visit their website at www.precisionextraction.com

Preferred Vendor Program

XS established its Preferred Vendor program to partner directly with the OEMs. The Company's in-house technical team assesses the OEMs service agreements, type, and duration of warranty coverage, and ensures that frequently replaced parts are readily available. This allows XS to get comfortable with the manufacturers serving the industry and how they operate, which in turn, mitigates technology risk. Additionally, these programs create a robust sales channel that supports the core business, while allowing OEM's to offer turn-key leasing solutions for their end-use customers. XS currently has over 95+ Preferred Vendors within its program.

As access to capital has remained challenging and limited, cannabis and hemp companies seek flexibility in acquiring the necessary capital to achieve their growth initiatives. These partnerships allow XS to offer tailor-made solutions to its customers, while providing OEM partners with seamless, leasing solutions for their customers at the point of sale.

About XS Financial

Founded in 2017, XS specializes in providing equipment leasing solutions in the United States to owner/operators of cannabis and hemp companies, including cultivators, oil processors, manufacturers, testing laboratories, among others. In addition, XS provides a full range of consulting services including equipment selection and procurement, through its network of preferred vendor partnerships with original equipment manufacturers and equipment distributors. This powerful dynamic provides an end-to-end solution for customers, which results in recurring revenues, strong profit margins, and a proven business model for XS stakeholders.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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