

## **XS FINANCIAL PROVIDES A \$15 MILLION CAPEX LEASE FACILITY TO GREEN DRAGON / EAZE**

**LOS ANGELES, CA, July 25, 2022 – XS Financial Inc. ("XS Financial", "XSF" or the "Company") (CSE: XSF) (OTCQB: XSHLF)**, a specialty finance company providing CAPEX and equipment financing solutions to cannabis companies in the United States, announced today that it has entered into a new lease agreement with Green Dragon / Eaze, a vertically integrated multi-state operator and Eaze, the nation's largest cannabis delivery marketplace. All amounts are in U.S. dollars.

Green Dragon / Eaze has been approved for a \$15M CAPEX lease facility, with an immediate drawdown of over \$2M to purchase equipment with up to 60-month terms. This equipment acquisition will enhance the capabilities of existing processing facilities and buildouts for their Colorado and Florida expansion.

**Trey Handley, CFO of Green Dragon / Eaze commented:** "The team at XS Financial has been great to work with from underwriting to funding. The XS facility allows us to draw on CAPEX funds, as needed, for our expansion in Florida and Colorado without incurring any unused line fees. Additionally, with their sale-leaseback program, we could unlock existing investments on previously purchased equipment. Having access to non-dilutive financing is a huge win for our shareholders.

**David Kivitz, CEO of XS Financial commented:** "We're thrilled to add Green Dragon / Eaze to the XS platform. This CAPEX financing will support Green Dragon's rapid expansion in Florida and its leading position in the Colorado market. XS continues to add to its growing list of top-tier multi-state and single-state operators using our flexible, non-dilutive CAPEX financing solutions."

### **About Eaze**

Eaze delivers good with the goods. As the nation's largest legal cannabis marketplace, we bring enjoyment and convenience to our customers, break down barriers to access, and cultivate community in everything we do. With over 7.8 million cannabis deliveries to date, we are committed to creating a more diverse and sustainable industry through our Momentum business accelerator and Social Equity Partners Program. Learn more at [eaze.com](https://eaze.com).

### **About Green Dragon**

Established in 2009, Green Dragon is one of the nation's longest operating and privately owned vertical cannabis companies with operations currently in Colorado and Florida. Throughout its history, Green Dragon has had extensive experience in both the medical and recreational cannabis markets and is well-positioned to expand its retail footprint across the country. Innovation propels Green Dragon, from its customer-centric retail model to its strategic acquisition plan and robust supply chain, which features over half a million square feet of cultivation and product manufacturing facilities.

### **About XS Financial**

Founded in 2017, XS Financial specializes in providing CAPEX financing solutions to cannabis companies in the United States, including cultivators, processors, manufacturers, and testing laboratories. In addition, XSF has partnered with over 250 original equipment manufacturers (OEM) through its network of Preferred Vendor partnerships. 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 XSF stakeholders. The Company's subordinate voting shares are traded on the Canadian Securities Exchange under the symbol "XSF". For more information, visit: [www.xsfinancial.com](https://www.xsfinancial.com).

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### **Forward-Looking Information**

This press release contains "forward-looking information" and may also contain statements that may constitute "forward-looking statements", collectively "forward-looking information", within the meaning of applicable Canadian securities legislation. Such forward-looking information is not representative of historical facts or information or current condition, but instead represent the beliefs and expectations regarding future events about the business and the industry and markets in which XS Financial operates, as well as plans or objectives of management, many of which, by their nature, are inherently uncertain. Generally, such forward-looking information can be identified by the use of 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". Forward-looking information contained herein may include but is not limited to, any additional leasing opportunities and the ability to capitalize on such and the timing thereof. Forward-looking information is not a guarantee of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Accordingly, readers should not place undue reliance on forward-looking information, which are qualified in their entirety by this cautionary statement. XS Financial Inc., does not undertake any obligation to release publicly any revisions for updating any voluntary forward-looking information, except as required by applicable securities law.

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