

FinCanna Portfolio Company QVI Inc. Receives California Cannabis Distribution License

written by Raj Shah | April 23, 2020



April 23, 2020 ([Source](#)) – FinCanna Capital Corp. (“**FinCanna**”) (CSE:CALI)(OTCQB:FNNZF) a royalty company for the U.S. licensed cannabis industry is pleased to announce that its portfolio company, QVI Inc., a cannabis-infused product

manufacturer located in Sonoma County, California and doing business as “The Galley”, has been issued its Distribution Type 11 license by the California Bureau of Cannabis Control.

The Type 11 Distribution license is an important addition to QVI receiving its Manufacturing license [announced last week](#), as it positions the facility to deliver a full spectrum of licensed services further supporting the QVI value proposition as a “one-stop shop” for both in and out-of-state brands. The Type 11 License authorizes the transporting of cannabis goods between licensees including delivery to retail outlets, arranging for testing of cannabis goods and conducting the quality assurance review of cannabis goods to ensure compliance with all packaging and labeling requirements.

The Galley facility is built to FDA and CDPH standards and is focused on high demand areas of production; Edibles, Topicals, Tinctures, Chocolates, Hard Candies, Gummies, Beverages, Vapes, Pre-Rolls and Flower Packaging.

Annie Holman Co-Founder of QVI said, “This Distribution license

allows us to deliver additional important services to our clients, greatly simplifying their transport and logistics requirements allowing them to focus on what they do best which is to build great brands. We are currently onboarding new co-manufacturing clients at our state-of-the-art facility and are pleased to now provide all distribution related services in becoming a true “one-stop” service provider.

“The acquisition of the Distribution license is another important accomplishment for QVI as they have now, under one roof, connected the licensed supply chain from cultivator to retailer. This end-to-end capability further enhances their value proposition to cannabis brands looking to scale their business,” said Andriyko Herchak, CEO of FinCanna Capital. “QVI’s superior competitive positioning supports long-term growth as they continue to build on the strong demand for their services they are currently experiencing.”

QVI expects to be shipping finished products from its 8,300 square foot state-of-the-art co-manufacturing facility to the market within the next three to five weeks.

Under the Royalty Agreement, FinCanna will receive a tiered corporate royalty, adjusted based on revenues, ranging from 15% to 6% of QVI’s total revenues, with the top royalty rate of 15% on the first US\$20 million of annual sales until cumulative royalties to FinCanna of US\$10 million are achieved. In addition, FinCanna is entitled to earn a Supplemental Payment, when coupled with the royalty, will now ensure FinCanna receives a minimum of 35% of the annual after-tax net income from QVI. The supplemental payment will accrue annually and be paid out upon certain triggering events, including a change of control, an initial public offering or certain other specified events of QVI.

About QVI

QVI, which stands for Quality, Value and Integrity, is located in Sonoma County, California. Their purpose-built facility known as The Galley is differentiated from other contract manufacturers by its automated capabilities to produce virtually all high-value cannabis products at large volumes under one roof. The facility is built to FDA and CDPH standards and is focused on high demand areas of production; Edibles, Topicals, Tinctures, Chocolates, Hard Candies, Gummies, Beverages, Vapes, Pre-Rolls and Flower Packaging.

QVI's immediate goal is to become the premier contract manufacturer in California, the largest single market in North America and, upon success, to license products nationally and globally.

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 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 and FinCanna's profile at www.sedar.com

FinCanna Capital Corp.

Andriyko Herchak, CEO & Director

Forward-Looking Information

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 the market for, and effectiveness of, QVI products or services, the ability of QVI to commence and expand operations and generate sales, revenues profits and positive cashflows, the results of operations of QVI and the timing thereof, QVI’s client lists, FinCanna’s ability to fund and source future projects, and FinCanna’s ability to earn and realize revenues from its investee companies. 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 the CSE listing statement available 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 undertake 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.