FOUNDERS ADVANTAGE RELEASES 2019 Q4 AND ANNUAL RESULTS; SUBSIDIAIRES REPORT RECORD 2019 ADJUSTED EBITDA

Calgary, Alberta – April 23, 2020 – Founders Advantage Capital Corp. (TSX-V: FCF) ("FAC" or the "Corporation") is pleased to report its financial results for the three months and year ended December 31, 2019 ("Q4-2019" and "annual", respectively). For complete information, readers should refer to the audited consolidated financial statements and management discussion and analysis which are available on SEDAR at www.sedar.com and on the Corporation's website at www.advantagecapital.ca. All amounts are presented in Canadian dollars unless otherwise stated.

Our subsidiaries are referred to herein as Dominion Lending Centres Limited Partnership ("DLC"), Club16 Limited Partnership operating as Club16 Trevor Linden Fitness ("Club16"), and Cape Communications International Inc. operating as Impact Radio Accessories ("Impact").

Highlights

- Revenues of $22.9 million for Q4-2019 and $90.3 million for the year ended December 31, 2019, representing a 11.1% and 13.2% increase compared to 2018, respectively;
- Consolidated Adjusted EBITDA from continuing operations of $8.3 million for Q4-2019 and $34.7 million for the year ended December 31, 2019, representing a 32.2% and 30.0% increase compared to 2018, respectively;
- DLC Adjusted EBITDA of $6.6 million for Q4-2019 and $21.1 million for the year ended December 31, 2019, representing a 42.0% and 6.3% increase compared to 2018, respectively;
- Proportionate share of Adjusted EBITDA of $5.2 million for Q4-2019 and $21.5 million for the year ended December 31, 2019, increasing by 27.9% and 23.1% compared to 2018, respectively;
- Income from operations of $5.0 million for Q4-2019 and $19.2 million for the year ended December 31, 2019, increasing from $3.5 million and $12.6 million in 2018, respectively;
- Continuing operations contributed net income of $1.3 million and $2.5 million for Q4-2019 and for the year ended December 31, 2019, respectively, compared to a loss of $2.7 million and $13.1 million in 2018, respectively;
- Adjusted net losses attributable to shareholders of $0.1 million for Q4-2019 and $1.5 million for the year ended December 31, 2019, compared to losses of $1.4 million and $1.1 million in 2018, respectively;
- The Corporation recognized $0.9 of restructuring costs for the year ended December 31, 2019, with respect to legal costs, severance and other related costs in connection with the management changes and restructuring which occurred in early 2019;
- The Corporation made $1.0 million in principal repayments at par from excess cash flow on its corporate credit facility during the year ended December 31, 2019.
- The Corporation completed the sale of its 50% interest in Astley Gilbert Limited ("AG") on September 30, 2019, for aggregate gross proceeds of $17.0 million;
- Subsequent to year end, on February 20, 2020, DLC principals Gary Mauris and Chris Kayat entered into agreements to acquire an additional 5,305,529 class "A" common shares of the Corporation in a private transaction for aggregate gross proceeds of approximately $9.29 million (or $1.75 per share);
- On February 26, 2020, the Corporation made an additional principal repayment to its corporate credit facility at par from excess cash flow in the amount of $0.8 million;
- On March 17, 2020, Club16 temporarily closed its fitness centres in an effort to reduce the spread of COVID-19 and to ensure the health and safe of its members and staff; and
- On March 24, 2020, the Corporation unwound its forward agreement to purchase $15 million USD in June 2022, in exchange for net cash proceeds of $1.47 million CAD.

James Bell, President and CEO, commented, "We are proud of all of our subsidiaries' accomplishments in 2019, specifically, achieving record Adjusted EBITDA during the fiscal period. DLC achieved another strong fiscal year with record Adjusted EBITDA of $21.1 million and record funded volumes of over $40 billion in 2019. Club16 continued to benefit from its strategic expansion plans as both the newly built Tsawwassen and Langley fitness club locations helped drive growth in 2019 with record Adjusted EBITDA of $11.0 million. And last, Impact benefited from a material large order in late 2018 that was partially fulfilled in 2019, which led to record Adjusted EBITDA of $4.8 million in fiscal 2019. As a result of our continued efforts to reduce costs at head office and our portfolio companies' strong performance in 2019, the Corporation repaid $1.0 million in debt from excess cash flow."

Selected Consolidated Financial Highlights:

On September 30, 2019, the Corporation sold its 50% interest in AG. As a result of this sale transaction, our results are presented with the financial results of AG segregated in the statement of income as discontinued operations. In accordance with IFRS, our comparative results also reflect the segregation of AG as a discontinued operation. For the period ending December 31, 2019, the net assets of AG have been removed from the statement of financial position. The statement of financial position for December 31, 2018 is not restated.

	Three months ended		Year ended	
(in thousands except per share amounts)	**Dec. 31, 2019**	Dec. 31, 2018	**Dec. 31, 2019**	Dec. 31, 2018
Revenues	**$ 22,895**	$ 20,614	**$ 90,322**	$ 79,816
Income from operations	**4,957**	3,548	**19,181**	12,551
Adjusted EBITDA (1)	**8,315**	6,288	**34,660**	26,668
Adjusted EBITDA attributable to: (1)				
Shareholders	**4,604**	3,466	**19,273**	14,256
Non-controlling interests	**3,711**	2,822	**15,387**	12,412
Adjusted EBITDA margin (1)	**36%**	31%	**38%**	33%
Proportionate share of investee Adjusted EBITDA (1)	**5,247**	4,103	**21,506**	17,464
Free cash flow (1)	**1,167**	864	**4,214**	2,833
Net income (loss)	**1,321**	(8,792)	**(4,411)**	(20,377)
Net income (loss) from continuing operations	**1,321**	(2,687)	**2,468**	(13,120)
Net loss from discontinued operations	**-**	(6,105)	**(6,879)**	(7,257)
Net (loss) income attributable to:				
Shareholders	**170**	(6,715)	**(6,747)**	(21,062)
Non-controlling interests	**1,151**	(2,077)	**2,336**	685
Adjusted net income (loss) (1)	**1,193**	(297)	**4,805**	4,739
Adjusted net (loss) income attributable to: (1)				
Shareholders	**(60)**	(1,401)	**(1,470)**	(1,080)
Non-controlling interests	**1,253**	1,104	**6,275**	5,819
Diluted loss per share	**-**	(0.18)	**(0.18)**	(0.55)
Adjusted loss per share (1)	**-**	(0.04)	**(0.04)**	(0.03)
Dividend declared per share	**-**	0.0125	**-**	0.0375

(1) Please see the Non-IFRS Financial Performance Measures section of this document for additional information.

2019 Annual Highlights

Adjusted EBITDA increased $8.0 million or 30% compared to the year ended December 31, 2018. Adjusted EBITDA increased on the adoption of IFRS 16. Pursuant to the new accounting standard, $4.7 million of lease payments previously recognized as rent expense are now reflected as $4.0 million of depreciation expense and $2.3 million of interest expense in the year ended December 31, 2019. In addition, DLC's Adjusted EBITDA increased $1.1 million largely due to higher funded mortgage volumes, Club16's increased $0.7 million due to higher Club16 revenue from recent club openings and expansions, and Impact's Adjusted EBITDA increased $0.7 million primarily due to higher revenues. In addition, there was an increase in Corporate Adjusted EBITDA of $0.8 million due to lower general and administrative costs.

Adjusted net income for the year ended December 31, 2019, remained relatively consistent to the same period in the previous year.

Q4-2019 Highlights

Adjusted EBITDA increased $2.0 million compared to the three months ended December 31, 2018. Adjusted EBITDA increased on the adoption of IFRS 16. Pursuant to the new accounting standard, $1.2 million of lease payments previously recognized as rent expense are now reflected as $1.1 million of depreciation expense and $0.8 million of interest expense in the three months ended December 31, 2019. In addition, the DLC segment's Adjusted EBITDA increased $1.9 million due to an increase of revenue in the segment. This is partly offset by a decrease in the Impact segment Adjusted EBITDA of $1.0 million due to decreased revenues and a decrease in Club16 segment Adjusted EBITDA of $0.1 million due to higher general and administrative expenses, respectively.

Adjusted net income for the three months ended December 31, 2019 increased $1.5 million compared to the same period in the previous year with increased income from operations.

Selected Segmented Financial Highlights:

We discuss the results of the corporate head office and three reportable segments as presented in our December 31, 2019 annual financial statements: DLC, Club16, and Impact. Prior to December 31, 2019, the three reportable segments were referred to as: Franchise, Consumer Products and Services and Business Products and Services, respectively.

	Three months ended		Year ended	
(in thousands)	**Dec. 31, 2019**	Dec. 31, 2018	**Dec. 31, 2019**	Dec. 31, 2018
Adjusted EBITDA (1)				
DLC	**$ 6,602**	$ 4,648	**$ 21,089**	$ 19,836
Club16	**1,973**	944	**11,049**	6,089
Impact	**383**	1,333	**4,755**	3,951
Corporate and consolidated	**(643)**	(637)	**(2,233)**	(3,208)
Total Adjusted EBITDA (1)	**8,315**	6,288	**34,660**	26,668
Proportionate share of investee Adjusted EBITDA (1)				
DLC	**3,865**	2,843	**12,404**	11,756
Club16	**1,183**	566	**6,629**	3,653
Impact	**199**	694	**2,473**	2,055
Total Proportionate share of investee Adjusted EBITDA (1)	**$ 5,247**	4,103	**$ 21,506**	$ 17,464

(1) Please see the Non-IFRS Financial Performance Measures section of this document for additional information.

Response to COVID-19
The Corporation expects that COVID-19 will have a material impact on our subsidiary partners, DLC, Club16 and Impact.

Management has undertaken a wide range of initiatives to improve the financial flexibility of the Corporation and its subsidiaries. To improve overall liquidity at head office, management has deferred compensation, unwound its foreign currency exchange forward agreement in exchange for net proceeds of CAD$1.47 million as well as extending payment terms with its various vendor partners. At the subsidiary level: principal payments on term debt have been postponed for three to six months for Club16 and DLC; non-essential expenditures have been deferred; staff have temporarily been reduced at Club16 and Impact; Club16 has increased its credit line by $1.5 million; and Club16 has entered into negotiations with landlords to arrange rent abatements or deferrals. In addition, management is working closely with its subsidiaries to maximize the current government subsidies (including the wage subsidy) available in response to COVID-19.

About Founders Advantage Capital Corp.

The Corporation is listed on the TSX Venture Exchange as an Investment Issuer (Tier 1) and employs a permanent investment approach.

The Corporation's common shares are listed on the TSX Venture Exchange under the symbol "FCF".

For further information, please refer to the Corporation's website at www.advantagecapital.ca.

Contact information for the Corporation is as follows:

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Non-IFRS Financial Performance Measures

Management presents certain non-IFRS financial performance measures which we use as supplemental indicators of our operating performance. Non-IFRS financial performance measures include EBITDA and Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDA attributed to shareholders and NCI, Proportionate share of investee Adjusted EBITDA, Adjusted net income, Adjusted earnings per share, and free cash flow. Readers are cautioned that these non-IFRS measures should not be construed as a substitute or an alternative to applicable generally accepted accounting principle measures as determined in accordance with IFRS. Please see the Corporation's MD&A for a description these measures and a reconciliation of these measures to their nearest IFRS measure.

Cautionary Note Regarding Forward-looking Information

Certain statements in this document constitute forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "anticipate," "believe," "estimate," "will," "expect," "plan," "intend," or similar words suggesting future outcomes or an outlook. Forward-looking information in this document includes, but is not limited to:

- the impact of the ongoing COVID-19 pandemic and its affect on the operations of the Corporation and its subsidiaries.

Such forward-looking information is based on a number of assumptions which may prove to be incorrect. Assumptions have been made with respect to the following matters, in addition to any other assumptions identified in this news release:

- the impacts of COVID-19 on the Corporation and its subsidiaries will be consistent with the Corporations expectations and the expectations of management of each of its subsidiaries both in extent and duration;
- the Canadian and U.S. economies will begin to recover from the ongoing economic downturn created by COVID-19 within the next twelve months;
- the Corporation and its subsidiaries affected by COVID-19 will recover from the pandemic's impacts and return to historical (pre-COVID-19) operating environments;
- management's ability to adjust cost structures at the Corporation and its subsidiaries to improve liquidity and cash flow; and
- the Corporations three subsidiaries will continue to perform as expected.

Such forward-looking information is necessarily based on many estimates and assumptions, including material estimates and assumptions, related to the factors identified below that, while considered reasonable by the Corporation as at the date hereof considering management's experience and perception of current conditions and expected developments, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, changes in taxes; increased operating, general and administrative, and other costs; changes in interest rates; general business, economic and market conditions; our ability to obtain services and personnel in a timely manner and at an acceptable cost to carry out our activities; DLC's ability to maintain its existing number of franchisees and add additional franchisees; changes in Canadian mortgage lending and mortgage brokerage laws; material decreases in the aggregate Canadian mortgage lending business; changes in the fees paid for mortgage brokerage services in Canada; changes in the regulatory framework for the Canadian housing sector; demand for DLC, Club16, and Impact's products remaining consistent with historical demand; our ability to realize the expected benefits of the DLC, Club16, and Impact transactions; our ability to generate sufficient cash flow from investees to meet current and future commitments and obligations; the uncertainty of estimates and projections relating to future revenue, taxes, costs and expenses; changes in, or in the interpretation of, laws, regulations or policies; the outcome of existing and potential lawsuits, regulatory actions, audits and assessments; and other risks and uncertainties described elsewhere in this document and in our other filings with Canadian securities authorities.

Many of these uncertainties and contingencies can affect our actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, us. Readers are cautioned that forward-looking statements are not guarantees of future performance. All forward-looking statements made in this press release are qualified by these cautionary statements. The foregoing list of risks is not exhaustive. For more information relating to risks, see the risk factors identified in our 2019 Annual Report. The forward-looking information contained in this document is made as of the date hereof and, except as required by applicable securities laws, we undertake no obligation to update publicly or revise any forward-looking statements or information, whether because of new information, future events or otherwise