



**Third Quarter 2023
Investor Presentation**

November 8, 2023

Forward-Looking Statements



Some of the statements contained in this presentation constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and we intend such statements to be covered by the safe harbor provisions contained therein. The information contained in this section should be read in conjunction with our financial statements and notes thereto appearing elsewhere in our quarterly report on Form 10-Q for the quarter ended September 30, 2023. This description contains forward-looking statements that involve risks and uncertainties. We use words such as “anticipate,” “believe,” “project,” “expect,” “intends,” “will,” “should,” “may” and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words.

Actual results could differ significantly from the results discussed in the forward-looking statements due to the factors set forth in “Risk Factors” in our quarterly report on Form 10-Q for the quarter ended September 30, 2023. In addition, some of the statements in this presentation constitute forward-looking statements, which relate to future events or the future performance or financial condition of AFC Gamma, Inc. (“AFCG” and the “Company,” “we,” “us” and “our”). The forward-looking statements contained in this presentation involve a number of risks and uncertainties, including statements concerning: our business and investment strategy; our projected operating results including our projections for distributable earnings, originations and repayments; the estimated growth in and evolving market dynamics of the (i) commercial real estate and (ii) cannabis markets; the impact of economic conditions on our business and the United States; the ability of our Manager to locate suitable loan opportunities for us, monitor, service and administer our loans and execute our investment strategy; allocation of loan opportunities to us by our Manager; our projected operating results; actions and initiatives of the U.S. or state governments and changes to government policies and the execution and impact of these actions, initiatives and policies, including the fact that cannabis remains illegal under federal law; the state of the United States and Canadian economies generally or in specific geographic regions; the demand for cannabis cultivation and processing facilities; shifts in public opinion regarding cannabis; the state of the U.S. economy generally or in specific geographic regions; economic trends and economic recoveries; the collectability and timing of cash flows, if any, from our loans; our ability to obtain and maintain financing arrangements; our expected leverage; changes in the value of our loans; our expected portfolio of loans; our expected investment and underwriting process; rates of default or decreased recovery rates on our loans; the degree to which our hedging strategies may or may not protect us from interest rate volatility; changes in interest rates of our loans and impacts of such changes on our results of operations, cash flows and the market value of our loans; interest rate mismatches between our loans and our borrowings used to fund such loans; the departure of any of the executive officers or key personnel supporting and assisting us from our Manager or its affiliates; impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters; our ability to maintain our exemption from registration under the Investment Company Act of 1940 (the “1940 Act”); our ability to qualify and maintain our qualification as a real estate investment trust (“REIT”) for United States federal income tax purposes; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; market trends in our industry, interest rates, real estate values, the securities markets or the general economy.

We have based the forward-looking statements included in this presentation on information available to us on the date of this presentation, and we assume no obligation to update any such forward-looking statements. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any additional disclosures that we may make through reports that we have filed or in the future may file with the SEC, including annual reports on Form 10-K, registration statements on Form S-11, quarterly reports on Form 10-Q and current reports on Form 8-K.

Legal Disclaimers



Important Notices

This presentation is by AFC Gamma, Inc. (“AFCG” or the “Company”), a publicly traded company that has elected to be taxed as a REIT for federal income tax purposes and is being furnished in connection with AFCG’s financial results. This presentation is provided for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy, any security or instrument. AFCG is not a registered investment adviser. AFCG is managed by AFC Management, LLC (“AFCM”), a registered investment adviser. This presentation is not a communication by AFCM and is not designed to maintain any existing AFCM client or investor or solicit new AFCM clients or investors.

We routinely post important information for investors on our website, www.afcgamma.com. We intend to use this webpage as a means of disclosing material information, for complying with our disclosure obligations under Regulation FD and to post and update investor presentations and similar materials on a regular basis. AFCG encourages investors, analysts, the media and others interested in AFCG to monitor the Investors section of our website, in addition to following our press releases, SEC filings, public conference calls, presentations, webcasts and other information we post from time to time on our website. To sign-up for email-notifications, please visit the “Email Alerts” section of our website under the “IR Resources” section and enter the required information to enable notifications. Past performance is no guarantee of future results. There is no guarantee that any investment strategy referenced herein will work under all market conditions. You alone assume the responsibility of evaluating the merits and risks associated with any potential investment or investment strategy referenced herein. The information contained herein is not intended to provide, and should not be relied upon for accounting, legal or tax advice or investment recommendations for AFCG or any of its affiliates. Certain information contained in the presentation discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Distributable Earnings to evaluate our performance excluding the effects of certain transactions and certain GAAP adjustments that we believe are not necessarily indicative of our current loan activity and operations. We believe the non-GAAP financial measures are useful for management, investors, analysts, and other interested parties in evaluating our performance but should not be viewed in isolation and are not a substitute for financial measures computed in accordance with GAAP.

The determination of Distributable Earnings is substantially similar to the determination of Core Earnings under our Management Agreement, provided that Core Earnings is a component of the calculation of any Incentive Fees earned under the Management Agreement for the applicable time period, and thus Core Earnings is calculated prior to Incentive Fee expense, while the calculation of Distributable Earnings accounts for any Incentive Fees earned for such time period. We define Distributable Earnings as, for a specified period, the net income (loss) computed in accordance with GAAP, excluding (i) stock-based compensation expense, (ii) depreciation and amortization, (iii) any unrealized gains, losses or other non-cash items recorded in net income (loss) for the period, regardless of whether such items are included in other comprehensive income or loss, or in net income (loss); provided that Distributable Earnings does not exclude, in the case of investments with a deferred interest feature (such as OID, debt instruments with PIK interest and zero coupon securities), accrued income that we have not yet received in cash, (iv) increase (decrease) in provision for current expected credit losses, (v) taxable REIT subsidiary (“TRS”) (income) loss, net of any dividends received from TRS, and (vi) one-time events pursuant to changes in GAAP and certain non-cash charges, in each case after discussions between our Manager and our independent directors and after approval by a majority of such independent directors.

We caution readers that our methodology for calculating Distributable Earnings may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and as a result, our reported Distributable Earnings may not be comparable to similar measures presented by other REITs. We have not provided reconciliations of expected distributable earnings for the future period(s), in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. We are unable, without unreasonable efforts, to forecast certain items required to develop meaningful comparable GAAP financial measures. These items include changes in unrealized gains, non-cash equity compensation expenses and the impact of non-cash adjustments for current expected credit losses that are difficult to predict in order to include in a GAAP estimate.

Please see the section entitled “Reconciliation of Distributable Earnings to GAAP Net Income” in the attached Appendix C for a reconciliation to the most directly comparable GAAP financial measures.

Sections

1. Why AFC Gamma
2. Market Opportunity
3. Corporate Overview
4. Q3 2023 Financial Highlights
5. Appendix

Why AFC Gamma



Backed by its management team's years of collective lending and real estate experience, AFC Gamma is well-positioned in the commercial real estate ("CRE") sector

Institutional Commercial Mortgage REIT

- ✓ Provider of reliable, efficient & flexible solutions across the entire capital stack
- ✓ Extensive, disciplined loan sourcing, underwriting, structuring and portfolio management expertise
- ✓ Current Commitments of \$433 million and Outstanding Principal Balance of \$395 million⁽¹⁾

Experienced, Cycle-Tested Leadership Team

- ✓ Over 50 years of combined lending and investment management experience
- ✓ Experience navigating rapidly evolving markets and underwriting complex credits
- ✓ Management team aligned through significant investment; beneficially own or control over 20% of the Company

Poised to Capitalize on Target Market Opportunity

- ✓ Current rising interest rate environment has created an opportunity in cannabis and commercial real estate lending
- ✓ Less capital available in the marketplace to finance commercial real estate and cannabis projects

Disciplined and Selective Investment Process

- ✓ Rigorous, repeatable and dependable investment process enables us to effectively source, screen and deploy capital at attractive risk-adjusted returns
- ✓ Established method of capital allocation and on-going investment monitoring

Compelling Risk-Adjusted Returns on Investment

- ✓ Attractive supply-demand imbalance created by constrained financing environment
- ✓ Targeting annual gross yields on our portfolio within the range of 12% – 20%
- ✓ Current estimated weighted average yield-to-maturity ("YTM") of ~19%⁽²⁾

Strong Balance Sheet and Valuation

- ✓ Low leverage balance sheet with over \$100 million of accessible liquidity⁽³⁾
- ✓ Raised \$100 million Senior Notes due 2027 with a 5.75% fixed rate in Q4 '21⁽⁴⁾
- ✓ Entered into a \$60 million senior secured revolving credit facility in April 2022, which is currently undrawn⁽⁵⁾
- ✓ Current dividend yield of ~17%⁽⁶⁾

(1) Current Commitments represents the total committed principal value at closing of our outstanding loans. Outstanding Principal Balance represents the current principal value of our outstanding loans, which includes impact from amortizations, repayments and capitalized Payment-in-Kind ("PIK") payments. All current outstanding loans are senior real estate corporate loans to cannabis operators. Figures as of November 3, 2023.

(2) Estimated weighted average YTM on the existing portfolio of senior real estate corporate loans to cannabis operators as of November 3, 2023. See footnote #2 on p. 15 for management assumptions on calculation of YTM.

(3) Includes cash and cash equivalents and availability under our currently undrawn revolving credit facility.

(4) In Q1 2023, the Company repurchased \$10.0 million in principal amount at 77.4% of par value, plus accrued interest. Following this transaction, as of September 30, 2023, the Company had \$90.0 million in principal amount of the 2027 Senior Notes outstanding.

(5) Ability to increase the facility to \$100 million senior secured revolving credit facility is subject to available borrowing base and additional commitments.

(6) Q3 2023 dividend of \$0.48 per share annualized and divided by closing stock price of \$11.14 as of November 3, 2023.

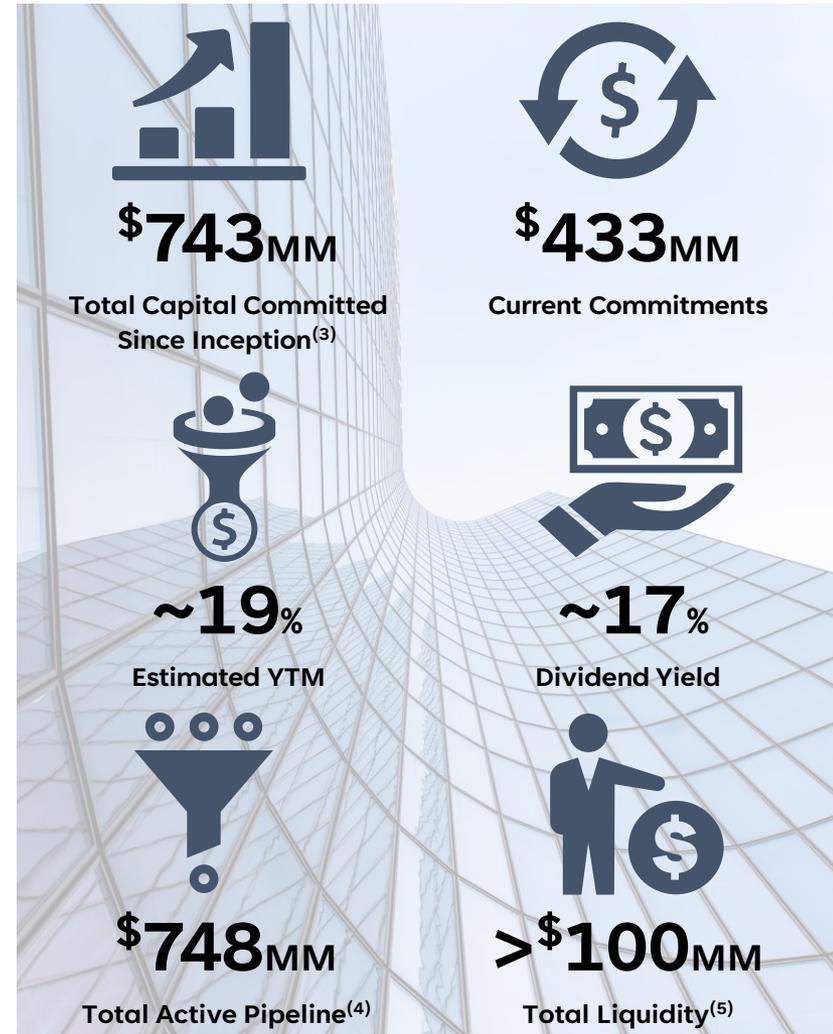
AFC Gamma Company Overview



Institutional Commercial Mortgage REIT (NASDAQ: AFCG)

- AFC Gamma is an institutional lender to the commercial real estate sector, with a specialization in loans backed by real estate collateral, cash flows and licenses to state law compliant cannabis operators
- The management team has collectively structured over \$10 billion in loan transactions and taken four companies public
- Expanded investment guidelines allow the Company to deploy capital in attractive risk-adjusted investments to CRE owners and operators due to the rising interest rate environment and reduced availability of capital in the industry
- Robust investment review process includes market research, management underwriting and in-depth due diligence⁽¹⁾
- We aim to provide attractive risk-adjusted returns through investments with significant collateral, including quality CRE assets, modest loan to cost, purchase and/or value and favorable pricing, driving target average portfolio gross yields of approximately 12% – 20%
- AFCG's BBB+ investment grade rating was affirmed by Egan-Jones in September 2023

Company Highlights⁽²⁾



(1) The diligence we conduct may differ for loans that our manager originates as compared to the loans for which we are a syndicate partner. For prospective loans where we are a syndicate partner, we typically focus our own due diligence efforts on the prospective borrower's financial performance.

(2) All company data as of November 3, 2023.

(3) Includes amounts committed by predecessor entity before AFC Gamma, Inc.

(4) CRE Active Pipeline of \$406MM and Cannabis Active Pipeline of \$342MM equal Total Active Pipeline. Includes potential syndications.

(5) Includes cash and cash equivalents and availability under our currently undrawn revolving credit facility.

Experienced, Cycle-Tested Leadership Team



**Leonard
Tannenbaum, CFA**

Founder, Chief
Investment Officer⁽¹⁾

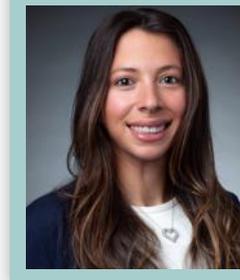
- 25+ years of experience in credit investing
- Founder and former CEO of Fifth Street, a ~\$5 billion credit-focused asset manager



**Dan
Neville**

Chief Executive
Officer⁽¹⁾

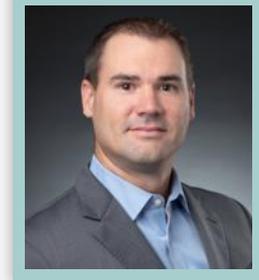
- 15+ years of experience in various finance roles
- Former CFO of Ascend Wellness Holdings, responsible for accounting, finance, M&A activity and deal structuring



**Robyn
Tannenbaum**

Partner, President

- 15+ years of experience in finance and investor relations
- Former Head of Investor Relations at Fifth Street
- Previous experience in healthcare mergers & acquisitions and leveraged finance at CIT Group



**Brandon
Hetzel**

Chief Financial Officer
and Treasurer

- 14+ years of experience primarily in real estate accounting
- Formerly Vice President of Finance for El-Ad National Properties

Leadership's focus on credit quality, risk management and institutional infrastructure has supported investments through multiple economic, real estate and capital markets cycles

⁽¹⁾ Dan Neville will be joining AFC's team as our Chief Executive Officer, effective November 13, 2023. Mr. Tannenbaum is currently serving as our Chief Executive Officer and will be moving into the role of Chief Investment Officer upon the effective date.

Attractive Market Opportunity in CRE

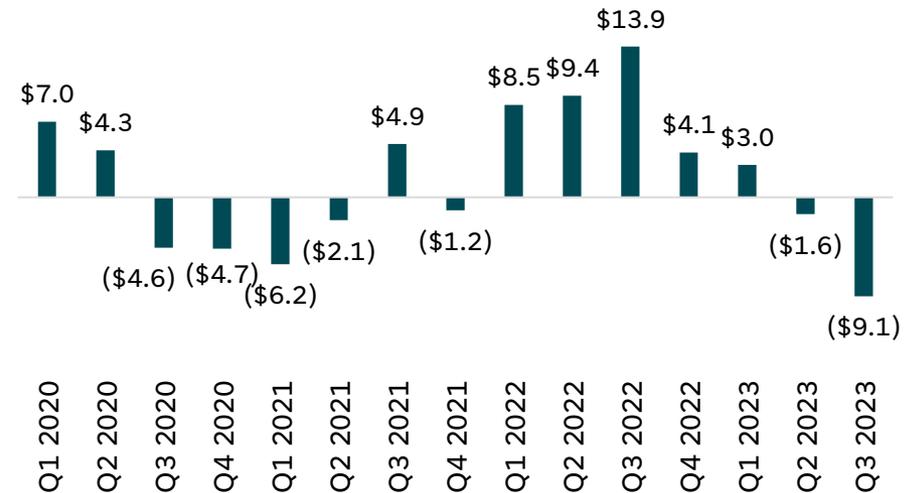


Macroeconomic Environment + State of the CRE Sector...⁽¹⁾

- Real GDP has increased 2.1% in 2023, compared to an increase of 2.1% YoY in 2022, and a bigger increase of 5.9% in 2021⁽²⁾
- The Federal Reserve began to raise the Fed Funds rate in 2022 in addition to reducing its balance sheet
- High inflation, increasing interest rates, volatility and uncertainty coupled with heightened regulatory oversight has resulted in banks reducing their lending activity in CRE loans
- Real estate valuations and deal volume have been negatively impacted by rapidly rising rates⁽³⁾

Net New CRE Loans by Large US Banks⁽⁴⁾

(\$ in billions)



...Has Created an Attractive Market Opportunity

- Traditional lenders have reduced CRE lending activity, creating an opportunity for non-bank specialty finance companies
- Favorable investing environment as loan spreads are wider over benchmarks
- Increase in availability of quality senior floating rate loans
- Characteristics of new originations include reduction of Loan to Value and Purchase Price and/or an increase in cash equity contributions

(1) Sources: Wall Street Journal, "Real-Estate Deal Making Slows as Bank Lending Tumbles" July 2022; Bloomberg, "Biggest US Banks Scale Back on Property Lending as Rates Climb" September 2022.

(2) Source: The Bureau of Economic Analysis, "Gross Domestic Product (Third Estimate), Second Quarter 2023 and Comprehensive Update" September 2023

(3) Source: MSCI, "Prices of US Commercial Property Tumbled in January" February 2023.

(4) Source: Board of Governors of the Federal Reserve System (US), Net new commercial real estate loans of large domestically chartered commercial banks, seasonally adjusted (reason for historical changes to prior investor presentation chart), as of October 25, 2023.

Diversified Cannabis Portfolio Across the United States

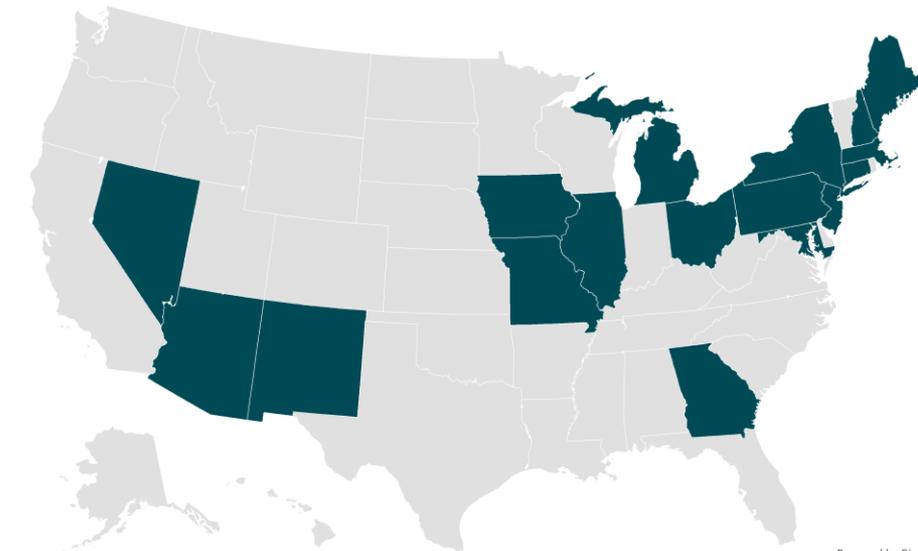


Cannabis is a rapidly expanding market in the United States with a limited supply of institutional capital

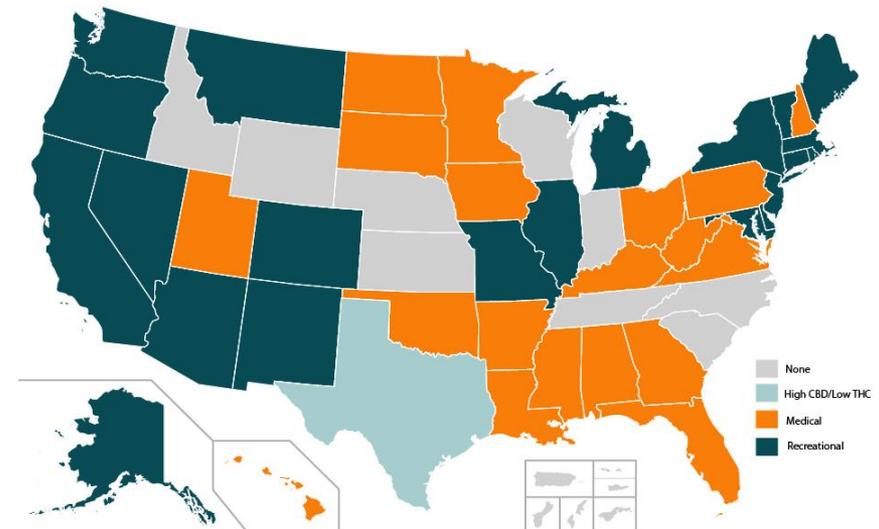
41 states and DC have legalized medical cannabis; of those, 22 states and DC have legalized adult-use cannabis and one state has legalized high-CBD, low-THC with an official medical program⁽¹⁾

As of November 3, 2023, AFCG's loan portfolio included 12 loans to borrowers with significant operations and/or collateral across 17 states

AFCG Portfolio Diversification



Current Legalization by State



(1) Data as of November 1, 2023. The 2018 Farm Bill permits state regulation of the increased cannabidiol ("CBD") and lower tetrahydrocannabinol ("THC") programs.

Poised to Capitalize on Target Market Opportunity



AFC Gamma expanded the Company's strategy to include CRE lending with an aim to take advantage of market opportunities in this environment

AFCG's Competitive Advantages



- ✓ Leadership team's extensive credit and real estate knowledge resulting in discipline capital deployment



- ✓ Timely execution to meet borrower needs



- ✓ Proactive asset management with experienced professionals in-house, including construction expertise



- ✓ Combination of customization and flexibility in structuring loans enables adaption to changing market conditions



- ✓ Well-capitalized with liquidity ready to deploy

Disciplined and Selective Investment Process



AFC Gamma is involved in all key phases of the lending process, with an aim to source loans with high return potential and downside risk protection



1 Origination

AFCG maintains a direct origination platform, which works to create enhanced yields and allows us to put in greater controls for loans that we source and structure. The platform drives increased deal flow, which provides for improved selectivity.



2 Underwriting

AFCG employs a disciplined screening and underwriting process of potential opportunities loans it originates based on criteria including: (i) collateral; (ii) credit metrics; (iii) property-value metrics (cap rate, loan to cost, purchase price and/or value); (iv) local and state environment; (v) sponsor strength; (vi) business plan; (vii) company financial strength; and (viii) regulatory/license value considerations for cannabis specific deals.⁽¹⁾



3 Investment Committee

Our Investment Committee is involved throughout the investment process, focusing on risk management via a comprehensive analysis while providing reliable, efficient and customized solutions to borrowers. Approval from the committee is required for each loan before commitment papers are issued.



4 Ongoing Asset Management

Our investment team works alongside external counsel to negotiate loan documents, with an emphasis on collateral preservation, downside risk protection and covenants. Once the loan is funded, we monitor the loan internally over the investment life cycle retaining important decision-making authority over key items.

⁽¹⁾ Other diligence tools include, but are not limited to appraisals, quality of earnings, environmental reports, site visits, construction review, AML compliance, comparable analysis and background searches. The diligence we conduct differs for loans that AFCG originates as compared to the loans for which we are a syndicate partner.

Rigorous Underwriting Criteria



Borrower & Operations

- Type of operations – industrial, land, retail, condo, office, rental, etc.
- Quality of sponsor – experience, market and property-type expertise, capitalization, financial expertise, etc.
- Tenant analysis – rates, quality, length of contracts, etc.
- Business plan – budget, timeline, exit strategy, etc.
- Brand analysis – owned brands or produce for others (applicable to cannabis)
- Quality control analysis – testing, operational procedures, remediation procedures (applicable to cannabis)

Real Estate & Structure

- Type of real estate – industrial, land, retail, office, multifamily, hotel, life science, etc.
- Geography / location, market, size, construction and suitability of real estate
- Total land and hard/soft costs analysis to determine total basis and estimate replacement costs
- Visual and/or physical site visit to inspect the property, structure and systems in use
- Real estate metrics – Loan to Cost, Loan to Purchase Price and Loan to Value

State-by-State / Local Analysis

- Population statistics in location area
- Local planning and permits
- Legislative / regulatory environment
- Current political climate and probability analysis of legislative changes in each state
- Growing conditions and seasonality (applicable to cannabis)
- License dynamics – number (unlimited, limited) and type (vertical, single) (applicable to cannabis)

Loan Analysis

- Loan size overview – current and pro forma
- Loan economics – interest rate, original issue discount (“OID”), agent fee, servicing fee, exit fees, prepayment penalties, etc.
- Loan security – real estate, guaranty, cash flow, licenses, trademarks, etc.
- Review of the agent and participants in the syndication process
- Risks and mitigants of the loan – credit risk, business risk, structure risk, etc.

Financial Analysis & Metrics

- Capital structure analysis – current and pro forma
- Historical and projected cash flow analysis with financial model
- Covenants such as maximum leverage ratio, debt service coverage ratio, fixed charge coverage ratio, minimum EBITDA and minimum cash
- Selling price and cost per gram of the product (applicable to cannabis)
- Quality of earnings report (applicable to cannabis)

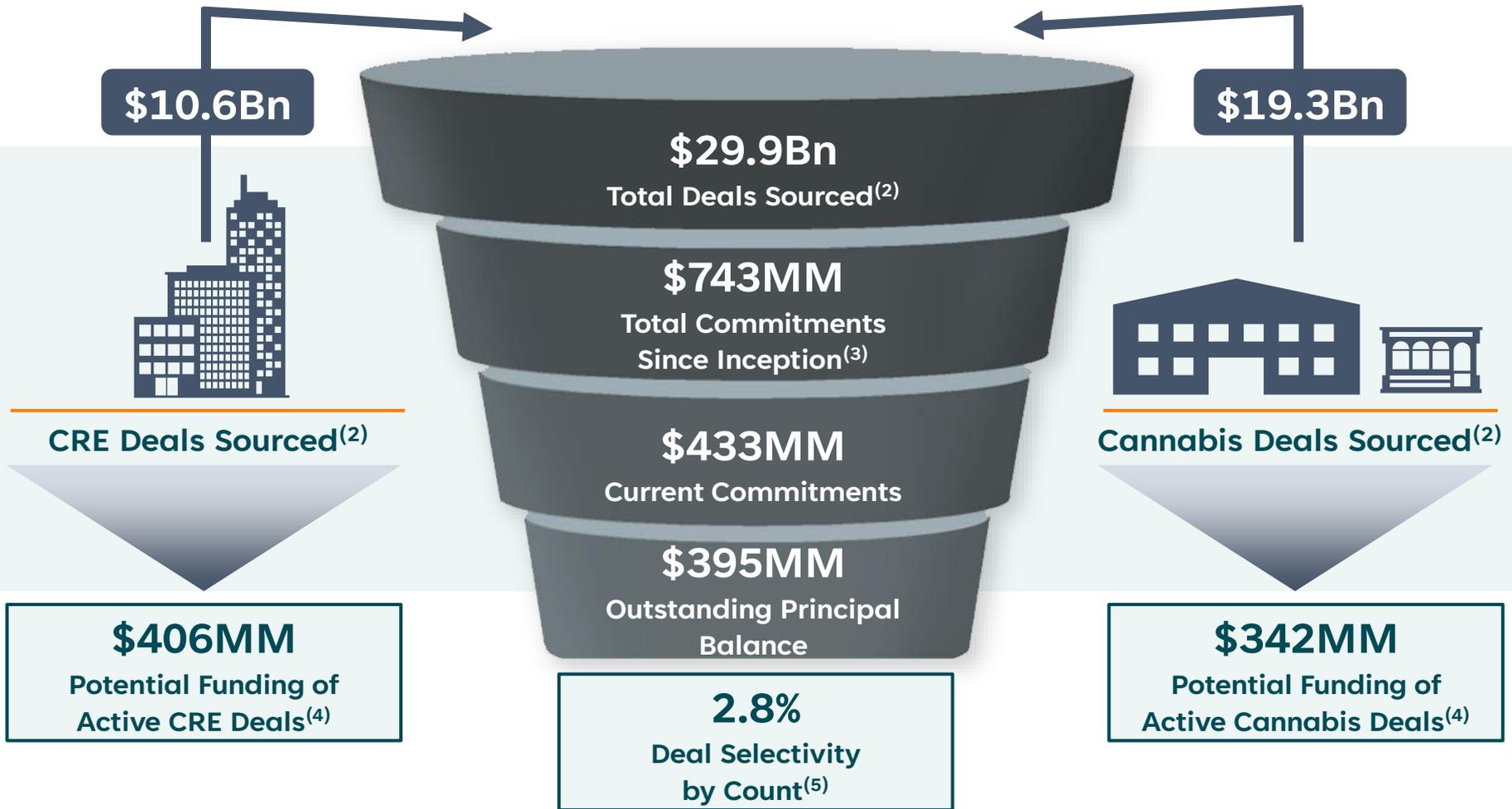
Cannabis License Analysis

- Fully examine the licenses owned in each state
- Review the licenses under application in each state
- Evaluate the ability to be collateralized and transferability of license(s) held by the company
- Analyze the valuation and marketplace for licenses in each state

AFCG Maintains a Strong Deal Funnel and Pipeline⁽¹⁾



Through its direct origination platform, AFC Gamma sources deals via various leads in select jurisdictions, maintaining a robust pipeline of active opportunities



(1) All company data as of November 3, 2023.

(2) Represents cannabis deals from January 1, 2020 and CRE deals from June 1, 2022, while both are through November 3, 2023 sourced by AFCG's manager.

(3) Includes amounts committed by affiliated predecessor entities to AFC Gamma, Inc.

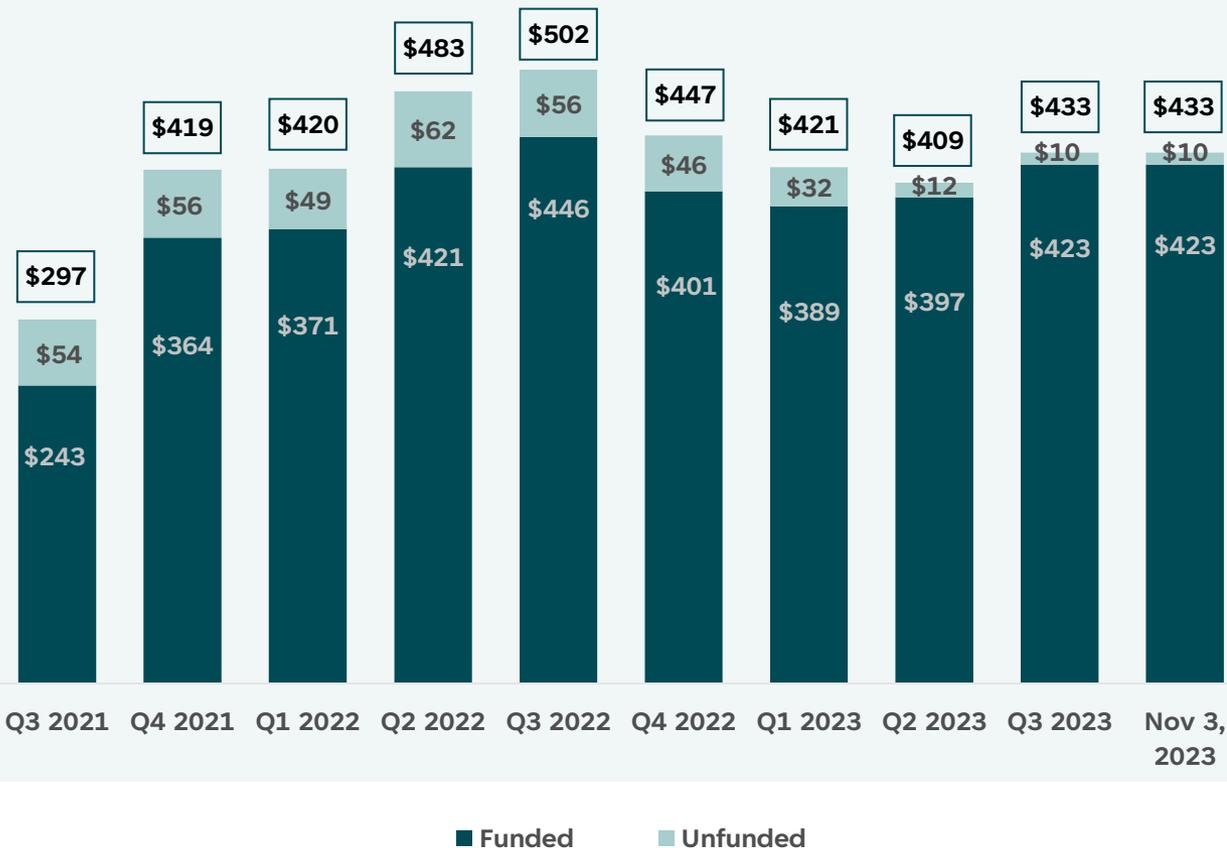
(4) Includes potential syndications.

(5) Based on closed portfolio deals to deals sourced / reviewed by AFCG's manager from January 1, 2020 through November 3, 2023.

Investment Portfolio Activity



Current Commitments⁽¹⁾
(\$ in millions)



Weighted average
yield-to-maturity of
~19%
as of
November 3, 2023⁽²⁾

(1) Current Commitments represents the total committed principal value at closing of our outstanding loans (as of September 30, 2021, December 31, 2021, March 31, 2022, June 30, 2022, September 30, 2022, December 31, 2022, March 31, 2023, June 30, 2023, September 30, 2023, and November 3, 2023) and does not include early pre-payments by borrowers. Totals may not sum due to rounding.
(2) See footnote #2 on p. 15 for management assumptions on calculation of YTM.

AFC Gamma Portfolio Summary



AFCG's manager AFCM has reviewed 1,079 deals, representing over \$29 billion in aggregate value*

X 1,010 Rejected*

23 Current CRE Deals in Review

17 Current Cannabis Deals in Review

12 Current Funded

Loan Names	Status	Original Funding Date ⁽¹⁾	Loan Maturity	AFCG Loan, net of Syndication	% of Total AFCG	TOTAL OID ⁽²⁾⁽³⁾	Principal Balance as of 11/03/23	Cash Interest Rate ⁽⁴⁾	Paid In Kind ("PIK")	Fixed/Floating	Amortization During Term	YTM ⁽²⁾⁽³⁾
Public Co. A - Equipment Loans	Funded	8/5/2019	3/31/2025	4,000,000	0.9%	0.1%	2,041,744	12.0%	N/A	Fixed	Yes	9%
Private Co. A	Funded	5/8/2020	5/8/2024	77,785,000	18.0%	7.9%	53,242,021	13.0%	3.0%	Fixed	Yes	26%
Private Co. B	Funded	9/10/2020	9/1/2023	16,402,988	3.8%	5.6%	18,396,229	14.6%	3.7%	Fixed	Yes	30%
Private Co. C	Funded	11/5/2020	12/1/2025	24,000,000	5.5%	4.0%	14,866,225	17.5%	2.0%	Floating	Yes	26%
Sub of Private Co. G	Funded	4/30/2021	5/1/2026	73,500,000	17.0%	4.0%	79,215,887	18.8%	N/A	Floating	Yes	24%
Private Co. I	Funded	7/14/2021	8/1/2026	3,500,298	0.8%	4.0%	3,767,454	17.3%	4.5%	Floating	Yes	18%
Private Co. K	Funded	4/28/2022	5/3/2027	13,229,626	3.1%	4.0%	13,423,390	17.3%	2.0%	Floating	Yes	27%
Private Co. J	Funded	8/30/2021	9/1/2025	23,000,000	5.3%	4.0%	21,875,289	17.3%	4.0%	Floating	Yes	26%
Sub of Public Co. H ⁽⁵⁾	Funded	12/16/2021	1/1/2026	84,000,000	19.4%	4.0%	84,000,000	14.3%	N/A	Floating	No	19%
Private Co. L	Funded	4/20/2022	5/1/2026	63,000,000	14.5%	4.2%	53,000,000	13.7%	N/A	Floating	Yes	18%
Sub of Public Co. M	Funded	8/26/2022	8/27/2025	20,822,000	4.8%	8.9%	20,822,000	9.5%	N/A	Fixed	No	18%
Private Co. M ⁽⁶⁾	Funded	7/31/2023	7/31/2026	30,000,000	6.9%	16.0%	30,457,500	N/A	9.0%	Fixed	Yes	18%
SubTotal⁽⁷⁾				\$433,239,912	100.0%	5.8%	\$395,107,739	14.0%	1.7%			19%

Wtd Average

* Represents cannabis deals from January 1, 2020 and CRE deals from June 1, 2022, while both are through November 3, 2023 sourced by AFCG's manager.

- (1) All loans originated prior to July 31, 2020 were purchased from affiliated entities at fair value which approximated accreted and/or amortized cost plus accrued interest on July 31, 2020 and does not include early pre-payments by borrowers.
- (2) Estimated YTM includes a variety of fees and features that affect the total yield, which may include, but is not limited to, OID, exit fees, prepayment fees, unused fees and contingent features. OID is recognized as a discount to the funded loan principal and is accreted to income over the term of the loan. Loans originated before July 31, 2020 were acquired by us, net of unaccreted OID, which we accrete to income over the remaining term of the loan. In some cases, additional OID is recognized from additional purchase discounts attributed to the fair value of equity positions that were separated from the loans prior to our acquisition of such loans. The estimated YTM calculations require management to make estimates and assumptions, including, but not limited to, the timing and amounts of loan draws on delayed draw loans, the timing collectability of exit fees, the probability and timing of prepayments and the probability of contingent features occurring. For example, certain credit agreements may contain provisions pursuant to which certain PIK interest rates and fees earned by us under such credit agreements will decrease upon the satisfaction of certain specified criteria which we believe may improve the risk profile of the applicable borrower. To be conservative, we have not assumed any prepayment penalties or early payoffs in our estimated YTM calculation. Estimated YTM is based on current management estimates and assumptions, which may change. Actual results could differ from those estimates and assumptions.
- (3) Estimated YTM for the loan with Private Co. A is enhanced by purchase discounts attributed to the fair value of equity warrants that were separated from the loans prior to our acquisition of such loans. The purchase discounts accrete to income over the respective remaining terms of the applicable loans.
- (4) Future Cash Interest Rate on loans with Floating rates are based on its November 3, 2023 benchmark rate.
- (5) Loan to Sub of Public Co. H does not reflect the borrower's option to request a maturity extension of one year from the then-existing loan maturity date. The extension is subject to a payment of a 1.0% fee.
- (6) Quarterly interest is paid in kind from closing until February 1, 2024, at which point 100% of interest will be paid in cash.
- (7) The Cash Interest Rate, OID and PIK subtotal rates are weighted-average rates.

AFC Gamma Q3 2023 Book Value⁽¹⁾



* Distributable Earnings is a non-GAAP financial measure. See Appendix C of this presentation for a reconciliation of GAAP Net Income to Distributable Earnings. September 30, 2023 values per share based on 20,457,697 shares of common stock outstanding as of September 30, 2023.

Distributable Earnings & Dividends



Distributable Earnings & Dividends



For Q3 2023, AFC Gamma declared & paid a dividend of
\$0.48 per share,
 totaling \$5.06 of dividends paid since going public

- (1) Distributable earnings per share based on 16,402,984 basic weighted average common share outstanding at September 30, 2021. Q3 2021 dividend of \$7.1 million / \$0.43 per share paid on October 15, 2021 to shareholders of record on September 30, 2021.
- (2) Distributable earnings per share based on 16,386,527 basic weighted average common share outstanding at December 31, 2021. Q4 2021 dividend of \$8.2 million / \$0.50 per share paid on January 14, 2022 to shareholders of record on December 31, 2021.
- (3) Distributable earnings per share based on 19,319,993 basic weighted average common share outstanding at March 31, 2022. Q1 2022 dividend of \$10.8 million / \$0.55 per share paid on April 15, 2022 to shareholders of record on March 31, 2022.
- (4) Distributable earnings per share based on 19,715,749 basic weighted average common share outstanding at June 30, 2022. Q2 2022 dividend of \$11.1 million / \$0.56 per share paid on July 15, 2022 to shareholders of record on June 30, 2022.
- (5) Distributable earnings per share based on 20,019,760 basic weighted average common share outstanding at September 30, 2022. Q3 2022 dividend of \$11.4 million / \$0.56 per share paid on October 14, 2022 to shareholders of record on September 30, 2022.
- (6) Distributable earnings per share based on 20,300,657 basic weighted average common share outstanding at December 31, 2022. Q4 2022 dividend of \$11.4 million / \$0.56 per share paid on January 13, 2023 to shareholders of record on December 31, 2022.
- (7) Distributable earnings per share based on 20,303,797 basic weighted average common share outstanding at March 31, 2023. Q1 2023 dividend of \$11.5 million / \$0.56 per share paid on April 14, 2023 to shareholders of record on March 31, 2023.
- (8) Distributable earnings per share based on 20,317,341 basic weighted average common share outstanding at June 30, 2023. Q2 2023 dividend of \$9.8 million / \$0.48 per share paid on July 14, 2023 to shareholders of record on June 30, 2023.
- (9) Distributable earnings per share based on 20,324,125 basic weighted average common share outstanding at September 30, 2023. Q3 2023 dividend of \$9.8 million / \$0.48 per share paid on October 13, 2023 to shareholders of record on September 30, 2023.

Appendix

Appendix A

AFC Gamma Balance Sheet



	As of	
	September 30, 2023 (unaudited)	December 31, 2022
Assets		
Loans held for investment at fair value (cost of \$72,573,622 and \$100,635,985 at September 30, 2023 and December 31, 2022, respectively, net)	\$ 70,010,878	\$ 99,226,051
Loans held for investment at carrying value, net	308,011,076	285,177,112
Loan receivable held at carrying value, net	2,040,058	2,220,653
Current expected credit loss reserve	(14,274,997)	(13,538,077)
Loans held for investment at carrying value and loan receivable held at carrying value, net of current expected credit loss reserve	295,776,137	273,859,688
Cash and cash equivalents	73,204,542	140,372,841
Interest receivable	4,584,002	5,257,475
Due from affiliate	1,000,000	-
Prepaid expenses and other assets	526,236	460,844
Total assets	\$ 445,101,795	\$ 519,176,899
Liabilities		
Interest reserve	\$ 550,950	\$ 3,200,944
Accrued interest	2,166,750	1,036,667
Due to affiliate	19,714	18,146
Dividends payable	9,819,695	11,403,840
Current expected credit loss reserve	166,845	754,128
Accrued management and incentive fees	3,574,867	3,891,734
Accrued direct administrative expenses	1,344,628	1,843,652
Accounts payable and other liabilities	821,570	836,642
Senior notes payable, net	87,864,345	97,131,777
Line of credit payable, net	-	60,000,000
Total liabilities	106,329,364	180,117,530
Commitments and contingencies (Note 10)		
Shareholders' equity		
Preferred stock, par value \$0.01 per share, 10,000 shares authorized at September 30, 2023 and December 31, 2022 and 125 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	1	1
Common stock, par value \$0.01 per share, 50,000,000 shares authorized at September 30, 2023 and December 31, 2022 and 20,457,697 and 20,364,000 shares issued and outstanding at September 30, 2023 and December 31, 2022, respectively	204,577	203,640
Additional paid-in capital	349,510,418	348,817,914
Accumulated (deficit) earnings	(10,942,565)	(9,962,186)
Total shareholders' equity	338,772,431	339,059,369
Total liabilities and shareholders' equity	\$ 445,101,795	\$ 519,176,899

Appendix B

AFC Gamma Income Statement



(unaudited)	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Revenue				
Interest income	\$ 16,806,193	\$ 19,785,583	\$ 52,981,867	\$ 60,072,643
Interest expense	(1,532,928)	(1,644,088)	(4,776,863)	(5,091,207)
Net interest income	15,273,265	18,141,495	48,205,004	54,981,436
Expenses				
Management and incentive fees, net (less rebate of \$405,276, \$432,426, \$1,311,501 and \$1,307,969, respectively)	3,574,867	3,824,735	10,592,579	11,873,516
General and administrative expenses	986,772	1,050,932	4,068,780	3,372,813
Stock-based compensation	294,014	114,062	705,361	1,221,482
Professional fees	295,502	324,846	1,135,977	1,017,525
Total expenses	5,151,155	5,314,575	16,502,697	17,485,336
Provision for current expected credit losses	(1,053,398)	(541,958)	(149,637)	(3,040,135)
Realized gains (losses) on investments, net	(1,213,416)	-	(1,239,800)	450,000
Gain (loss) on extinguishment of debt	-	-	1,986,381	-
Change in unrealized gains (losses) on loans at fair value, net	787,799	(637,279)	(1,152,810)	(1,561,890)
Net income before income taxes	8,643,095	11,647,683	31,146,441	33,344,075
Income tax expense	663,220	167,164	1,005,959	349,763
Net income	\$ 7,979,875	\$ 11,480,519	\$ 30,140,482	\$ 32,994,312
Earnings per common share:				
Basic earnings per common share (in dollars per share)	\$ 0.39	\$ 0.57	\$ 1.47	\$ 1.67
Diluted earnings per common share (in dollars per share)	\$ 0.39	\$ 0.57	\$ 1.47	\$ 1.66
Weighted average number of common shares outstanding:				
Basic weighted average shares of common stock outstanding (in shares)	20,324,125	20,019,760	20,315,162	19,687,730
Diluted weighted average shares of common stock outstanding (in shares)	20,342,880	20,112,033	20,390,385	19,780,003

Appendix C

Reconciliation of GAAP Net Income to Distributable Earnings



	Three months ended		Nine months ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Net income	\$ 7,979,875	\$ 11,480,519	\$ 30,140,482	\$ 32,994,312
Adjustments to net income:				
Stock-based compensation expense	294,014	114,062	705,361	1,221,482
Depreciation and amortization	-	-	-	-
Unrealized (gains) losses, or other non-cash items	(787,799)	637,279	1,152,810	1,561,890
Increase (decrease) in provision for current expected credit losses	1,053,398	541,958	149,637	3,040,135
TRS (income) loss, net of dividends	1,399,920	(1,019,424)	(716,684)	(1,567,970)
One-time events pursuant to changes in GAAP and certain non-cash charges	-	-	-	-
Distributable earnings	\$ 9,939,408	\$ 11,754,394	\$ 31,431,606	\$ 37,249,849
Basic weighted average shares of common stock outstanding (in shares)	20,324,125	20,019,760	20,315,162	19,687,730
Distributable earnings per weighted average share	\$ 0.49	\$ 0.59	\$ 1.55	\$ 1.89



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