



AFC Gamma Provides FarmaceuticalRX with Senior Secured Credit Facility of up to \$21 Million to Fund Its Ohio Expansion

April 6, 2021

Highlights AFC Gamma's Second Transaction to Growing Ohio Medical Marijuana Market

WEST PALM BEACH, Fla., April 06, 2021 (GLOBE NEWSWIRE) -- AFC Gamma, Inc. (NASDAQ:AFCG) ("AFC") today announced it has provided a credit facility of up to \$21 million for FarmaceuticalRX LLC ("FarmRX", the "Company", or the "Borrower"). The credit facility is designed to provide capital to allow FarmRX to purchase and complete the build out of its +/-120,000 square foot Class 1 cultivation and processing facility and acquire the building housing its nearby dispensary operations in East Liverpool, Ohio.

"We are excited to support FarmaceuticalRX, an experienced operator in Pennsylvania as it expands into Ohio, a state that has favorable supply and demand dynamics and significant growth prospects," said Leonard M. Tannenbaum, AFC's Chief Executive Officer. "We believe this partnership will serve as the catalyst for FarmRX's next phase of growth."

Rebecca Meyers, FarmRX's Chief Executive Officer, added, "I am thrilled to partner with AFC Gamma as we build out FarmRX's presence in Ohio. AFC provided us with industry expertise and a tailored solution that met our needs, providing seamless execution in a timely manner."

AFC will hold up to \$21 million of the credit facility, which consists of a first-lien term loan that can be drawn upon over the course of a one-year period. The loan will be secured by first-lien mortgages on FarmRX's wholly owned real estate properties and other commercial-security interests. AFC Management, LLC served as Lead Arranger and Administrative Agent for the transaction.

Based in East Liverpool, Ohio, FarmRX currently has one dispensary license, one provisional Class 1 cultivation license, and one provisional processing license in the state. FarmRX's dispensary is currently operational and it is in the process of building out its cultivation and processing operations, with a sister company having existing cultivation operations in Pennsylvania.

Ohio legalized the use of medical marijuana in 2016, with sales launching in 2019. In 2021, sales from dispensaries are projected to reach \$425 million, nearly doubling 2020 sales of \$221.5 million¹. Sales are expected to top \$500 million by 2022 or 2023. As of March 19, 2021, the number of registered patients in the state was over 175,000.

About AFC Gamma, Inc.

AFC Gamma, Inc. (NASDAQ:AFCG) is an institutional lender to leading cannabis companies with strong operations and cash-flow prospects, real-estate-security and other collateral, and locations in states with favorable supply/demand fundamentals and legislative environments. AFC's platform provides innovative and customized financing solutions through first-lien loans, mortgage loans, construction loans and bridge financings. The senior-management team of the company has a combined approximately 100 years of experience in investment management and disciplined credit investing across a range of economic cycles.

About FarmaceuticalRX

FarmaceuticalRX LLC is the leading natural and organic multistate vertically integrated medical marijuana operator in the United States. FarmaceuticalRX is focused on bringing research and development-based innovation to the medical marijuana sector. develops premier high-quality craft and innovative organic products under its existing FarmaceuticalRX brand. The Company's Burst of Wellness brand combines the quality that FARMACEUTICALRX is known for, at a lower price point, with the goal of expanding the Company's reach to a broader demographic of patients. The FarmaceuticalRX affiliated companies are licensed to offer premier high quality medical marijuana products to more than 26 million patients in Ohio and Pennsylvania. FarmaceuticalRX is led by a world-class team of scientists, healthcare, organic food and beverage and cannabis industry professionals who are driven by the discovery, development, and manufacturing of revolutionary, high quality natural and organic products through its vertically integrated platform. Our innovation is your future health. Learn more at www.farmaceuticalrx.com.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect the company's current views and projections with respect to, among other things, future events and financial performance. All statements other than historical facts, including, without limitation, statements regarding FarmRX's intended buildout and the projected sales of medical marijuana in Ohio are forward-looking statements. Words such as "believes," "expects," "will," "intends," "plans," "guidance," "estimates," "projects," "anticipates," and "future" or similar expressions are intended to identify forward-looking statements. These forward-looking statements are subject to the inherent uncertainties in predicting future results and conditions and are not guarantees of future performance, conditions or results. Certain factors, including the borrower failing to complete the construction described above, an unfavorable change in the regulations of the cannabis industry and other important risks and uncertainties discussed under the caption "Risk Factors" in our final prospectus filed with the U.S. Securities Exchange Commission on March 19, 2021, relating to the company's Registration Statement on Form S-11, as amended (File No. 333-251762), could cause actual results and performance to differ materially from those projected in these forward-looking statements. New risks and uncertainties arise over time, and it is not possible for the company to predict those events or how they may affect AFC Gamma, Inc. Therefore, you should not place undue reliance on these forward-looking statements. The company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

AFC GAMMA INVESTOR CONTACT:

Robyn Tannenbaum
561-510-2293
ir@advancedflowercapital.com
www.afcgamma.com

AFC GAMMA MEDIA CONTACT:

Jim Golden / Scott Bisang / Jack Kelleher
Joele Frank, Wilkinson Brimmer Katcher
212-355-4449

COMPANY CONTACT:

Terence Lin
Director of Strategic Finance, FarmaceuticalRX
mlin@farmaceuticalrx.com

¹ [Ohio's growing medical marijuana market poised to reach \\$400 million in sales a year](#) (Marijuana Business Daily, March 29, 2021)

AFC Gamma, Inc.