



## **AFC Gamma Provides BeLeaf Medical, LLC With \$23 Million Senior Secured Credit Facility to Fund Its Missouri Expansion**

August 31, 2021

### **Represents AFC Gamma's Second Transaction in Missouri's Growing Medical Cannabis Market**

WEST PALM BEACH, Fla., Aug. 31, 2021 (GLOBE NEWSWIRE) -- AFC Gamma, Inc. (NASDAQ:AFCG) ("AFC") today announced it has provided a credit facility of \$23 million to BeLeaf Medical, LLC ("BeLeaf"), a single-state Missouri operator. The credit facility is designed to provide BeLeaf with the capital necessary to expand its three Missouri cultivation facilities in Lakefront, Jonesburg and Cherokee, as well as purchase the Jonesburg cultivation facility. The Company has nearly completed construction on ~25,000 square feet of canopy between its locations and plans to add an additional ~16,000 square feet.

"We are pleased to support BeLeaf as they ramp up their production capabilities in the growing Missouri market," said Leonard M. Tannenbaum, AFC's Chief Executive Officer. "The management team possesses extensive and diverse expertise, and as one of the early entrants to this market, we believe BeLeaf is well-positioned to utilize its first-mover status to take advantage of the many opportunities in the state. We look forward to supporting BeLeaf's continued progress as they execute on their strategic plans."

"As we continue our expansion in Missouri, we are excited to have the support and expert partnership of AFC Gamma," said Kevin Riggs, President of BeLeaf Medical, adding, "At BeLeaf, we are steadfast in our production of high-quality flower and the development of innovative, best-in-class products resulting in remarkable growth and impressive customer loyalty. We look forward to bringing our exceptional products and brands to consumers in new markets, as this has been our highest priority every time we looked towards expansion. That same commitment to quality and service that we pride ourselves on everyday will continue as we enter this growth trajectory."

Tom Muzzey, Chief Executive Officer of BeLeaf, added, "AFC Gamma is one of the few lenders in the cannabis industry that not only understands our business model, but has significant experience financing construction buildouts which play a foundational role in our growth strategy. Their flexibility, partnership mentality and speed of execution has been a gamechanger for us, and we look forward to continuing to work with them as we grow our business."

AFC will hold the entire \$23 million credit facility, which consists of a first-lien term loan. The loan will be secured by a first-lien mortgage on BeLeaf's Jonesburg facility, once purchased, and other commercial-security interests. AFC Management, LLC served as Lead Arranger and Administrative Agent for the transaction.

### **Missouri Cannabis Snapshot**

Missouri legalized the use of medical marijuana in 2018, with sales launching in October 2020. Since the program launched in October, according to the Missouri Medical Cannabis Trade Association, sales in Missouri have hit \$91 million, with 130,000+ registered patients as of July 31, 2021. According to, Marijuana Business Daily, for the full year 2021, medical marijuana sales in Missouri are projected to reach \$225 - 300 million.

#### *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 BeLeaf Medical, LLC*

BeLeaf Medical Company is a leader in the medical cannabis industry and the largest vertically integrated company in Missouri with our family of brands; SINSE, SWADE and PHYTOS. With our years of experience in several states, we are able to deliver the best cannabis flower and manufactured products to market. SWADE CANNABIS Dispensaries offer a wide variety of products and a knowledgeable staff to help customers find the best solutions.

#### *Forward-Looking Statements*

This news 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 BeLeaf's intended buildout of its cultivation and processing facility and the projected sales of medical and adult use cannabis in Missouri 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 June 24, 2021, relating to the company's Registration Statement on Form S-11, as amended (File No. 333-257248), 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.

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