



AFC Gamma Q1 2021 Earnings Presentation

May 11, 2021

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 March 31, 2021. This description contains forward-looking statements that involve risks and uncertainties. Actual results could differ significantly from the results discussed in the forward-looking statements due to the factors set forth in “Risk Factors” in the final prospectus relating to our IPO filed with the Securities and Exchange Commission (“SEC”) in accordance with Rule 424(b) of the Securities Act of 1933, as amended on March 19, 2021 (“Final Prospectus”). 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 for the second quarter of 2021; the impact of the COVID-19 pandemic, on our business and the United States and global economies; 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, European Union and Asian economies generally or in specific geographic regions; the estimated growth in and evolving market dynamics of the cannabis market; 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 use words such as “anticipates,” “believes,” “expects,” “intends,” “will,” “should,” “may” and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. Our actual results and financial condition could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in “Risk Factors” and the other information included in our Final Prospectus and elsewhere in our quarterly report on Form 10-Q for the quarter ended March 31, 2021.

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. Although 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 directly to you or 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., a publicly traded company that will elect to be taxed as a REIT for federal income tax purposes and is being furnished in connection with AFCG's First Quarter 2021 results. This presentation is provided for investors in AFCG 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 non-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) non-cash equity 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) provision for current expected credit losses and (v) 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 quarter ending June 30, 2021 for distributable earnings, 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 advance 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.

Management Presenters



**Leonard
Tannenbaum**

Founder & Chief Executive
Officer

Over 22 years of experience in credit
investing

Founder and former Chief Executive
Officer of Fifth Street, a ~\$5 billion
credit-focused asset manager



**Jonathan
Kalikow**

Head of Real Estate

Over 15 years experience in real
estate as part Kalikow Real Estate
& Construction, a family-owned
real estate firm operating for ~100
years

Co-Founder of Gamma Real
Estate, a \$2 billion commercial real
estate lender and investor



**Thomas
Geoffroy**

Chief Financial Officer

20 years of experience in accounting
and finance

Formerly the Chief Financial Officer
at United Capital Markets and
Controller at Ares Management



**Robyn
Tannenbaum**

Partner, Head of Origination
and Investor Relations

Over 7 years of experience in
healthcare mergers & acquisitions and
leveraged finance at CIT Group

Former Head of Investor Relations at
Fifth Street



**Brandon
Hetzel**

Controller

11 years of experience primarily in
real estate accounting

Formerly Vice President of Finance
for EI-Ad National Properties

Agenda

1 Why AFC Gamma?

2 Q1 2021 Financial Highlights

3 Market Opportunity

4 Corporate Overview

5 Conclusion

6 Why AFC Gamma?

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Why AFC Gamma?

Backed by years of combined lending expertise and real estate experience, AFC Gamma is ideally positioned in the high-growth cannabis industry and poised to deliver enhanced value for shareholders

Leading Institutional Loan Origination Platform

- Premier financing source for cannabis operators
- Extensive loan sourcing, underwriting, structuring and portfolio management expertise
- Loans with total loan commitments of \$165.6 million and principal balance of \$133.2 million⁽²⁾

Attractive Risk-Adjusted Returns on Investment

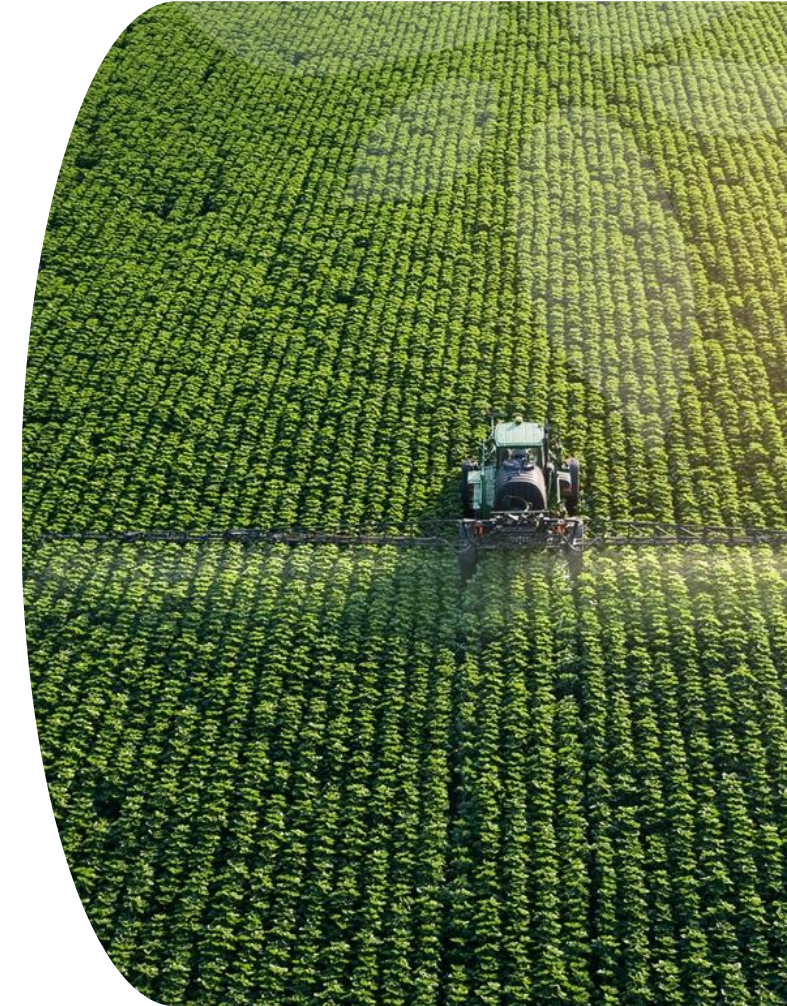
- Attractive supply-demand imbalance created by constrained financing environment
- Originates loans with gross yields in the mid to high teens, with a yield-to-maturity of ~21% on the existing portfolio⁽²⁾

Rapidly Growing Addressable Market

- First-mover advantage results in capturing market share and establishing long term sticky client relationships
- U.S. retail cannabis market generated ~\$18.9 billion in total sales for 2020⁽¹⁾
- U.S. retail sales projected to rise to between \$30.2 billion and \$37.0 billion by 2024⁽¹⁾

Strong Balance Sheet

- Stringent and highly disciplined underwriting, combined with an unwavering focus on underlying real estate value, resulting in a high-quality portfolio
- Low leverage balance sheet and strong real estate, cash flow and license coverage for every loan



AFCG Company Overview

Premier Commercial Mortgage REIT NASDAQ: AFCG

- Only NASDAQ-listed provider of institutional loans to the cannabis industry
- Originates and funds loans to established cannabis best-in-class operators in states with attractive licensing and favorable supply/demand environments
- Provides compelling risk-adjusted returns with loans that typically include amortization and/or cash flow sweeps, significant collateral and favorable pricing, driving average annual gross cash returns of approximately 12% – 20%
- Robust investment review process including market research, management underwriting and in-depth due diligence
- Founded in July 2020 by veteran investor Leonard Tannenbaum
- Collectively, the management team has directly structured over \$10 billion in loan transactions and taken three companies public

A Leading Lender to the Cannabis Space⁽¹⁾

\$204MM

Total Loan Amount
Since Inception by the
Manager

~21%

Yield on Existing
Portfolio

1.02x

Real Estate Collateral
Coverage on Existing
Portfolio

\$545MM

Actionable Pipeline

\$18.9Bn

Retail Cannabis
Market Size in 2020

50+

Years Investing
Experience by
Investment Committee

Market Opportunity in the Current Environment

Legalization Fuels Expanding Market Size⁽¹⁾

68%

Americans Support
Legalization

26%

Projected Adult-Use Retail
Cannabis Market CAGR
2019-2024

~192_{MM}

People Worldwide Use
Cannabis as of 2018

\$37_{Bn}

Expected Legal Market Size
by 2024

Potential Reform at the Federal Level⁽²⁾

The SAFE Banking Act

- The SAFE Banking Act protects the business banking practices (i.e., all lenders and depository institutions) of those operating legally under state law
- Money from state-legal cannabis companies would not be considered as proceeds of a crime, as state-legal cannabis would be carved out of enumerated unlawful activities

The STATES Act

- The STATES Act would create an exemption in the Controlled Substances Act to allow states to determine their own cannabis policies without fear of federal reprisal
- This approach is believed to have a higher likelihood of passing in both the House and Senate than the MORE Act, which would de-schedule Cannabis

AFCG's Market Opportunity

Limited Supply of Capital

- Institutional banks decline to provide full services to cannabis-related businesses
- Alternative sources of financing needed to complete commitments, allowing lenders to demand strong risk-adjusted returns with significant collateral

Market Challenges

- Stringent state-by-state regulations and lengthy license approval processes
- Costly and complex distribution process
- Current sizable illicit market in legalized cannabis states

Opportunistic Solutions

- Rapidly growing industry combined with high-quality cannabis operators running capital-intensive businesses that face significant hurdles accessing capital provides opportunities for AFCG, as the largest and only U.S. publicly-traded lender in the industry



Impact of COVID-19

91%

Medical cannabis users with mental health conditions reported a 91% increase in use on average since COVID-19

8

States have deemed cannabis essential for both medicinal and adult use

21

States have deemed cannabis essential for medicinal use only*

Most state governments around the nation have deemed medical marijuana companies “essential” during the coronavirus pandemic, meaning the vast majority can keep doing business after residents were told to stay at home and many businesses were ordered to scale back or close their operations

Of the 29 states with operational cannabis programs, all but one have deemed cannabis an essential service for the entirety of their cannabis program (medicinal only, or medicinal and recreational)

During the COVID-19 Pandemic, all of AFC’s clients were deemed essential businesses and remained open

From Origination to Management

Given our commitment to sourcing loans with high return potential and controlled risk, AFCG is involved in all key phases of the lending process.

1 Origination

AFCG maintains a direct-origination platform, which creates enhanced yields and allows us to put in greater controls by originating and structuring loans. The platform drives increased deal flow, which provides for improved selectivity.

2 Underwriting

AFCG screens potential deals based on four criteria: company financial strength, the in-state environment for cannabis, regulatory/license value considerations, and property-value metrics.⁽¹⁾

3 Investment Committee

Our Investment Committee focuses on managing risk via a comprehensive company analysis. Unanimous approval from the committee is required for each loan before commitment papers are issued.

4 Ongoing Review

Our investment team works alongside external counsel to negotiate loan documents, with an emphasis on financial covenants and a limitation of actions that may be adverse to lenders. Once the loan is funded, we monitor the company's performance over its life.

AFC Gamma's Underwriting Criteria

Borrower & Operations

- Type of operations – cultivation, processing, manufacturing and distribution
- Mix analysis – wholesale vs. retail
- State regulatory approval
- Quality of management – cultivation experience and financial expertise, among other factors
- Brand analysis – owned brands or produce for others
- Quality control analysis – testing, operational procedures, remediation procedures
- Construction projects – historical ability to hit budget and timeline

Loan Analysis

- Loan size and capital structure overview – current and pro forma
- Loan economics – interest rate, Original Issue Discount (“OID”), exit fees, prepayment penalties, etc.
- Loan security – real estate, licenses, parent guaranty, cash flow, trademarks, etc.
- Thorough covenant analysis and remedies to breach
- Review of the agent and participants in the syndication process
- Risks and mitigants of the loan – credit risk, business risk, structure risk, etc.
- Assigned Rights are sold concurrently with closing and recognized as additional OID

Real Estate & Structure

- Type of cultivation (outdoor, greenhouse, indoor), processing capabilities, and distribution abilities
- Size, construction, and suitability of the facility
- Total land and hard/soft costs analysis to determine total basis and estimate replacement costs
- Visual and/or physical site visit to inspect the land, facilities, and specific systems in use
- Real estate metrics:
 - Loan to Cost
 - Loan to Value

Financial Analysis & Metrics

- Historical and projected cash flow analysis
- Capital structure analysis – current and pro forma
- Loans are structured with covenants such as maximum leverage ratio, debt service coverage ratio, fixed charge coverage ratio, minimum EBITDA, and minimum cash
- Cost per gram of the product
- Full financial model – vertically integrated, wholesaler, distributor, etc.
- Quality of earnings report

State-by-State Analysis

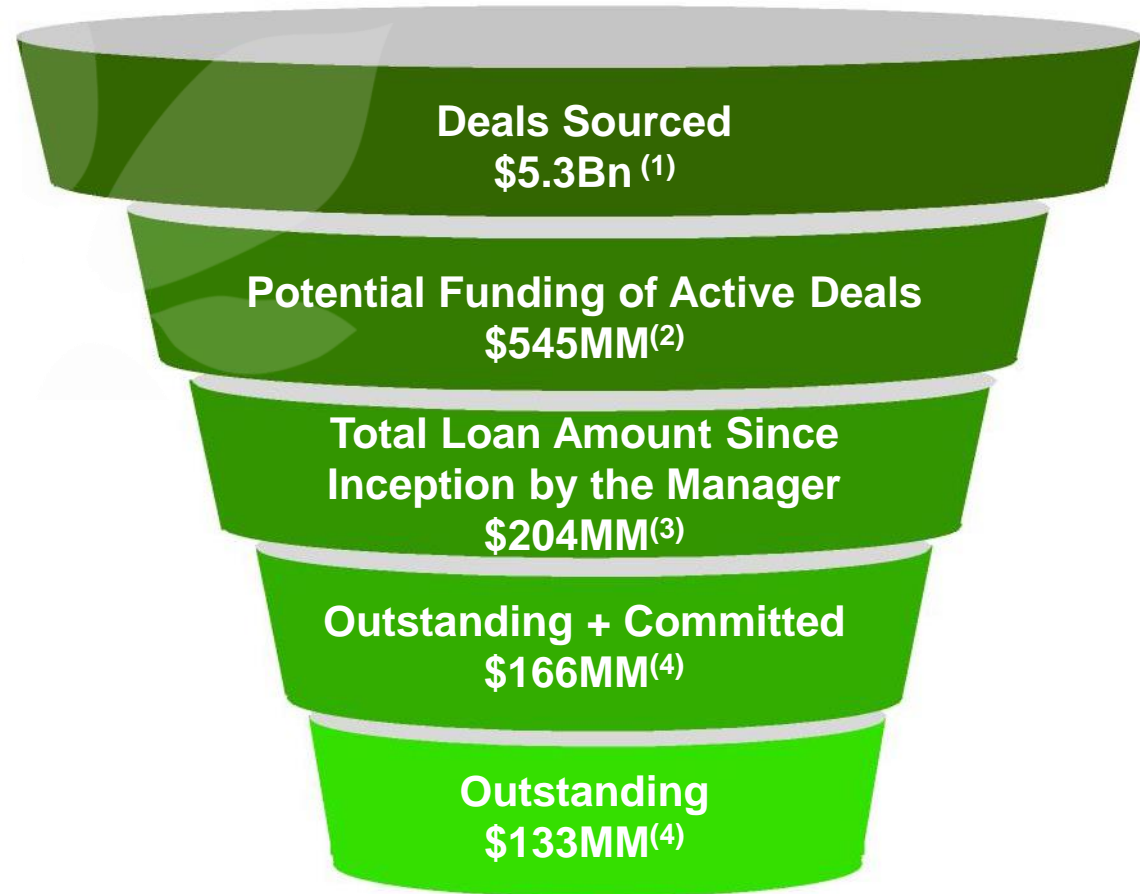
- Legislative environment of every state a company operates within
- Probability analysis of legislative changes in each state
- Growing conditions and seasonality within the state
- Local planning and permits
- Current political climate and importance of cannabis
- License dynamics – number and type (vertical, single)

License Analysis

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

AFC Gamma Maintains a Strong Deal Funnel and Pipeline

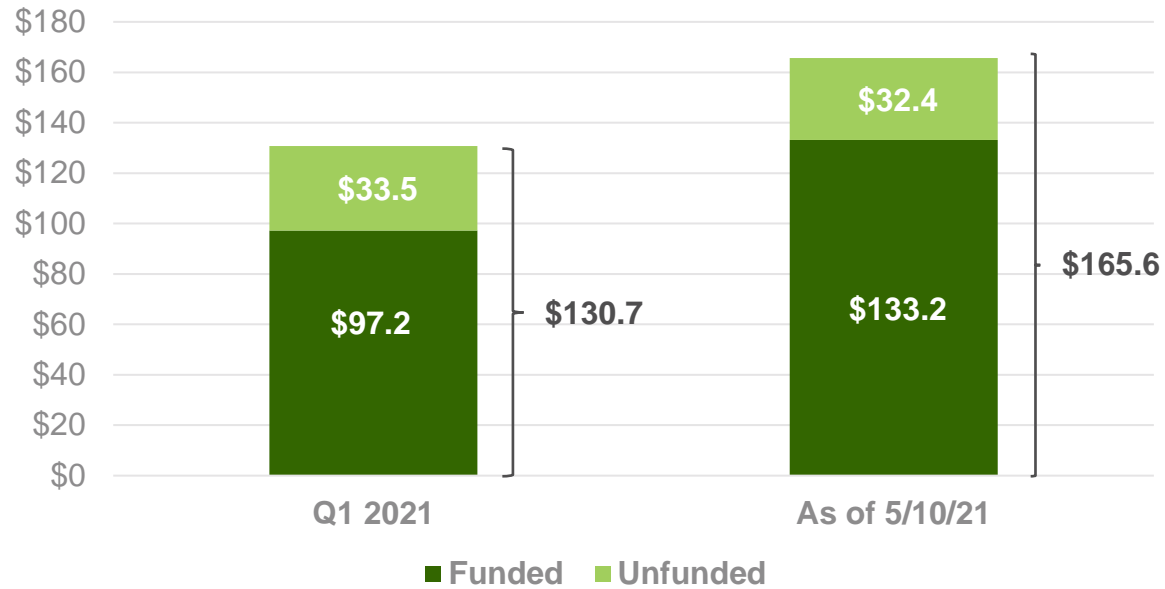
Through AFC Gamma's direct origination platform, the Company continues to source deals across the cannabis industry in various states and maintains a robust pipeline of actionable opportunities



Investment Portfolio Activity



Total Commitments⁽¹⁾
(in millions)



Weighted average yield to maturity of
~21%
 as of April 30, 2021⁽²⁾

(1) Total commitments funded and unfunded measured at current face value of principal excluding PIK interest (and OID)
 (2) The approximate weighted average YTM of the portfolio as of April 30, 2021 is adjusted to exclude the impact of loan prepayment and exit fees collected, which result in a higher and not necessarily indicative expected yield to maturity for the other loans in the portfolio

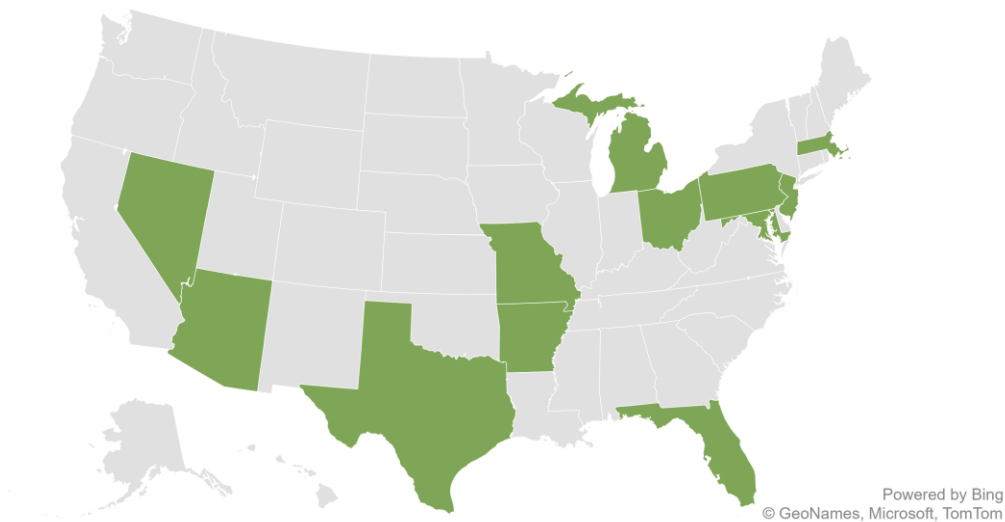
Diversified Portfolio Across Geography Type

Cannabis is a rapidly expanding market with a limited supply of institutional capital

36 states + DC have legalized medicinal cannabis and of those, 15 states + DC have legalized adult use cannabis

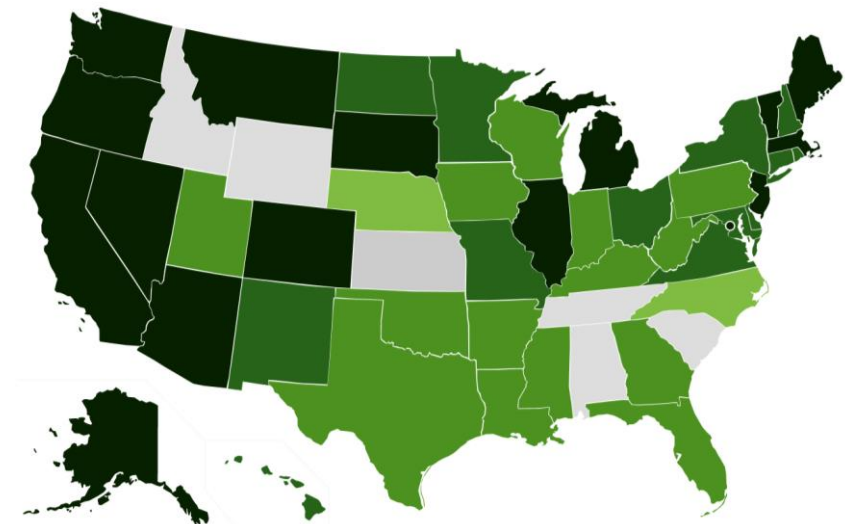
AFCG's active loan portfolio includes 11 loans across 12 states ⁽¹⁾

AFCG Portfolio Diversification⁽¹⁾



● States containing AFCG loans

Current Legalization by State



● Legalized ● Medical and Decriminalized ● Medical ● Decriminalized ● Fully Illegal

(1) As of April 30, 2021. Commitment size and collateral diversification available upon request

AFCG Portfolio Summary*

AFCG has reviewed 289 deals, representing \$5.3 billion in Aggregate Value

 **11** Funded*

 **2** Committed

 **48** In Review

 **230** Rejected

Loan Names	Status	Original Funding Date ⁽¹⁾	Loan Maturity	AFCG Loan, net of Syndication	% of Total AFCG	Principal Balance as of 4/30/2021	Cash Interest Rate	Paid In Kind ("PIK")	Fixed/Floating	Amortization During Term	YTM ⁽²⁾
Public Co. A - Real Estate Loan	Funded:	7/3/2019	1/26/2023	\$ 2,940,000	1.8%	\$ 2,950,482	12.0%	2.0%	Fixed	No	20%
Public Co. A - Equipment Loans	Funded:	8/5/2019	3/5/2024	4,000,000	2.4%	3,244,459	12.0%	N/A	Fixed	Yes	17%
Private Co. A	Funded:	5/8/2020	5/8/2024	34,000,000	20.4%	35,000,862	13.0%	4.0%	Fixed	Yes	24%
Private Co. B	Funded:	9/10/2020	9/1/2023	10,500,000	6.3%	3,374,615	13.0%	4.0%	Fixed	Yes	26%
Private Co. C	Funded:	11/5/2020	12/1/2025	22,000,000	13.2%	16,073,928	13.0%	4.0%	Floating	Yes	22%
Sub. of Public Co. D ⁽³⁾	Funded:	12/18/2020	12/18/2024	10,000,000	6.0%	10,000,000	12.9%	N/A	Fixed	No	14%
Private Co. D	Funded:	12/23/2020	1/1/2026	12,000,000	7.2%	12,066,130	13.0%	2.0%	Fixed	Yes	20%
Private Co. E	Funded:	3/30/2021	4/1/2026	21,000,000	12.6%	8,256,410	13.0%	4.0%	Floating	Yes	23%
Private Co. F	Funded:	4/27/2021	5/1/2026	13,000,000	7.8%	5,250,000	13.0%	4.0%	Fixed	Yes	28%
Public Co. E	Funded:	4/29/2021	4/29/2025	15,000,000	9.0%	15,000,000	13.0%	N/A	Fixed	Yes	17%
Private Co. G ⁽⁴⁾	Funded:	4/30/2021	5/1/2026	22,000,000	13.2%	22,000,000	13.0%	4.0%	Floating	Yes	18%
SubTotal				\$ 166,440,000	100.0%	\$ 133,216,887	12.9%	3.7%			21%

(1) All loans originated prior to 7/31/2020 were purchased from an affiliated entity at accreted and/or amortized cost plus accrued interest on 7/31/2020.

(2) Approximate Yield to Maturity ("YTM") calculation includes a variety of fees and features that affect the total yield, which may include Original Issue Discount ("OID"), exit fees, prepayment fees, extension fees, unused fees and contingent features. Original Issue Discount or "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 7/31/2020 were acquired by AFC, net of unaccreted OID, which AFC accretes 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 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, and the probability and timing of prepayments. Actual results could differ from those estimates. No prepayment penalties or early payoffs were assumed.

(3) Loan has an optional extension for 364 days, but we do not have to participate in the extension, so it was not included nor assumed.

(4) YTM is calculated based on the occurrence of a ratchet event per the credit agreement. In the event this does not occur, the YTM calculation may change.

AFC Gamma Q1 2021 Book Value Per Share

	12/31/2020 As Reported	Q1 Offering (net proceeds)	Q1 2021 Distributable Earnings	B Stock Option Adjustment	C CECL and FV Adjustment	D Q1 Regular Dividend	3/31/2021 As Reported
Book Value	91.6 million	\$123.9 million	\$3.2 million	(\$1.6) million	(\$0.2) million	(\$2.2) million	\$216.3 million
Total Shares Outstanding	6.2 million	7.2 million	13.4 million				13.4 million
Book Value / Share	\$ 14.83	\$ 16.13	\$ 0.24	\$ -	\$ (0.02)	\$ (0.17)	\$ 16.18
Amount Per Basic Weighted Average Common Share			\$ 0.45	\$ (0.22)	\$ (0.03)		



(A) GAAP Net Income was \$1.4 million or \$0.20 per basic weighted average common share for the quarter ended 03/31/2021. Distributable Earnings of \$3.2 million or \$0.45 per basic weighted average common share outstanding is a Non-GAAP Financial Measure. Please see "Reconciliation of Distributable Earnings to GAAP Net Income" on page 24

(B) One-time non-cash stock option expense of 1.6 million / \$(0.22) per basic weighted average common share recorded in Q1'21 pursuant to stock option grants issued in conjunction with the IPO does not affect the book value, as it is recorded as an expense that is offset by an increase to additional paid-in basic weighted average common capital

(C) Current expected credit loss (CECL) was early adopted in Q3'20. The basic weighted average distributable earnings adjustment for the CECL reserve of \$(0.1) million and change in accumulated unrealized gain of \$(0.1) million, represents a non-cash adjustment to distributable earnings of \$(0.2) million / \$(0.02) per common share outstanding at March 31, 2021

(D) Regular dividend of \$2.2 million or \$0.36 per share paid on 3/31/2021 per pre-IPO shares outstanding as of record date 3/15/2021

Distributable Earnings & Dividends



On May 7, 2021, the AFCG Board of Directors declared a dividend of approximately **\$5.1 million** or **\$0.38 per common share** to be paid on **June 30, 2021** to stockholders of record on **June 15, 2021**

AFCG expects the Q2 2021 distribution to be between **75% and 90%** of the **Q2 2021 Distributable Earnings**

Conclusion

Why AFC Gamma?

Backed by years of combined lending expertise and real estate experience, AFC Gamma is ideally positioned in the high-growth cannabis industry and poised to deliver enhanced value for shareholders

Leading Institutional Loan Origination Platform

- Premier financing source for cannabis operators
- Extensive loan sourcing, underwriting, structuring and portfolio management expertise
- Loans with total loan commitments of \$165.6 million and principal balance of \$133.2 million⁽²⁾

Attractive Risk-Adjusted Returns on Investment

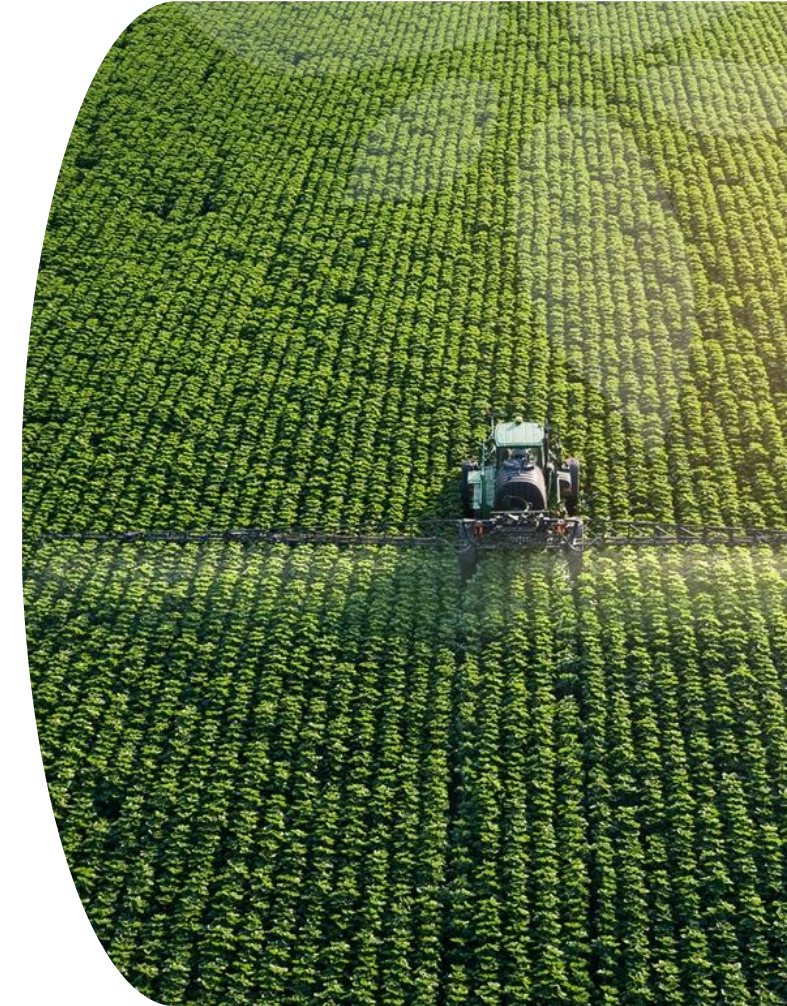
- Attractive supply-demand imbalance created by constrained financing environment
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Rapidly Growing Addressable Market

- First-mover advantage results in capturing market share and establishing long term sticky client relationships
- U.S. retail cannabis market generated ~\$18.9 billion in total sales for 2020⁽¹⁾
- U.S. retail sales projected to rise to between \$30.2 billion and \$37.0 billion by 2024⁽¹⁾

Strong Balance Sheet

- Stringent and highly disciplined underwriting, combined with an unwavering focus on underlying real estate value, resulting in a high-quality portfolio
- Low leverage balance sheet and strong real estate, cash flow and license coverage for every loan



APPENDIX

Q1 2021 Financial Overview

APPENDIX A

First Quarter Balance Sheet

Assets

Loans held for investment at fair value (cost of \$48,833,111 and \$46,994,711 at March 31, 2021 and December 31, 2020, respectively, net)

Loans held for investment at carrying value

Loan receivable at carrying value

Current expected credit loss reserve

Loans held for investment at carrying value and loan receivable at carrying value, net of current expected credit loss reserve

Cash and cash equivalents

Interest receivable

Prepaid expenses and other assets

Total assets

Liabilities

Interest reserve

Current expected credit loss reserve

Accrued management fees

Accrued direct administrative expenses

Accounts payable and other liabilities

Total liabilities

Commitments and contingencies

Stockholders' Equity

Preferred stock, par value \$0.01 per share, 10,000 shares authorized at March 31, 2021 and December 31, 2020 and 125 shares issued and outstanding at March 31, 2021 and December 31, 2020

Common stock, par value \$0.01 per share, 25,000,000 and 15,000,000 shares authorized at March 31, 2021 and December 31, 2020, respectively, and 13,366,877 and 6,179,392 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively

Additional paid-in-capital

Accumulated earnings (deficit)

Total stockholders' equity

Total liabilities and stockholders' equity

	As Of	
	March 31, 2021	December 31, 2020
	(unaudited)	
Loans held for investment at fair value (cost of \$48,833,111 and \$46,994,711 at March 31, 2021 and December 31, 2020, respectively, net)	\$50,252,049	\$48,558,051
Loans held for investment at carrying value	39,152,936	31,837,031
Loan receivable at carrying value	3,240,855	3,348,263
Current expected credit loss reserve	(248,317)	(404,860)
Loans held for investment at carrying value and loan receivable at carrying value, net of current expected credit loss reserve	42,145,474	34,780,434
Cash and cash equivalents	126,793,972	9,623,820
Interest receivable	1,205,304	927,292
Prepaid expenses and other assets	1,109,038	72,095
Total assets	\$221,505,837	\$93,961,692
Interest reserve	3,243,484	1,325,750
Current expected credit loss reserve	283,180	60,537
Accrued management fees	876,662	222,127
Accrued direct administrative expenses	365,567	550,671
Accounts payable and other liabilities	404,939	154,895
Total liabilities	\$5,173,832	\$2,313,980
Preferred stock, par value \$0.01 per share, 10,000 shares authorized at March 31, 2021 and December 31, 2020 and 125 shares issued and outstanding at March 31, 2021 and December 31, 2020	1	1
Common stock, par value \$0.01 per share, 25,000,000 and 15,000,000 shares authorized at March 31, 2021 and December 31, 2020, respectively, and 13,366,877 and 6,179,392 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	133,669	61,794
Additional paid-in-capital	216,504,726	91,068,197
Accumulated earnings (deficit)	(306,391)	517,720
Total stockholders' equity	216,332,005	91,647,712
Total liabilities and stockholders' equity	\$221,505,837	\$93,961,692

APPENDIX B

First Quarter Income Statement

	For the three months ended March 31, 2021
	(unaudited)
Revenue	
Interest Income	\$ 4,685,005
Total revenue	4,685,005
Expenses	
Management and incentive fees, net (less rebate of \$[237,743])	876,662
General and administrative expense	2,061,633
Professional fees	135,453
Total expenses	3,073,748
Provision for current expected credit losses	(66,100)
Change in unrealized gains / (losses) on loans at fair value, net	(144,402)
Net income before income taxes	1,400,755
Income tax expense	-
Net income	\$ 1,400,755
Earnings per common share:	
Basic earnings per common share (in dollars per share)	\$ 0.20
Diluted earnings per common share (in dollars per share)	\$ 0.19
Weighted average number of common shares outstanding:	
Basic weighted average shares of common stock outstanding (in shares)	7,144,670
Diluted weighted average shares of common stock outstanding (in shares)	7,485,048

APPENDIX C

Reconciliation of Distributable Earnings to GAAP Net Income

	For the three months ended March 31, 2021
Net Income	\$ 1,400,755
Adjustments to net income	
Non-Cash Equity compensation expense	1,599,115
Depreciation and amortization	-
Unrealized (gain), losses or other non-cash items	144,402
Provision for current expected credit losses	66,100
One-time events pursuant to changes in GAAP and certain non-cash charges	-
Distributable Earnings	\$ 3,210,372
Adjustments to Distributable Earnings	
Organizational expense	-
Adjusted Distributable Earnings	\$ 3,210,372
Basic weighted average shares of common stock outstanding (in shares)	7,144,670
Adjusted Distributable Earnings per weighted Average Share	\$ 0.45



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