# AFC Announces Results of Article 9 Public Sale of Justice Grown's Pennsylvania Dispensaries

November 16, 2026 at 8:00 AM EST

**$33.05 Million Cash Winning Bid Selected; SSC Advisors, as Financial Advisor and Marketing Agent, Also Confirmed Top Backup Bid**

WEST PALM BEACH, Fla., Nov. 16, 2026 (GLOBE NEWSWIRE) -- Advanced Flower Capital Inc. (Nasdaq: AFCG) ("AFC" or the "Company") today announced that AFC Agent LLC ("AFC Agent"), as administrative agent and secured party for the lenders under the Company's credit facility to certain affiliates of Justice Cannabis Company ("Justice Grown"), completed a public auction under Article 9 of the Uniform Commercial Code for the pledged equity interests in Hayden Gateway LLC (the "Collateral"), which holds Justice Grown's Pennsylvania medical cannabis dispensary operations. The auction was held on November 12, 2026 by a live webcast hosted by SSC Advisors ("SSC"), AFC Agent's financial advisor and marketing agent. AFC Agent selected an all-cash winning bid of $33.05 million for the Collateral from a third-party bidder, and SSC also confirmed the top backup bid from a separate qualified bidder.

"The completion of the Pennsylvania dispensaries auction represents progress in our efforts to recover value on the Justice Grown credit facility," said Daniel Neville, Chief Executive Officer of AFC. "We remain focused on pursuing our rights and remedies under the credit agreement and related guarantees to maximize potential recoveries for our stockholders."

The selection of the winning bid does not constitute consummation of the sale. Closing remains subject to execution of a definitive purchase agreement, satisfaction of the closing conditions and receipt of all applicable governmental, regulatory and third-party approvals, including those required from the Pennsylvania Department of Health. No transfer of the Collateral will be effective until the required approvals are obtained, and there can be no assurance that the transaction will close on the anticipated terms or at all.

***About AFC***

AFC (Nasdaq: AFCG) is a publicly traded business development company that provides flexible credit solutions to lower middle-market companies. The company primarily originates, structures, invests and manages direct senior debt investments, targeting companies generating annual EBITDA of $5 to $50 million. The company seeks to maximize risk-adjusted returns for its stockholders with an opportunistic approach across all industries. AFC is headquartered in West Palm Beach, Florida. For additional information regarding the company, please visit www.afcbdc.com.

***Forward-Looking Statements***

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect our current views and projections with respect to, among other things, future events, the sale of the Collateral and the performance of portfolio companies. 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, including statements about our portfolio companies' future growth and strategies for such growth, 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 ability to execute a definitive purchase agreement with the winning bidder or, if applicable, the backup bidder, and to satisfy the closing conditions thereunder, including the receipt of required regulatory approvals under applicable state cannabis laws and any required changes in ownership or control of the related cannabis licenses; the timing and amount of any proceeds received from the sale of the Collateral; the outcome of pending litigation relating to the Justice Grown credit facility; the demand for cannabis cultivation and processing facilities and dispensaries; the ability of our portfolio companies to implement their business strategies; our ability to maintain our status as a BDC; our ability to maintain our status under Subchapter M of the Internal Revenue Code of 1986, as amended, as a regulated investment company ("RIC") and our qualification for tax treatment as a RIC; the ability of our adviser to locate suitable loan opportunities for us, monitor and actively manage our loan portfolio and implement our investment strategy; actual and potential conflicts of interest with our adviser and its affiliates; our being subject to regulations and SEC oversight as a BDC, including limits on affiliated transactions, co-investments, asset diversification requirements, and limits on issuance of debt; changes in interest rates and impacts of such changes on our results of operations, cash flows and the market value of our loans; and other factors could cause actual results and performance to differ materially from those projected in these forward-looking statements. More information on these risks and other potential factors that could affect our business and financial results is included in AFC's filings with the SEC, including in the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of AFC's most recently filed periodic reports on Form 10-K, Form 10-Q and subsequent filings. New risks and uncertainties arise over time, and it is not possible to predict those events or how they may affect AFC. We do 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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