Beneficient Secures Court Approval to Pursue HCLP Debt Cancellation and $211 Million Recovery

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DALLAS, Nov. 24, 2026 (GLOBE NEWSWIRE) -- Beneficient (NASDAQ: BENF) ("Beneficient" or the "Company"), which provides liquidity and primary capital solutions and related fiduciary services for alternative assets, today announced further progress in executing its previously announced strategy to eliminate the purported HCLP Nominees, L.L.C. ("HCLP") debt and achieve a complete separation from former Chief Executive Officer Brad Heppner and his affiliated entities.

As previously disclosed, on October 23, 2026, the Company and certain subsidiaries filed a motion to intervene in litigation originally brought by HCLP against Delaware Trust Company, seeking the Court's approval to file a verified complaint against HCLP. On November 17, the Delaware Court of Chancery granted the motion to intervene. Following that ruling, on November 19, 2026, the Company and certain subsidiaries filed their verified complaint against HCLP.

The complaint seeks to invalidate the HCLP credit agreements and related loan documents, cancel the purported obligations, recover approximately $211 million previously paid on the purported debt, and establish that HCLP has no valid right to the related collateral. Drawing extensively on evidence from Heppner's criminal trial, the complaint alleges that Heppner fabricated the purported debt and concealed his control of HCLP as part of his fraudulent scheme. If successful, the action would leave the Company with an unleveraged balance sheet.

"We are pleased with the Court's ruling and look forward to vigorously prosecuting our claims related to the fraudulent HCLP debt as we work to strengthen our balance sheet and unlock value for our stockholders," said James G. Silk, Chief Executive Officer.

These developments advance the Company's previously announced strategy to achieve a complete separation from Heppner and his affiliated entities by eliminating the purported HCLP debt, extinguishing his remaining equity and governance interests, and terminating all remaining contractual arrangements with him and his affiliated entities. The Court's ruling concerns intervention only and does not resolve the merits of the Company's claims. There can be no assurance that the Company will obtain the relief sought.

About Beneficient
Beneficient (Nasdaq: BENF) – Ben, for short – is on a mission to democratize the global alternative asset investment market by providing traditionally underserved investors − mid-to-high net worth individuals, small-to-midsized institutions and General Partners seeking exit options, anchor commitments and preferred liquidity services for their funds − with solutions that could help them unlock the value in their alternative assets.

Its subsidiary, Beneficient Fiduciary Financial, L.L.C., received its charter under the State of Kansas' Technology-Enabled Fiduciary Financial Institution (TEFFI) Act and is subject to regulatory oversight by the Office of the State Bank Commissioner.

For more information, visit www.trustben.com or follow us on LinkedIn.

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Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding the HCLP litigation, the Company's strategy and objectives concerning the HCLP debt and other Heppner-related interests; the Company's ability to obtain a judgment or other binding resolution declaring the purported HCLP debt and related liens void, invalid or unenforceable; the potential conversion and exchange of Heppner-related equity interests; and the anticipated effects of these efforts on the Company's liabilities, collateral, capital structure, financial flexibility, legacy matters and stockholders. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "seek," "should," "target," "will," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are based on management's current expectations, beliefs, assumptions and information and are not guarantees of future performance or results.

Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, among others, the risk that the outcome and timing of the HCLP litigation, negotiations and other proceedings involving Mr. Heppner, HCLP and related parties may not be favorable; the risk that we may not be able to negotiate a consensual resolution with Mr. Heppner on terms that are favorable, or at all; the ability to enter into a definitive agreement with respect to a proposed resolution; the outcome of any appeal or other proceeding relating to Mr. Heppner's conviction; the risk that the Company is unable to obtain the relief it seeks or otherwise implement its strategy; disputes concerning the validity, enforceability, ownership, amount, value or conversion of the HCLP claims or other Heppner-related interests; the need for third-party or governmental actions, consents or approvals; the accounting and tax treatment of any resolution; the costs and diversion of management's attention and resources associated with these matters; and the other risks, uncertainties and factors set forth under "Risk Factors" in the Company's most recent Annual Report on Form 10-K and its subsequently filed Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. These factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this press release and the Company's filings with the U.S. Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made. The Company assumes no obligation to update or revise forward-looking statements to reflect actual results, subsequent events or circumstances, except as required by applicable law.