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Agrify Enters into Binding Letter of Intent for an Additional \$3M Contract with Hannah Industries for Facility Build-Out and Installation of 179 Vertical Farming Units

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30,000 sq. ft. cultivation facility expected to supply over 150 locations across Washington State

BURLINGTON, Mass., Feb. 19, 2021 (GLOBE NEWSWIRE) -- [Agrify Corporation](#) (NasdaqCM:AGFY) (“Agrify” or the “Company”), a developer of highly advanced and proprietary precision hardware and software grow solutions for the indoor agriculture marketplace, today announced it has entered into a binding letter of intent, which sets forth the principal terms of a contract currently being negotiated with Hannah Industries (“Hannah”), a leading Tier 2 producer and distributor of cannabis in Washington State, for the design and build-out of an approximately 30,000 square foot facility. The contract will include facility build-out services in total of \$3 million and annual SaaS revenue of approximately \$285,000. Such payments will be financed by Agrify, are to be made monthly over a two-year period commencing upon the first successful harvest, and will reflect an APR of 25%. The agreement for this design and build-out will be in addition to the previously purchased 179 Vertical Farming Units (“VFUs”) and is part of Agrify’s turnkey solution to its customers. The work is expected to be completed by early Q4 2021, subject to entry into a definitive agreement.

“We are especially proud to be selected by Hannah Industries, a leading producer and distributor in the State of Washington. Their decision to upgrade from the traditional grow methodology to Agrify’s integrated vertical farming solution is the strongest testimony of our joint belief that Agrify’s solution will help Hannah Industries to produce the highest quality cannabis flowers consistently. We’re thrilled to have been chosen again by Hannah for the facility design, construction, and installation of our proprietary and advanced grow solutions,” said Raymond Chang, Chief Executive Officer of Agrify. “Agrify VFUs and Agrify Insights software should also help Hannah realize increased levels of automation, control, transparency, and repeatability. We expect this will be a great win for our team, and we look forward to working with Hannah to successfully implement it.”

“The current market is very competitive, and consumers have lots of options. One of the most important things to our business is being able to deliver a consistent, high-quality supply of cannabis to our retail partners,” said Jason Whitney, Chief Executive Officer of Hannah. “The Agrify grow system and software allow us to have an extremely high level of control over the grow, helping us meet our customers’ needs. In addition, the information Agrify Insights software provides will allow our team to make real-time decisions on supply chain management based on feedback from our customers. This evolution in the industry is one of the reasons we are extremely pleased to be implementing the Agrify solution for our cultivation facility.”

About Agrify (NasdaqCM:AGFY)

We are a developer of premium grow solutions for the indoor agriculture marketplace. We use data, science, and technology to empower our customers to be more efficient, more productive, and more intelligent about how they run their businesses. Our highly advanced and proprietary hardware and software solutions have been designed to help our customers achieve the highest quality, consistency, and yield, all at the lowest possible cost. For more information, please visit our website at www.agrify.com.

About Hannah Industries

Hannah Industries is a leading Tier 2 producer and distributor with a 30,000 square foot I-502 cannabis facility located in the State of Washington. In operation for over three years, Hannah Industries distributes a portfolio of brands to over 150 store locations across the entire State of Washington.

Forward-Looking Statements

This press release contains forward-looking statements that are made pursuant to the safe harbor provisions within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties that may cause actual results or events to differ materially from those projected. These risks and uncertainties, many of which are beyond our control, include: the definitive agreement with Hannah may not be entered into; risks relating to our growth strategy; our ability to obtain, perform under and maintain financing and strategic agreements and relationships; risks relating to the results of development activities; our ability to attract, integrate and retain key personnel; our need for additional funds; intellectual property matters; competition; as well as other risks described in the section entitled “Risk Factors” in the prospectus from our initial public offering, which can be obtained on the SEC website at www.sec.gov. Readers are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date on which they are made and reflect management’s current estimates, projections, expectations, and beliefs. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions, or circumstances on which any such statement is based, except as required by law.

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