



Agrify Announces Definitive Agreement with Current Customer Greenstone to Complete Construction of Colorado Facility

May 13, 2021

Agreement includes an estimated \$11 million in production-based fees and consulting services over a 10-year period, and an option on phase 2 expansion for up to an additional \$37 million

BURLINGTON, Mass., May 13, 2021 (GLOBE NEWSWIRE) -- [Agrify Corporation](#) (NasdaqCM:AGFY) ("Agrify" or the "Company"), a developer of highly advanced and proprietary precision hardware and software cultivation solutions for the indoor agriculture marketplace, today announced it entered into a definitive agreement with its existing customer Greenstone Holdings, LLC ("Greenstone"), a licensed operator in the state of Colorado, to complete the construction of a 25,000 square foot expansion of Greenstone's Denver facility, significantly increasing the facility's cultivation footprint.

Under the terms of the agreement, Agrify will provide up to \$2.5 million in construction loans at 18% APR, to be repaid over a 24-month period following commencement of operations. Construction is expected to begin in the second quarter of 2021 with the completed facility expected to be fully operational by the fourth quarter of 2021. In addition to the construction, Agrify will receive recurring fees over a 10-year period of up to \$11 million to support the successful launch of Greenstone's operations. Under the agreement, Agrify may also extend additional construction financing, which would be used to convert Greenstone's existing traditional indoor grow facility with the addition of 200-220 VFUs and would provide Agrify the opportunity to earn an additional estimated \$37 million in production-based fees and consulting services. As part of the deal, Agrify agrees to retire Greenstone's current lease agreement with CCI-Finance, LLC, at 50% of the original face value of \$1.4 million, or \$700,000. The initial closing of the transactions contemplated by the agreement is expected to occur by May 30, 2021 and is subject to standard closing conditions.

"We are delighted to announce this next phase in our relationship with Greenstone, and we are excited to have been brought in to complete the construction of their cultivation facility," said Raymond Chang, Chief Executive Officer of Agrify. "We look forward to continuing our work together over the next 10 years as we assist them in optimizing production so they are able to provide the Colorado market with the type of consistently high-quality products that consumers demand."

"Today's announcement represents a critical step in the completion of our Denver facility," said Gary Walker, General Manager of Greenstone Holdings, LLC. "With Agrify's assistance, we expect to be able to get our expanded facility online by the end of Q4, 2021. We are excited to continue our journey with Agrify to further improve consistency and enhance the quality of our products for our customers, and we look forward to broadening our successful relationship with Agrify as we enter our next phase of company growth."

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.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, concerning Agrify and other matters. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our customer relationship with Greenstone, project timelines, and ability to deliver solutions and services. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this press release are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events as well as the terms and conditions that were mutually agreed upon in the underlying definitive agreement between Agrify and Greenstone Holdings, LLC. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. You should carefully consider the risks and uncertainties that affect our business, including those described in our filings with the Securities and Exchange Commission ("SEC"), including under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020 filed with the SEC, which can be obtained on the SEC website at www.sec.gov. These forward-looking statements speak only as of the date of this communication. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements, whether as a result of any new information, future events or otherwise. You are advised, however, to consult any further disclosures we make on related subjects in our public announcements and filings with the SEC.

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