Agrify Announces Third Massachusetts-Based 10-Year TTK Partnership with Kief USA, LLC

November 8, 2021

485 of Agrify's Vertical Farming Units to be installed at 84,000-square-foot facility with over $68.7 million in revenue expected over the first three years of cultivation

BILLERICA, Mass., Nov. 08, 2021 (GLOBE NEWSWIRE) -- Agrify Corporation (Nasdaq:AGFY) ("Agrify" or the "Company"), a vertically integrated provider of premium cultivation and extraction solutions for the cannabis and hemp industry, today announced it has signed a definitive agreement (the "Agreement") with its third Massachusetts-based Agrify Total Turn-Key Solution ("Agrify TTK Solution") customer, Kief USA, LLC ("Kief USA"). Kief USA will be a tier 11 cultivator and manufacturer based in Attleboro, Massachusetts, and will be a fully integrated operator in the cannabis space with additional retail operations, following the receipt of all necessary licenses.

Under the terms of the Agreement, Agrify has entered into a 10-year deal with Kief USA that includes the installation of 485 Vertical Farming Units ("VFUs") at Kief USA's 84,000-square-foot facility, as well as architectural and engineering services, construction, recurring SaaS revenue, operations consulting, and brand licensing. Kief USA will be providing 20% of the total $24 million construction cost, with Agrify, or Agrify's designated financing partner, to provide senior financing of the remaining 80% of the construction cost at 16.5% APR, which will be repaid within 24 months following the commencement of the first commercial production at the facility. Kief USA has also committed to contribute 20% of all VFU hardware costs. The partnership is expected to generate over $68.7 million in revenue for Agrify over the first three years of the deal once cultivation starts.

"We are proud to be expanding the Agrify Total Turn-Key Solution program, and we look forward to working with Kief USA as our third Massachusetts-based TTK partner," said Raymond Chang, CEO of Agrify. "With retail cannabis sales surpassing $2 billion in Massachusetts this year[1], I am confident our partnership will result in Kief USA being able to supply consumers with the quality cannabis and consistent experience they've come to demand. This exciting new addition to our program is expected to further increase our market share and enhance long-term shareholder value."

"Kief, as a women- and minority-owned family business, will soon call Massachusetts home, and it is only the beginning of our story on the east coast," said Ali Lee, COO of Kief USA. "Through our partnership with Agrify, we aspire to provide quality product and consistent consumer experiences, with personal service and our community and mother planet at heart."

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[1] Massachusetts Marijuana Establishments Surpass $2 Billion in Gross Sales, https://masscannabiscontrol.com/2021/09/massachusetts-marijuana-establishments-surpass-2-billion-in-gross-sales/, September 1, 2021

About Agrify (Nasdaq:AGFY)

Agrify is a vertically integrated provider of premium cultivation and extraction solutions for the cannabis and hemp industry. Our proprietary micro-environment-controlled Vertical Farming Units (VFUs) enable our customers to produce the highest quality products with unmatched consistency, yield, and ROI at scale. Agrify brings data, science, and technology to its customers for unparalleled control over cultivation and extraction. For more information, please visit Agrify at http://www.agrify.com, and Precision Extraction, a division of Agrify, at http://www.precisionextraction.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 Kief USA, Kief USA's efforts to secure the licenses necessary to operate, the revenue expected from the deal, project timelines, and our 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 definitive agreement between Agrify and Kief USA. 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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