SG Blocks Partners with Largest Quick Service Restaurant Operator in the Middle East and Africa to Deploy First Container-Based Planet Smoothie Store

ESR Rated Container-Based Store to be Deployed at United States Military Installation Overseas

BROOKLYN, NY -- (Marketwired) -- 10/05/17 -- <u>SG Blocks, Inc.</u> (NASDAQ: SGBX), a leading designer, innovator and fabricator of container-based structures, has partnered with Omar Bukhowa of the East Africa Development Company, a leader in the quick service restaurant (QSR) industry to deploy a new container-based Planet Smoothie store at a U.S. military base in Africa.

SG Blocks is partnering with Mr. Omar Bukhowa, who has extended his father Dr. Adel Bukhowa's legacy of food service innovation in the Middle East. From a few restaurants in the UAE and Bahrain, Bukhowa's Yum Yum Tree Food Court Company (YYTFFC) developed into a 20-brand corporation with 180 locations across five Middle Eastern countries. In December 2016, the Bukhowa's sold their company to Global Capital Management LTD (GCM), a private equity firm.

East Africa Development Company is seeking to capitalize on an estimated influx of \$2 billion in the region over the next four years, specifically focused on servicing United States military installations. SG Blocks, who has successfully built for the United States military and multiple QSRs, is a natural partner. Moreover, the exclusive ESR number secured by SG Blocks, held by no other container construction company, ensures its ability to meet and exceed any and all international building codes.

SG Blocks Chairman & CEO Paul Galvin summarized the project and opportunity, "We are grateful to be partnering with a long-term industry innovator in the QSR vertical. Our structures can be shipped internationally and assembled on site with speed and ease. We welcome the opportunity to build a Planet Smoothie for our service members in Djibouti."

About SG Blocks, Inc.

SG Blocks, Inc. is a premier innovator in advancing and promoting the use of codeengineered cargo shipping containers for safe and sustainable construction. The firm offers a product that exceeds many standard building code requirements, and also supports developers, architects, builders and owners in achieving greener construction, faster execution, and stronger buildings of higher value. For more information, visit www.sgblocks.com.

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking statements" within the

meaning of the federal securities laws. Words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "predict," "forecast," "project," "plan," "intend" or similar expressions, or statements regarding intent, belief, or current expectations, are forward-looking statements. While SG Blocks believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. These forward-looking statements are based upon current estimates and assumptions and are subject to various risks and uncertainties, including without limitation those set forth in the SG Blocks' filings with the Securities and Exchange Commission (the "SEC") Thus, actual results could be materially different. SG Blocks expressly disclaims any obligation to update or alter statements whether as a result of new information, future events or otherwise, except as required by law.

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