

April 5, 2019

SAFE & GREEN

SG Blocks and Arizona Investissements Announce \$4 Million Agreement to Build Mobile Hospitality Units in New York State

Units Can be Seasonally Relocated—A Hospitality Industry First

BROOKLYN, N.Y.--(BUSINESS WIRE)-- [SG Blocks, Inc.](#) (NASDAQ: [SGBX](#)), a leading designer, fabricator and innovator of container-based structures, and Luxembourg-based real estate developer's U.S. affiliate [Arizona Investissements US LLC](#)., have executed an agreement to construct a prototype for mobile hospitality units. When fully completed, the total project revenue is estimated to be approximately \$4.0 million.

The total order, expected to be almost 50 proprietary production units, will be delivered to an initial location in Hudson Valley, New York, where Arizona Investissements recently acquired the [Twin Lakes Resort](#) through one of its subsidiaries. This 55-acre estate is currently under renovation and is poised to become a leading eco resort in upstate New York.

"Our collaboration with Arizona Investissements is unprecedented in the hospitality industry," said Paul Galvin, Chairman and CEO of SG Blocks. "We are thrilled to partner with them on this cutting-edge venture that is expected to create a new niche in hospitality, offering guests hotel suites that can be seasonally moved to best accommodate customer needs."

"We anticipate this to be the first in a series of SG Blocks orders for these unique modular mobile hospitality suites," said Jordan Bem, Principal of Arizona Investissements. "SG Blocks is the leading modular innovator. We are excited to exclusively work together on this ground-breaking initiative as we continue to expand our commercial real estate development in the United States."

SG Blocks, Inc. utilizes code-engineered cargo shipping containers to construct and provide safe, durable and environmentally-friendly modular structures. It was the first container-based construction company recognized by the International Code Council with an ESR number. Clients have included Starbucks, Marriott, Taco Bell, Aman, Equinox and several branches of the U.S. military.

About SG Blocks, Inc.

SG Blocks, Inc. is a premier innovator in advancing and promoting the use of code-engineered 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. Each project starts with GreenSteel™, the structural core and shell of an SG Blocks building, and then customized to client specifications. For more information, visit www.sgblocks.com.

About Arizona Investissements SA

Established in 1999, Arizona Investissements develops, owns, operates, and manages commercial real estate (retail, office, hotel, and multifamily) providing innovative strategies and solutions. To date, the group has a vast real estate portfolio within Europe through its 45 independent subsidiaries and has over 2,000,000 square feet in current development. In 2017, Arizona Investissements has started developing a premier portfolio of high-quality assets across the United States. Being at the fore front of sustainability, most of the group's new developments are pursuing BREAM and HQE certifications as well as utilize green energy (via its subsidiary Arizona Green Energy) and maintenance services. For more information, visit www.arizona-investissements.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 SG Blocks' filings with the Securities and Exchange Commission. 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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