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SG Blocks Announces Expansion of SG Echo Factory

10,300 Square Feet added for specialized Steelwork to Meet Growing Demand

NEW YORK--(BUSINESS WIRE)-- SG Blocks, Inc. (NASDAQ: SGBX) ("SG Blocks" or the "Company"), a leading designer, innovator and fabricator of container-based structures, announced today that in furtherance of its September 2020 acquisition of ECHO DCL in Durant, Oklahoma, a new 10,300 square foot building extension will be used to greatly increase the Company's capacity for container modifications, reinforcements, and the construction of light gauge steel purpose-driven modules. This additional square footage is the first step in a multi-phased plan to develop the SG Echo manufacturing campus.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20210115005127/en/>

Rendering of SG Blocks' HOTWORKS Building addition (Photo: Business Wire)

"We are happy to increase our production capacity with our new

HOTWORKS™ Building addition. We have found both the talent and work ethic to be very strong at SG Echo and we look forward to our continued partnership as we work to meet growing demand," said SG Blocks Chairman & CEO Paul Galvin.

The original acquisition of ECHO DCL by SG Blocks in September 2020 allowed SG Blocks to vertically integrate a large portion of costs of goods sold, as well as increase margins and productivity in the crucial areas of design and manufacturing.

With this expansion, SG Blocks intends to further utilize the highly skilled labor force available in Durant, OK to meet the needs of major markets, including military, education, administration facilities, healthcare, government, commercial and residential manufacturing. The expansion is expected to help SG Blocks to further specialize and meet the complex needs of its various clients.

"The new space designed by CSHQA will be built using SG Blocks shipping containers, which really speaks to the sustainable and eco-friendly solutions we stand for," said Jesse Goldman, Architect Principal with CSHQA.

The new expansion will be designed using SG Blocks' products, technology and ESR number.

"We anticipate a quick turnaround and plan to be operational at the beginning of the second quarter of 2021," Galvin stated.

SG Blocks is also exploring the prospect of acquiring up to an additional 19 acres at the

facility.

About SG Blocks, Inc.

Founded in 2007, SG Blocks, Inc. is a premier innovator in advancing and promoting the use of code-engineered cargo shipping containers to design and provide safe, durable and environmentally friendly structures. 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. It has an exclusive ESR number, which was granted by the International Code Council and ensures its ability to meet and exceed all international building codes. Clients have included various retail clients, several branches of the U.S. military, and most recently, advances into the travel and healthcare space with hospitals and airports. For more information, visit www.sgblocks.com.

Safe Harbor Statement

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. These forward-looking statements are based upon current estimates and assumptions, and include statements regarding plans to develop SG Echo manufacturing campus, plans to further utilize the highly skilled labor force available in Durant, OK to meet the needs of major markets, the expansion allowing the Company to further specialize and meet the complex needs of its various clients, plans to be operational at the beginning of the second quarter of 2021 and exploring the prospect of acquiring up to an additional 19 acres at the facility. 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 subject to various risks and uncertainties, many of which are difficult to predict that could cause actual results to differ materially from current expectations and assumptions from those set forth or implied by any forward-looking statements. Important factors that could cause actual results to differ materially from current expectations include, among others, the Company's ability to develop a SG Echo manufacturing campus, the Company's ability to further utilize the labor force available in Durant, OK to meet the needs of major markets, the Company's ability to further specialize and meet the complex needs of its various clients, the Company's ability to commence operations at the facility at the beginning of the second of 2021, the Company's ability to acquire up to an additional 19 acres at the facility, the Company's ability to deploy its COVID-19 solutions as planned, the Company's ability to position itself for future profitability, the Company's ability to maintain compliance with the NASDAQ listing requirements, and the other factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and its subsequent filings with the SEC, including subsequent periodic reports on Forms 10-Q and 8-K. The information in this release is provided only as of the date of this release, and we undertake no obligation to update any forward-looking statements contained in this release on account of new information, future events, or otherwise, except as required by law.

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