

January 3, 2024



Safe & Green Holdings CEO Provides Letter to Shareholders



Safe & Green Holdings' Modular Manufacturing Facility

MIAMI, Jan. 03, 2024 (GLOBE NEWSWIRE) -- Safe & Green Holdings Corp. (NASDAQ: SGBX) ("Safe & Green Holdings" or the "Company"), a leading developer, designer, and fabricator of modular structures for residential, commercial, and point-of-care medicine, today provided the following letter to stockholders from Paul Galvin, the Company's Chairperson and CEO:

Dear Stockholders,

We are pleased to share with you the significant milestones and exciting developments that Safe & Green Holdings accomplished in 2023 as well as take a look at what we believe is a very promising future for the Company in 2024.

2023 Highlights:

- Completed the spin-off of the Company's real estate development subsidiary, Safe and

Green Development Corporation (**NASDAQ: SGD**)

- Collaboration with Earth Our Common Home (ECHO) to launch the ECHO Impact Investment Fund for Africa
- Entered into a Master Purchase Agreement with Safe and Green Development Corporation for manufacturing projects initially valued in excess of \$140 million
- Achieved record growth in manufacturing sales pipeline
- SGD entered into a contribution agreement to form a Joint Venture to develop the Lago Vista property
- SG Echo awarded a multi-million-dollar contract to supply additional modular units to a long-standing private infrastructure solutions client
- Selected by the Tunnel to Towers Foundation to construct a traveling modular home, the Comfort Home Show model, designed to showcase the foundation's Homeless Veteran Program
- Partnered with Impact Housing to construct 3 modular Comfort Homes for the Foundation in Houston, Texas
- Announced launch of CORNERSTONE Charitable Foundation and plans to construct a schoolhouse in Cape Coast, Ghana, as part of the Ghana's Tomorrow Project
- Obtained a certificate of occupancy for the SG Echo at Waldron facility
- Planned McLean manufacturing facility now in the design phase
- Identified reduction of over \$2.5 million in annualized expenses expected to be realized in 2024

As you can see from the list of highlights above, 2023 was a busy and exciting year for Safe & Green Holdings, including the spin-off of Safe and Green Development Corporation. (SG DevCo) into a separate, publicly traded entity, which involved more than a year of dedicated effort and hard work from the Safe & Green team. With a robust construction pipeline exceeding \$800 million and record growth, we have expanded our manufacturing capabilities to meet the increasing demand. We entered into a Master Purchase Agreement (MPA) with SG DevCo to produce modular units, anticipating over \$140 million in manufacturing revenue. The significance of the MPA lies in its potential to escalate our factory utilization rate close to 100%, subject to adequate financing. Furthermore, our Waldron Manufacturing site received its certificate of occupancy, enhancing our production capabilities. The Company now operates two factories, with a third, the McLean manufacturing facility in the design phase and a fourth in the planning phase. Upon completion, these facilities are poised to offer the Company more than 360,000 square feet of manufacturing space within the U.S., bolstering domestic employment. Given this projected growth, as well as the scalability of our manufacturing operations, and cost reductions to focus on our most profitable operations, we expect our cash flow will continue to improve throughout the balance of the year and beyond.

Looking towards 2024, the prospects for Safe & Green Holdings are promising thanks to our current involvement in numerous projects. Our revenue from manufacturing and construction services has grown substantially and we are confident in the scalability of our business model and eager to continue expanding our presence across the United States. The outlook for the Company is bright, and we remain dedicated to managing our expenses wisely and enhancing stockholder value for our long-term stockholders. I want to express my heartfelt gratitude to our Board of Directors and the entire Safe & Green Holdings team for their relentless efforts and significant contributions to the Company's achievements over the past year.

Last, but certainly not least, I would like to thank our loyal stockholders for your trust and support as we continue on this exciting journey together.

Paul Galvin

About Safe & Green Holdings Corp.

Safe & Green Holdings Corp., a leading modular solutions company, operates under core capabilities which include the development, design, and fabrication of modular structures, meeting the demand for safe and green solutions across various industries. The firm supports third-party and in-house developers, architects, builders, and owners in achieving faster execution, greener construction, and buildings of higher value. The Company's subsidiary, Safe and Green Development Corporation, is a leading real estate development company. Formed in 2021, it focuses on the development of sites using purpose-built, prefabricated modules built from both wood and steel, sourced from one of SG Holdings' factories and operated by the SG Echo subsidiary. For more information, visit <https://www.safeandgreenholdings.com/> and follow us at @SGHcorp on Twitter.

Safe Harbor Statement

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 the promising future for 2024, planned launch of the ECHO Impact Investment Fund for Africa; the planned McLean manufacturing facility, the reduction of over \$2.5 million in annualized expenses expected to be realized in 2024; the construction pipeline; plans related to factories and level of factory utilization including the \$140 million in anticipated manufacturing revenue, the potential to escalate the factory utilization rate close to 100%, subject to adequate financing; projected growth; planned cost reductions; the Company being cash flow positive within the first 100 days of 2024 and generating meaningful cash flow throughout the balance of the year and beyond; the scalability of the business model and expansion of the Company's presence across the United States, the Company's prospects being promising; the Company's outlook being bright and enhancing stockholder value. . 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 complete the launch of the ECHO Impact Investment Fund for Africa; the Company's ability to complete the construction and expansion of its manufacturing facilities as planned; the Company's ability to achieve a factory utilization rate as planned; the Company's ability to reduce its annualized operating expenses and generate meaningful positive cash flow as planned; the Company's ability to be adequately financed, and the other factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2022 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.

Investor Relations:

Crescendo Communications, LLC

(212) 671-1020

sgbx@crescendo-ir.com

Attachment

- [Safe & Green Holdings' Modular Manufacturing Facility](#)

Source: Safe and Green Holdings Corp

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