UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **May 11, 2022**

AGRIFY CORPORATION

(Exact name of registrant as specified in its charter)

Nevada	001-39946	30-0943453
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

76 Treble Cove Rd. Building 3 Billerica, MA 01862	01862
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(617) 896-5243**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	AGFY	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Conditions.

On May 11, 2022, Agrify Corporation (the “Company”) issued a press release announcing financial results for the quarter ended March 31, 2022. A copy of the release is attached as Exhibit 99.1.

The information furnished herein, including Exhibit 99.1, is not deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This information will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates them by reference.

Item 7.01. Regulation FD Disclosure.

The Company hereby furnishes the updated investor presentation attached as Exhibit 99.2 to this Current Report on Form 8-K, which the Company may use in presentations to investors from time to time.

The information furnished pursuant to this Item 7.01, including Exhibit 99.2, is not deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This information will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates them by reference.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Description
99.1	Press release issued by Agrify Corporation, dated May 11, 2022
99.2	Presentation of Agrify Corporation, dated May 11, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AGRIFY CORPORATION

Date: May 11, 2022

By: /s/ Timothy R. Oakes
Timothy R. Oakes
Chief Financial Officer

Agrify Announces Record Revenue Results for First Quarter 2022

First Quarter Revenue Grew 271% Year-Over-Year to $26 Million, Exceeding Prior Guidance

First Quarter Contractual Backlog Increased by $77 Million

BILLERICA, Mass., May 11, 2022 - Agrify™ Corporation (Nasdaq:AGFY) ("Agrify" or the "Company"), the most innovative provider of advanced cultivation and extraction solutions for the cannabis industry, today announced financial results for the first quarter ended March 31, 2022.

"Increased customer adoption across our product lines not only fueled our Q1 growth but also helped strengthen the foundation for future high-margin recurring revenue streams, which we expect to begin to realize later this year," said Raymond Chang, Chairman and Chief Executive Officer of Agrify. "We continue to make tremendous progress on the successful execution of our growth strategy as we expand our Vertical Farming Units ("VFUs") and extraction customer base, selectively enter new limited-license states and international markets, and innovate and improve our product offerings."

First Quarter 2022 Financial Results

- Revenue was $26.0 million for the first quarter, an increase of 271% compared to $7.0 million for the prior year period.
- Gross profit for the first quarter totaled $4.2 million, or 16.0% of revenue, compared to $(540) thousand, or (7.7)% of revenue, in the prior year period.
- Operating expenses were $13.9 million for the first quarter, compared to $6.0 million in the prior year period. The comparative increase in the first quarter operating expenses is largely attributable to overall growth in the scale of the Company's core business and recent acquisitions, increases in amortization expense associated with the intangible assets identified as part of the Company's recently completed acquisitions, direct acquisition-related costs, an investment banker termination fee, and restructuring charges.
- Net loss for the first quarter was $8.9 million, or $0.36 per diluted share, compared to net loss of $3.8 million, or $0.33 per diluted share, in the prior year period.
- Cash flow used in operating activities was $34.2 million for the first quarter, compared to $7.3 million in the prior year period. First quarter 2022 cash flows used in operating activities related to the increase in inventory associated with the current and future construction of the Company's VFUs, current quarter operating performance, first quarter renewals of insurance policies, and the capitalization of debt issuance costs.
- Adjusted EBITDA (a non-GAAP financial measure) was a loss of $6.1 million in the first quarter (see "Non-GAAP Financial Measures" below for further discussion of this non-GAAP term, including a reconciliation to the most comparable GAAP measure), compared to a loss of $4.2 million in the prior year period.

Recent Business Highlights

- On May 10, 2022, Agrify announced a $2 million agreement with Michigan-based Boone Labs to outfit its new production facility with the complete range of Agrify offerings including 72 VFUs powered by the Agrify Insights™ software, as well as solventless extraction, hydrocarbon extraction, and ice water hash washing solutions. Boone Labs will be the first customer to leverage Agrify's full suite of offerings, across cultivation, extraction, and consumer brands, to create a fully operational cannabis production business.
- On May 6, 2022, Agrify announced the launch of the PX5 product from its Extraction Division, expanding its portfolio of industry-leading processing solutions with its latest, most advanced and scalable passive hydrocarbon extractor. The PX5's unique passive recovery design offers immediate economic benefits to cannabis operators of any size with projected benefits including an increase in daily production of up to 33%, savings in annual energy costs of up to 40%, and an increase in hourly extract production of 200% to 300% with specialized training available from Agrify Extraction.

- On April 20, 2022, Agrify announced the launch of its VFU Rapid Deployment Packs, which allow cultivators to accelerate their speed to market and streamline VFU adoption for multi-state operators ("MSOs") without requiring major building renovations that cause disruptions to existing operations.

- On April 13, 2022, Agrify announced its VFU sales agreement with BioCann Pharmaceutical, a prominent cannabis cultivator in Madeira, Portugal. The agreement will introduce the Company's VFU technology into Europe, one of the largest cannabis markets in the world with high and stringent quality and safety requirements. The agreement includes the purchase of 190 VFUs and $2.3 million in estimated SaaS fees.

- On April 11, 2022, Agrify announced it had entered into an Agrify Total Turn-Key Solution ("Agrify TTK Solution") partnership with Loud Wellness, a licensed New Jersey-based cultivation and manufacturing operator. The partnership, which includes the installation of 500 VFUs, is expected to generate approximately $118 million of estimated total revenue for Agrify over the full 10-year term of the agreement, of which $100 million is estimated to be from production success fees and $18 million is estimated to be from SaaS fees.

- On April 6, 2022, Agrify announced its VFU sales agreement with Greenlight Cannabis ("Greenlight"), a prominent and rapidly growing MSO in the United States with 28 locations across 5 states. Under the agreement, the Company plans to install VFUs that will enable Greenlight to increase its grow canopy in order to achieve rapid business growth and geographic expansion under one standard.

About Agrify TTK Solution

The Agrify TTK Solution is a first-of-its-kind program in which Agrify engages with qualified cannabis operators in the early phases of their business and provides critical support, typically over a 10-year period, which includes: design and buildout of their cultivation and extraction facilities, state-of-the-art cultivation and extraction equipment, process design, training, implementation, proven grow recipes, product formulations, data analytics, and consumer branding.

VFU Backlog

Agrify currently has contractual commitments for 4,569 VFUs that will be powered by the Agrify Insights cultivation and production software. 3,783 of these VFUs were committed to as part of the Agrify TTK Solution, which requires customers to pay production success fees and SaaS fees for up to a 10-year period, and it also typically includes Agrify providing a variety of other value-added services. The remaining 786 VFUs were sold to customers through onetime equipment sales that require theses customer to pay monthly SaaS fees (per VFU). Cumulatively, all of the VFUs under Agrify TTK Solution agreements or SaaS agreements are estimated to produce approximately $923 million in total revenue over the next 10 years, of which $674 million is in anticipated high-margin production success fees, $129 million is in anticipated high-margin SaaS fees, and $95 million is in construction-related fees.

2022 Outlook

Agrify reiterates its previously provided revenue guidance for Fiscal Year 2022 to be in the range of $140 million to $142 million.

Conference Call and Webcast Information

Agrify will host a conference call and webcast today (Wednesday, May 11, 2022) at 8:30 a.m. Eastern Time (ET) to discuss its financial results for the first quarter ended March 31, 2022.

All interested parties are invited to listen to the live conference call by dialing the number below or by clicking the webcast link, which can be accessed by visiting Agrify's Investor Relations website at ir.agrify.com and navigating to the Events page. The Company has also posted an accompanying slide presentation, which can be found in the same location as the webcast link.

- DATE: Wednesday, May 11, 2022
- TIME: 8:30 a.m. ET
- WEBCAST (live and available for replay): https://ir.agrify.com/news-and-events/investor-calendar
- DIAL-IN NUMBER: (844) 792-4409
- CONFERENCE ID: 2387725

About Agrify (Nasdaq:AGFY)

Agrify is the most innovative provider of advanced cultivation and extraction solutions for the cannabis industry, bringing data, science, and technology to the forefront of the market. Our proprietary micro-environment-controlled Vertical Farming Units (VFUs) enable cultivators to produce the highest quality products with unmatched consistency, yield, and ROI at scale. Our comprehensive extraction product line, which includes hydrocarbon, ethanol, solventless, post-processing, and lab equipment, empowers producers to maximize the quantity and quality of extract required for premium concentrates. For more information, please visit Agrify at http://www.agrify.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 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 future financial results, including expected revenue, integration of prior acquisitions, the timing and ability to launch new products, the ability to realize revenue from the bookings, backlog, pipeline and specific transactions described herein, the revenue expected from any Agrify TTK Solution transactions and the duration of those revenue streams, project timelines, and Agrify's 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 and financial trends that we believe may affect our business, financial condition and results of operations. 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 filed for the year ended December 31, 2021 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.

AGRIFY CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statement of Operations
(In thousands, except for per share amounts)
(Unaudited)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Revenue	$ 26,021	$ 7,008
Cost of goods sold	21,851	7,548
Gross profit	4,170	(540)
General and administrative	9,759	4,458
Sales and marketing	2,090	616
Research and development	2,084	882
Total operating expenses	13,933	5,956
Loss from operations	(9,763)	(6,496)
Interest income (expense), net	682	(32)
Gain on extinguishment of notes payable	-	2,685
Other income, net	682	2,653
Net loss before income taxes	(9,081)	(3,843)
Income tax benefit	(200)	-
Net loss	(8,881)	(3,843)
Income (loss) attributable to non-controlling interest	1	(33)
Net loss attributable to Agrify	$ (8,882)	$ (3,810)
Net loss per share attributable to common stockholders – basic and diluted	$ (0.36)	$ (0.33)
Weighted average commons shares outstanding – basic and diluted	24,589	11,568

AGRIFY CORPORATION AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(In thousands)
(Unaudited)

	March 31, 2022	December 31, 2021 (Audited)
Assets		
Cash and cash equivalents	$ 25,205	$ 12,014
Restricted cash	30,000	-
Marketable securities	38,211	44,550
Accounts receivable, net	8,571	7,222
Inventory	38,989	20,498
Prepaid expenses and other assets	6,567	2,452
Total current assets	147,543	86,736
Loan receivable, net	34,738	22,255
Property and equipment, net	7,055	6,232
Right-of-use assets, net	1,554	1,479
Goodwill and intangible assets, net	70,405	64,162
Other non-current assets	3,180	1,184
Total assets	$ 264,475	$ 182,048
Liabilities		
Accounts payable	$ 3,683	$ 9,151
Accrued expenses and other current liabilities	30,112	28,764
Operating lease liabilities, current	911	814
Long-term debt, current	2,970	1,089
Deferred revenue	4,182	3,772
Total current liabilities	41,858	43,590
Other non-current liabilities	275	318
Deferred tax liabilities, net	62	-
Operating lease liabilities, non-current	689	704
Long-term debt	51,154	12
Total liabilities	94,038	44,624
Stockholders' Equity		
Common stock	25	21
Preferred stock	-	-
Additional paid-in capital	237,903	196,013
Accumulated deficit	(67,857)	(58,975)
Total stockholders' equity	170,071	137,059
Non-controlling interests	366	365
Total liabilities and stockholders' equity	$ 264,475	$ 182,048

AGRIFY CORPORATION AND SUBSIDIARIES
Condensed Consolidated Statement of Cash Flows
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2022	**2021**
Cash flow (used in) provided by:		
Operating activities	$ (34,171)	$ (7,279)
Investing activities	(13,365)	(142)
Financing activities	90,727	137,197
Net increase in cash, cash equivalents and restricted cash	$ 43,191	$ 129,776

Non-GAAP Financial Measures

To supplement our financial information presented in accordance with generally accepted accounting principles in the United States, or U.S. GAAP, we use Adjusted EBITDA, which is a non-U.S. GAAP financial measure to clarify and enhance an understanding of past performance. We believe that the presentation of Adjusted EBITDA enhances an investor's understanding of our financial performance. We further believe that Adjusted EBITDA is a useful financial metric to assess our operating performance from period-to-period by excluding certain items that we believe are not representative of our core business. We use certain financial measures for business planning purposes, measuring our performance relative to that of our competitors and determining our compliance with certain debt instruments. We utilize Adjusted EBITDA as a key measure of our performance.

We calculate Adjusted EBITDA as net loss adjusted to exclude (i) tax provision and benefit; (ii) interest income and expense, net; (iii) other income and expense, net; (iv) depreciation and amortization, (v) stock-based compensation expense, (vi) acquisition-related expenses; (vii) investment banker termination fees; (viii) restructuring charges; (ix) gains and losses associated with the extinguishment of debt; (x) changes in derivative liabilities; (xi) changes in contingent consideration; (xii) gain associated with the forgiveness of PPP loans; and (xiii) other items affecting our results that we do not view as representative of our ongoing operations, including losses associated with write-offs.

We believe Adjusted EBITDA is a commonly used by investors to evaluate our performance and that of our competitors. However, our use of the term Adjusted EBITDA may vary from that of others in our industry. Adjusted EBITDA should not be considered as an alternative to net loss before taxes, net loss, loss per share or any other performance measures derived in accordance with U.S. GAAP as measures of performance.

Adjusted EBITDA has important limitations as an analytical tool and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations of Adjusted EBITDA include (i) Adjusted EBITDA does not properly reflect capital commitments to be paid in the future, and (ii) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and Adjusted EBITDA does not reflect these capital expenditures. Our public offering and acquisition-related expenses, including legal, accounting and other professional expenses, reflect cash expenditures and we expect such expenditures to recur from time-to-time. Our Adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate Adjusted EBITDA in the same manner as we calculate the measure, limiting its usefulness as a comparative measure.

In evaluating Adjusted EBITDA, you should be aware that in the future we will incur expenses similar to the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these expenses or any unusual or non-recurring items. Adjusted EBITDA should not be considered as an alternative to loss before benefit from income taxes, net loss, earnings per share, or any other performance measures derived in accordance with U.S. GAAP. When evaluating our performance, you should consider Adjusted EBITDA alongside other financial performance measures, including our net loss and other GAAP results.

The following table presents a reconciliation of Adjusted EBITDA from the most comparable GAAP measure, net loss, for the three months ended March 31, 2022 and 2021:

AGRIFY CORPORATION AND SUBSIDIARIES
Reconciliation of GAAP Net Loss to Non-GAAP Adjusted EBITDA
(In thousands)
(Unaudited)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net loss	$ (8,882)	$ (3,810)
Add:		
Income tax benefit	(200)	-
Interest (income) expense	(682)	32
Depreciation and amortization	1,052	147
Stock-based compensation	953	2,135
Direct acquisition expenses	637	-
Investment banker termination fees	637	-
Restructuring charges	387	-
Gain on extinguishment of notes payable	-	(2,685)
Adjusted EBITDA	$ (6,098)	$ (4,181)

Company Contacts

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Exhibit 99.2

Q122 Earnings Call

May 11, 2022

AGRIFY™

Passionately Transforming Cannabis Through Innovation

Important Notices & Disclosures

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, or the Exchange Act. All statements other than statements of historical facts contained in this presentation, including statements regarding our strategy, future operations, future financial position, future revenue, our ability to realize revenue from the bookings, backlog, pipeline and transactions described herein, the revenue expected from any Agrify TTK Solutions transactions, projected costs, prospects, plans, customers, objectives of management and expected market growth are forward-looking statements. These 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.

The words "anticipate," "believe," "could," "estimate," "expect," "intend," "may, " "plan," "potential," "predict," "project," "should," 'target," "will, " "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. These forward-looking statements are only predictions and we may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, so you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. These and other risks and uncertainties are described more fully in the section titled "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2021 filed with the Securities and Exchange Commission ("SEC") and our other filings with the SEC. You may access these documents for free by visiting EDGAR on the SEC website at http://www.sec.gov. Forward-looking statements contained in this presentation are made as of this date, and we undertake no duty to update such information except as required under applicable law.

The forward-looking statements included in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation.

This presentation contains estimates made, and other statistical data published, by independent parties and by us relating to market size and growth and other data about our industry. We obtained the industry and market data in this presentation from our own research as well as from industry and general publications, surveys and studies conducted by third parties. This data involves a number of assumptions and limitations and contains projections and estimates of the future performance of the industries in which we operate that are subject to a high degree of uncertainty. We caution you not to give undue weight to such projections, assumptions and estimates.

This presentation is for information purposes only and is being provided to you solely in your capacity as a potential investor in considering an investment in Agrify Corporation (the "Company'). The information contained herein does not purport to be all-inclusive and neither the Company nor any of its directors, officers, stockholders or affiliates makes any representation or warranty, express or implied, as to the accuracy, completeness or reliability of the Information contained in this presentation or any other written or oral communication communicated to the recipient in the course of the recipient's evaluation of the Company or an investment in the securities. The information contained herein is preliminary and is subject to change and such changes may be material.

This presentation does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any security of the Company. You should not construe the contents of this presentation as legal, tax, accounting or investment advice or a recommendation. You should consult your own counsel and tax and financial advisors as to legal and related matters concerning the matters described herein, and, by accepting this presentation, you confirm that you are not relying upon the Information contained herein to make any decision.

No securities commission or securities regulatory authority in the United States or any other jurisdiction has in any way passed upon the merits of this presentation.

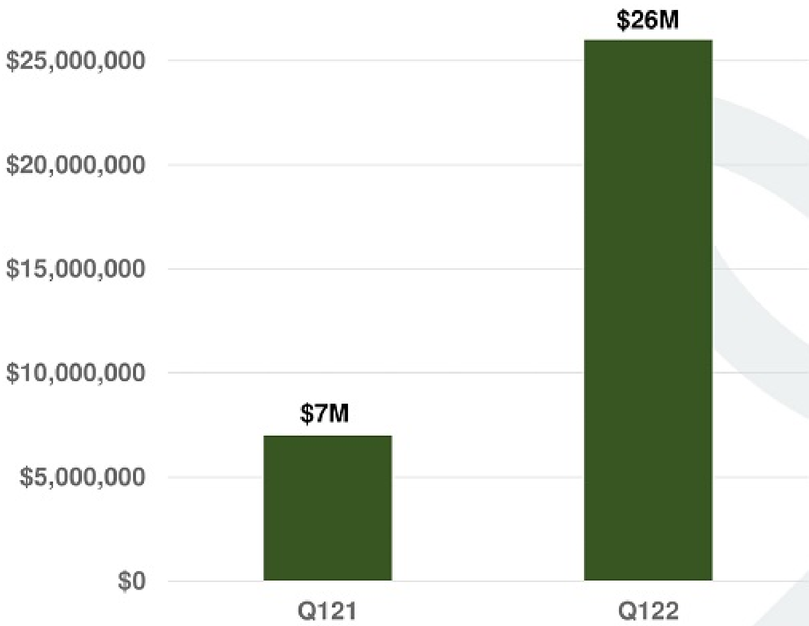

Q122 Review & Business Updates
AGRIFY

2022 Key Accomplishments

- Finalized first New Jersey TTK contract with Loud Wellness
  - *500 VFUs: $18M in SaaS fees and $100M in production success fees*
- Signed first international VFU deal with BioCann Pharmaceutical
  - *190 VFUs: $4M equipment sale and $2.1M in SaaS fees*
- Entered partnership with Greenlight Cannabis, Agrify's second engagement with an MSO
  - *VFUs to help customer achieve rapid business growth and geographic expansion under one standard*
- Announced agreement with Boone Labs for full product suite
  - *$2M for 72 VFUs and complete range of extraction systems*
- Launched the PX5 passive hydrocarbon extractor
  - *Increases daily production by up to 33% and annual energy cost savings by up to 40%*
- Introduced VFU Rapid Deployment Packs to MSOs
  - *Speeds up and streamlines VFU adoption*

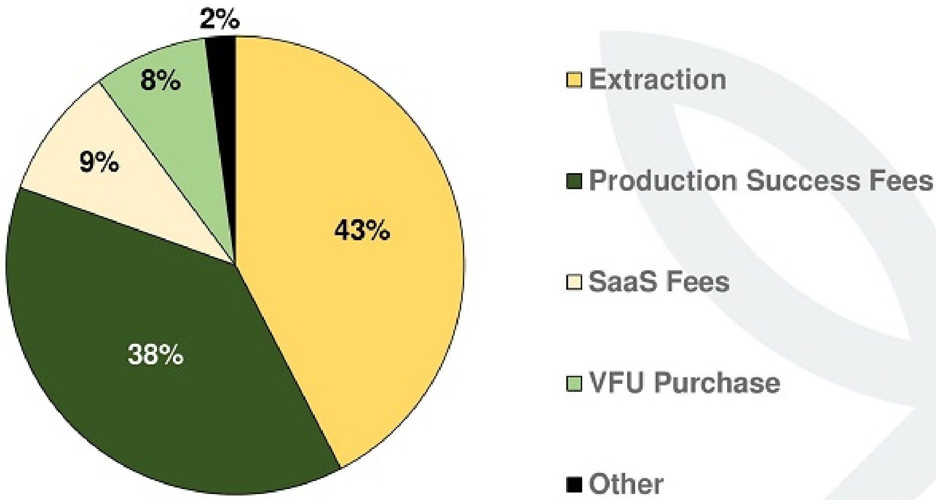
AGRIFY

Q122 Revenue Growth



A 271% YoY Increase

Q122: $43M in New Bookings



Note: New bookings represents the first 3 of the 10 years of projected revenue from the TTK agreements

Q122 Financial Results Summary

- **Revenue = $26.0M vs. $7.0M in Q121**
  - $6.6M, or 94% YoY "Organic" Increase in Revenue ($13.6M vs. $7.0M)
  - TTK Construction Revenue - $13.2M
  - Extraction Revenue - $12.4M (vs. $12.2M in Q421)

- **Gross Profit = $4.2M, Gross Margin of 16%**
  - Extraction - 33% Gross Margin
  - Design & Build - 1% Gross Margin (vs. 3% Standard)
    - Unbillable Work / Construction Delay Penalties / Overtime

- **Operating Expenses = $13.9M in Q122**
  - Includes One-Time Charges:
    - Direct Acquisition Costs - $0.6M
    - Banker Termination Fees - $0.6M
    - Restructuring Costs - $0.4M
  - $12.3M Normalized Run Rate (with Depreciation, Amortization and SBC)

Q122 Preliminary Financial Results

(In Thousands)	Q122 Prelim	Q121 Actual	YoY Change $	YoY Change %
Revenue	$ 26,021	$ 7,008	$ 19,013	271.3%
Cost of Goods Sold	21,851	7,548	14,303	189.5%
Gross Profit	4,170	(540)	4,710	(872.2)%
Gross Margin %	16.0%	(7.7)%	23.7%	
Operating Expenses:				
G&A	9,759	4,458	5,301	118.9%
Sales and Marketing	2,090	616	1,474	239.3%
Research and Development	2,084	882	1,202	136.3%
Total OpEx	13,933	5,956	7,977	133.9%
Operating Loss	(9,763)	(6,496)	(3,267)	50.3%
Other Income (Expense):				
Interest Income (Expense), Net	682	(32)	714	(2231.3)%
Gain on Extinguishment of Note Payable	-	2,685	(2,685)	(100.0)%
Total Other Income, Net	682	2,653	(1,971)	(74.3)%
Income Before Taxes	(9,081)	(3,843)	(5,238)	136.3%
Income Tax Benefit	(200)	-	(200)	(100.0)%
Net Loss	(8,881)	(3,843)	(5,038)	131.1%
Income (loss) Non-Controlling Interest	1	(33)	34	(103.0)%
Net Loss	$ (8,882)	$ (3,810)	$ (5,072)	133.1%

Q122 Adjusted EBITDA (Non-GAAP Financial Measure)

	(In Thousands) Q122
Reconciliation of GAAP Net Income to Adjusted EBTIDA (Non-GAAP):	
Reported GAAP Net Loss	$ (8,882)
Income Tax Benefit	(200)
Interest Income, Net	(682)
Depreciation and Amortization	1,052
Stock-Based Compensation Expense	953
Direct Acquisition Costs	637
Investment Banker Termination Fees	637
Restructuring Charges	387
Adjusted EBITDA	$ (6,098)
Adj. EBITDA Per Share	$ (0.25)
Diluted Shares	24,589
Total Revenue	$ 26,021
Adj. EBITDA (as % of Revenue)	(23.4)%

We believe Adjusted EBITDA is a commonly used by investors to evaluate our performance and that of our competitors. However, our use of the term Adjusted EBITDA may vary from that or others in our Industry. Adjusted EBITDA should not be considered as an alternative to net loss before taxes, net loss, loss per share or any other performance measures derived in accordance with U.S. GAAP as measures of performance.

Adjusted EBITDA has important limitations as an analytical tool and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations of adjusted EBITDA Include (i) adjusted EBITDA does not properly reflect capital commitments to be paid in the future, and (ii) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and adjusted EBITDA does not reflect these capital expenditures. Our public offering and acquisition-related expenses, including legal, accounting and other professional expenses, reflect cash expenditures and we expect such expenditures to recur from time-to-time. Our Adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate Adjusted EBITDA in the same manner as we calculate the measure, limiting its usefulness as a comparative measure.

Q122 Balance Sheet - Assets

	(Unaudited) March 31, 2022	(Audited) December 31, 2021
ASSETS:		
Cash and Cash Equivalents	$ 25,205	$ 12,014
Retricted Cash	30,000	0
Marketable Securities	38,211	44,550
Accounts Receivable	8,571	7,222
Inventory	38,989	20,498
Prepaid Expenses and Other	6,567	2,452
Total Current Assets	**147,543**	**86,736**
Loans Receivable	34,738	22,255
Property and Equipment	7,055	6,232
Right of Use Assets	1,554	1,479
Goodwill and Intangible Assets	70,405	64,162
Other Assets	3,180	1,184
Total Assets	**$ 264,475**	**$ 182,048**

- **Cash/Marketable Securities/Restricted Cash:** The combined balance of $93.4M (vs. $66.5M as of December 31st) reflects cash infusion of $27M from a private placement transaction and $65M from an initial draw against a debt facility. $30.0M, per debt facility agreement, is restricted, and not accessible to support Company operations.
- **Inventory:** The first quarter increase represents the build in inventory associated with both VFU production schedules, the procurement on long lead items as a result of potential supply chain issues, and initial deposits on inventory items with new contract manufacturers.
- **Prepaid Expenses/Other**: The increase represents the Company's renewal of annual insurance policies (D&O, etc.) in the first quarter of 2022.
- **Loans Receivable:** The balance represents advances under TTK financing/construction contracts. All projects, as of March 31, 2022 are in "build phase", however, several construction projects will begin to come online (i.e. complete construction phase) in Q222.
- **Goodwill and Intangibles:** The YoY change represents the Company's acquisition of Lab Society during the first quarter of 2022. The measurement period of the PurePressure and Lab Society acquisitions remains open as of March 31, 2022.

Q122 Balance Sheet - Liabilities

	(Unaudited) March 31, 2022	(Audited) December 31, 2021
LIABILITIES	(In Thousands)	
Accounts Payable	$ 3,683	$ 9,151
Accrued Expenses	30,112	28,764
Lease Liabilities, Current	911	814
Long-Term Debt, Current	2,970	1,089
Deferred Revenue	4,182	3,772
Total Current Liabilities	**41,858**	**43,590**
Deferred Tax Liabilities	62	0
Other Non-Currnet Liabilities	275	318
Lease Liabilities, Non-Current	689	704
Long-Term Debt	51,154	12
Total Liabilities	**$ 94,038**	**$ 44,624**

- **Accounts Payable**: The decrease in AP relates to the first quarter payment of acquired accounts payable balances associated with acquisition, TTK-related project payments, etc. in the first quarter of 2022.
- **Accrued Expenses:** The accrued expense balances include accruals associated with acquisition-related liabilities (estimated FV of contingent consideration and FV of shares held-back), sales and use taxes, TTK-related construction costs and compensation-related amounts.
- **Current/Long-Term Debt:** The increase in the debt-related balance sheet accounts relates to the net value of the Company's initial funding ($65.0M) under a debt facility arrangement.

Q122 Balance Sheet – Stockholders' Equity

	(Unaudited) March 31, 2022	(Audited) December 31, 2021
STOCKHOLDERS' EQUITY	(In Thousands)	
Common Stock	$ 25	$ 21
Preferred Stock	0	0
Preferred Stock - Class A	0	0
Additional Paid-In Capital	237,903	196,013
Accumulated Deficit	(67,857)	(58,975)
Total Stockholders' Equity	**170,071**	**137,059**
Non-Controlling Interests	366	365
Total Liabilities and Stockholders' Equity	**$ 264,475**	**$ 182,048**

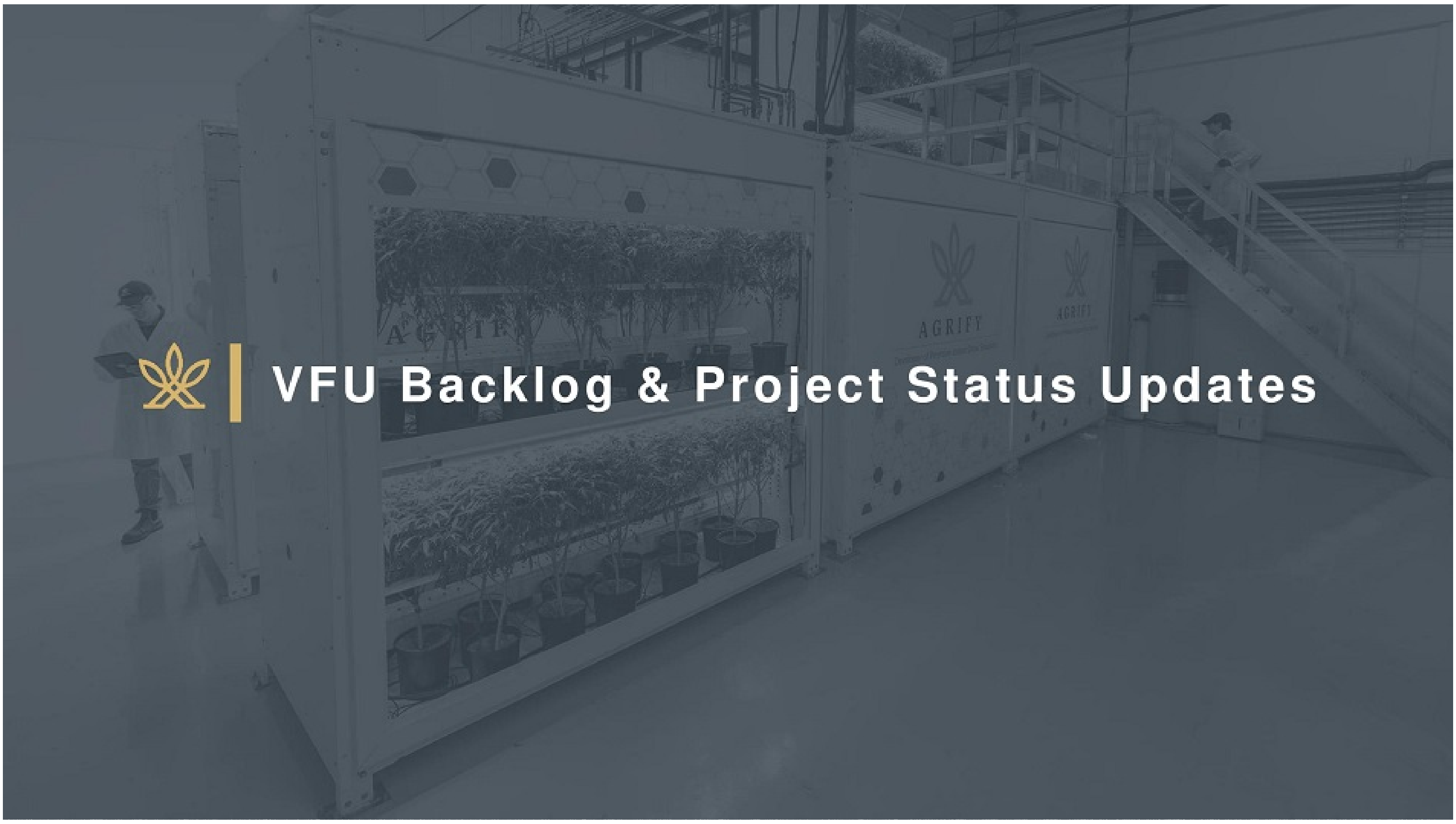
- **Common Stock/APIC:** The increase is related to current year equity-based activities:
  - Issuance of shares and warrants in connection with the January 2022 private placement
  - Issuance of warrants in connection with the March 2022 debt facility arrangement
  - Q122 warrant exercises
  - Recognition of stock-based compensation
- **Accumulated Deficit:** The change is solely reflective of the current quarter ($8.9)M loss from operations.

Q122 Cash Flow (Condensed Summary)

Net Cash (Used In) Provided By:	(Unaudited) March 31, 2022	March 31, 2021
	(In Thousands)	
Operating Activities	$ (34,171)	$ (7,279)
Investing Activities	(13,365)	(142)
Financing Activities	90,727	137,197
Net Increase in Cash	**43,191**	**129,776**
Cash/Restricted Cash - Beginning of Period	12,014	8,111
Cash/Restricted Cash - End of Period	**$ 55,205**	**$ 137,887**

March 31, 2022:	(Unaudited) Amounts (In Thousands)
Cash and Cash Equivalents	$ 25,205
Restricted Cash	30,000
Marketable Securities	38,211
Total Available Cash/Securities	**$ 93,416**

- **Operating Activities:** The cash flow usage is primarily associated with the reported net operating loss in Q122 $(8.9)M, inventory build of approximately $(16.0)M, the renewal of current year insurance policies (D&O, etc.), and the capitalization of debt issuance costs.
- **Investing Activities:** The usage of cash in Q122 reflects the increase in loans receivable associated with our TTK construction projects, purchases of property and equipment, and the cash paid for the acquisition of Lab Society, which were offset by net redemptions of marketable securities.
- **Financing Activities:** The net cash provided by financing activities related to the net proceeds received by the Company in connection with the January 2022 private placement and the $65.0M in debt financing associated with the initial draw under the debt facility arrangement.
- **Summary:** Overall, in the first quarter of 2022, the Company raised approximately $90.7M in capital, which will be deployed to continue to drive top-line revenue growth as well as to fund existing construction and VFU production costs associated with our TTK arrangements.


VFU Backlog & Project Status Updates
AGRIFY

Total VFU Engagements Impact

Estimated Projections

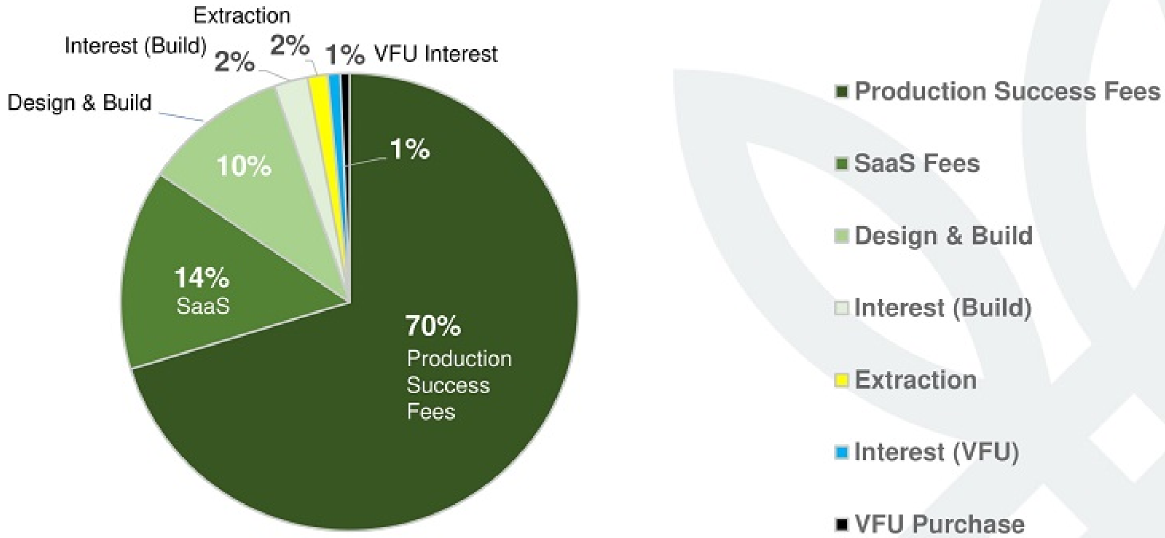
11	4,569	160K	$84M	$923M
# of ENGAGEMENTS TTK & NON-TTK	TOTAL VFUs UNDER CONTRACT	* POUNDS PER YEAR	** ANNUAL RECURRING REVENUE	TOTAL 10 YEAR CONTRACTUAL BACKLOG

* Estimated pounds per year is based on each VFU producing 35 pounds annually

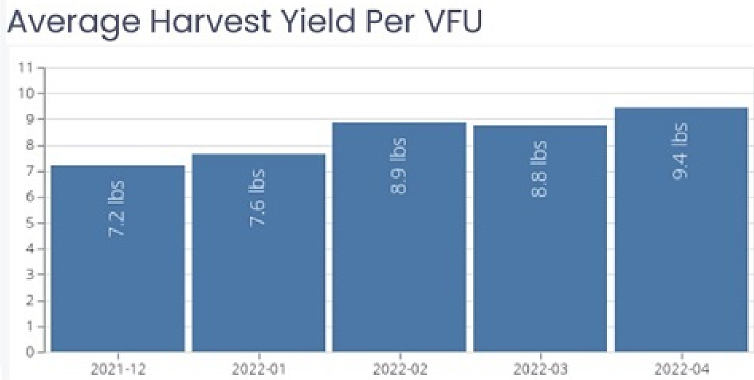
** Estimated annual recurring revenue will be from high-margin SaaS fees and production success fees, once all 4,569 VFUs are commissioned and averaging 35 pounds annually

$923M of Contractual Backlog Mix

Estimated Projections



Actual Customer Results



Up to
34%

AGRIFY

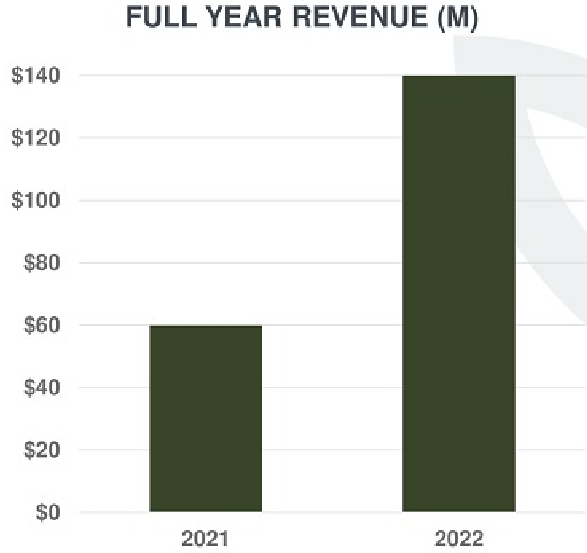
VFU Project Status Updates

Customer	State	# of VFUs	Projected Initial Commissioning	Projected First Harvest
> **TTK** (production success fees and monthly SaaS fees)				
Greenstone	CO	239	Q222	Q322
Treehouse	NV	132	Q222	Q322
Hannah	WA	186	Q222	Q322
True House	MA	159	Q223	Q323
Kief USA	MA	485	Q323	Q423
Bud & Mary's	MA	572	Q422	Q223
Gold Leaf	FL	1,510	Q323	Q423
Loud Wellness	NJ	500	Q223	Q323
> **VFU Sales** (monthly SaaS fees)				
WhiteCloud	NV	196	Q222	Q322
El Mirage	AZ	400	Q223	Q323
BioCann	Portugal	190	Q123	Q223


FY 2022 Revenue Projections

FY 2022 Revenue Projections

YoY revenues projected to increase to $140M - $142M vs. $59.9M



A 134% YoY Increase

NOTE: Agrify expects more than 60% of the projected 2022 revenue will be achieved in the second half of the fiscal year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Passionately Transforming Cannabis Through Innovation