



AppHarvest Acquires Flagship Morehead, Ky. Controlled Environment Agriculture Facility

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IMAGE/VIDEO GALLERY: Available [here](#)



MARCH 1, 2021 — MOREHEAD, KY — AppHarvest, Inc. (NASDAQ: APPH, APPHW), a leading AgTech company and Certified B Corp building and operating some of the country’s largest high-tech indoor farms to sustainably grow affordable, nutritious, chemical pesticide-free non-GMO fruits and vegetables at scale using up to 90% less water than traditional open-field agriculture and 100% recycled rainwater, announced today that it has purchased the Morehead, Ky. controlled environment agriculture (CEA) facility and the property on which it is located from Equilibrium, a leading sustainability investment firm, for \$125 million. Equilibrium had worked in conjunction with AppHarvest to acquire the property and funded construction of the facility to lease to AppHarvest.

“The purchase of our first CEA facility allows us to reduce our operating costs by eliminating the previous lease expense and creates an opportunity to leverage a portion of this asset with low-interest debt that will create a positive return on equity for investors. As a testament to its climate resilience, our Morehead farm just set a performance record for harvesting, even as many other operators suffered weather-related challenges,” said AppHarvest President David Lee.

The AppHarvest team in Morehead exceeded a new performance threshold for the facility, harvesting more than 120,000 pounds of tomatoes in a single day during the week of February 22 on the 30 acres currently

planted with Beefsteak tomatoes. The company expects to begin harvesting the first crop of an additional 30 acres of the Tomatoes on the Vine variety early in the second quarter, which will further expand volume.

“I applaud the hardworking team who really stepped up last week to accelerate our progress to provide customers with nutritious, chemical pesticide-free, affordable U.S.-grown tomatoes that can be delivered much more efficiently to nearly 70 percent of the country’s population, which is within a day’s drive of our farm here in Appalachia,” said AppHarvest Founder & CEO Jonathan Webb. “Between the pandemic and the continued extreme weather events that have disrupted our food supply—especially of fresh food sensitive to spoiling—it’s clearer than ever that the climate-resilient solution AppHarvest provides is critical to ensuring a reliable domestic food system.”

AppHarvest Board Change

In conjunction with the transaction, Equilibrium Chairman and CEO and AppHarvest Board Member Dave Chen will exit the AppHarvest board. Chen had been serving on the nominating and governance committee. “We thank Dave for his tremendous leadership and insights that helped AppHarvest to begin operations and to prepare to go public as part of our mission to redefine agriculture sustainably, rooted in environmental, social and governance principles,” said Webb. “AppHarvest is a phenomenal company. I am privileged to have worked with them as a board member while Equilibrium has invested in supporting their growth and production. Equilibrium remains a supportive AppHarvest investor and looks forward to further mutually beneficial collaboration,” said Chen.

First Quarter 2021 Outlook and Fiscal Year 2021 Forecast

AppHarvest raised its revenue outlook range for fiscal year 2021 on February 25, 2021, versus expectations prior to the start of harvesting. “Our favorable crop yields and market pricing currently support a 2021 sales outlook that is better than we expected in December 2020,” said Webb. “In January 2021, we delivered our first harvest of tomatoes from our flagship indoor farm and began shipping to select national grocery retailers.”

About AppHarvest

AppHarvest, a public benefit corporation and Certified B Corp, is an applied technology company building some of the world’s largest indoor farms in Appalachia. The company combines conventional agricultural techniques with cutting-edge technology and is addressing key issues including improving access for all to nutritious food, farming more sustainably, building a home-grown food supply, and increasing investment in Appalachia. The company’s Morehead, Kentucky facility is among the largest indoor farms in the U.S. For more information, visit <https://www.appharvest.com/>.

Forward-Looking Statements

Certain statements included in this press release that are not historical facts are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. All statements, other than statements of present or historical fact included in this press release, regarding AppHarvest’s future financial performance, as well as AppHarvest’s growth plans and strategy, ability to capitalize on commercial opportunities, future operations, estimated financial position, estimated adjusted EBITDA, revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of AppHarvest’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on as, a guarantee, an assurance, a prediction, or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of AppHarvest. These forward-looking statements are subject to a number of risks and uncertainties, including those discussed in the Registration Statement on Form S-1 (No. 333-252964) filed with the SEC by AppHarvest on February 10, 2021 under the heading “Risk Factors,” and other documents AppHarvest has filed, or that

AppHarvest will file, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. In addition, forward-looking statements reflect AppHarvest's expectations, plans, or forecasts of future events and views as of the date of this press release. AppHarvest anticipates that subsequent events and developments will cause its assessments to change. However, while AppHarvest may elect to update these forward-looking statements at some point in the future, AppHarvest specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing AppHarvest's assessments of any date subsequent to the date of this press release. Accordingly, undue reliance should not be placed upon the forward-looking statements.