

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): August 16, 2021

UNRIVALED BRANDS, INC.

(Exact name of registrant as specified in its charter)

<u>Nevada</u> (State or other jurisdiction of incorporation)	<u>000-54258</u> (Commission File Number)	<u>26-3062661</u> (IRS Employer Identification No.)
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3242 S. Halladay St., Suite 202
Santa Ana, California 92705
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(888) 909-5564**

Not Applicable

(Former name or former address, if changed since last report)

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

Indicate by check mark whether the registrant is an emerging growth company as defined in 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 checkmark 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.

Forward-looking Statements

Statements in this Current Report on Form 8-K may be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “anticipate”, “believe”, “estimate”, “expect”, “intend” and similar expressions, as they relate to Unrivaled Brands, Inc. (the “Company”) or its management, identify forward-looking statements. These statements are based on current expectations, estimates and projections about the Company’s business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and probably will, differ materially from what is expressed or forecasted in such forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time in the Company’s filings with the Securities and Exchange Commission. Any forward-looking statements speak only as of the date on which they are made, and the Company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after such date.

Item 2.02. Results of Operations and Financial Condition.

On August 16, 2021, Unrivaled Brands, Inc. (the “Company”) issued a press release announcing second quarter 2021 financial results. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained in this Item 2.02 and in Exhibit 99.1 referenced herein is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Securities Exchange Act”), or incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), unless the Company expressly so incorporates such information by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release, dated August 16, 2021

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.

Date: August 16, 2021

UNRIVALED BRANDS, INC.

By: /s/ Francis Knuettel II

Francis Knuettel II
Chief Executive Officer



Unrivaled Brands Reports Second Quarter 2021 Financial Results

Reports Top Line Year Over Year Quarterly Revenue Growth of 131%

SANTA ANA, Calif., Aug. 16, 2021 (GLOBE NEWSWIRE) -- Unrivaled Brands, Inc. (OTCQX: UNRV) (“Unrivaled” or the “Company”), a multi-state vertically integrated company focused on the cannabis sector with operations in California, Oregon, and Nevada, today reported its financial results for the quarter ended June 30, 2021.

Frank Knuettel, Chief Executive Officer of Unrivaled Brands stated, “On the operations side, we have continued to make improvements and see gains in our existing operations. With revenues of \$6.3 million in the second quarter of 2021, we recorded our largest quarter of revenues since the fourth quarter of 2019, registering quarterly revenue growth of approximately 131% compared to the same period of 2020.

“As part of this revenue growth, we continue to see consistent month over month revenue gains at both of our dispensaries. Since we reopened our Oakland facility in October 2020, we have seen average monthly sales growth of 12.0% per month and in April, recorded the highest revenue month at our Oakland dispensary since February 2020. Similarly, at our San Leandro dispensary, since we reopened in July 2020, we have seen average monthly sales growth of 7.0% per month, and in April, we recorded the highest revenue month at our San Leandro dispensary since December 2019.”

Knuettel continued, “On the other side of the ledger, we continue to review our operations and drive appropriate cost reductions, and at the same time, feel that we have largely cleared out the historical operational excesses.

With the sale of our investment in Hydrofarm, we added approximately \$40 million to our balance sheet, without dilution. We previously entered into a definitive agreement to sell our non-operating N. 4th Street property in Las Vegas, which closed after the end of the quarter, netting the Company approximately \$825k in early August. In addition, the sale removed ongoing carrying costs associated with its ownership, including the repayment of a \$1.6 million mortgage.

I believe our most challenging days now lay behind us and with the now closed merger with Unrivaled Brands, we remain focused on building Unrivaled in a focused and coherent manner, with an eye towards our shareholders. We have been working hard and diligently towards this goal, and while much work remains, I firmly believe the pieces are coming together.”

Financial Update

- Our gross profit for the quarter ended June 30, 2021 was approximately \$2.3 million, compared to a gross profit of approximately \$1.2 million for the quarter ended June 30, 2020, an increase of \$1.1 million. Our gross margin for the 2nd quarter of 2021 was approximately 37.3%, compared to approximately 46.1% for the 2nd quarter of 2020.
- Our Selling, general and administrative expenses for the second quarter of 2021 were approximately \$6.2 million, compared to approximately \$6.3 million for the second quarter of 2020, a decrease of \$91k or 1.4%.
- We reported a net loss of \$4.1 million, or \$0.02 per share, for the 2021 fiscal year second quarter; compared to a net loss of \$18.2 million, or \$0.10 per share for the second quarter of 2020.
- We had \$40.3 million in cash as of June 30, 2021.

The Company will host a conference call at 4:30 p.m. Eastern Time on Monday, August 16, 2021 to discuss its financial results and business highlights.

Interested parties may listen to the call by dialing:

Toll-Free: 1-877-300-8521

Toll / International: 1-412-317-6026

Conference ID: 10159162

The conference call will also be available via a live, listen-only webcast and can be accessed through the Investor Relations section of Unrivaled Brands website at www.unrivaledbrands.com

Securities Disclosure

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of the Company's securities in any state or other jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Unrivaled Brands

Unrivaled Brands is a multi-state vertically integrated company focused on the cannabis sector with operations in California, Oregon, and Nevada. In California, Unrivaled Brands operates three dispensaries, a state-wide distribution network, company-owned brands, and a cultivation facility, and has two additional cultivation facilities and a dispensary under development. In Oregon, we operate a state-wide distribution network and company-owned brands. In Nevada, by way of a joint venture, Unrivaled Brands operates a cultivation and manufacturing facility. Unrivaled Brands is home to Korova, the market leader in high potency products across multiple product categories, currently available in California, Oregon, Arizona, and Oklahoma, as well as Sticks and Cabana.

For more info, please visit: <https://unrivaledbrands.com>.

Cautionary Language Concerning Forward-Looking Statements

Certain statements contained in this communication regarding matters that are not historical facts, are forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, known as the PSLRA. These include statements regarding management's intentions, plans, beliefs, expectations, or forecasts for the future, and, therefore, you are cautioned not to place undue reliance on them. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. Terra Tech undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by law. We use words such as "anticipates," "believes," "plans," "expects," "projects," "future," "intends," "may," "will," "should," "could," "estimates," "predicts," "potential," "continue," "guidance," and similar expressions to identify these forward-looking statements that are intended to be covered by the safe-harbor provisions of the PSLRA. Such forward-looking statements are based on our expectations and involve risks and uncertainties; consequently, actual results may differ materially from those expressed or implied in the statements due to a number of factors.

New factors emerge from time-to-time and it is not possible for us to predict all such factors, nor can we assess the impact of each such factor on the business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. These risks, as well as additional risks and uncertainties we face, are identified and more fully discussed in the "Risk Factors" section of Terra Tech's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other documents filed from time to time with the SEC. Forward-looking statements included in this release are based on information available to Terra Tech as of the date of this release. Terra Tech undertakes no obligation to update such forward-looking statements to reflect events or circumstances after the date of this release.

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UNRIVALED BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except Shares)

	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
	<u>(Unaudited)</u>	
ASSETS		
Current Assets:		
Cash	\$ 40,283	\$ 888
Accounts receivable, net	2,202	835
Short Term investments	-	34,045
Inventory	2,590	1,602
Prepaid expenses and other assets	1,038	234
Current assets of discontinued operations	<u>-</u>	<u>2</u>
Total current assets	<u>46,113</u>	<u>37,606</u>
Property, equipment and leasehold improvements, net	31,214	32,480
Intangible assets, net	7,339	7,714
Goodwill	6,171	6,171
Other assets	12,733	13,040
Investments	330	330
Assets of discontinued operations	<u>2,901</u>	<u>2,953</u>
TOTAL ASSETS	<u>\$ 106,801</u>	<u>\$ 100,294</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 10,550	\$ 8,621
Short-term debt	11,775	8,033
Current liabilities of discontinued operations	<u>14,356</u>	<u>9,768</u>
Total current liabilities	<u>36,681</u>	<u>26,422</u>
Long-term liabilities:		
Long-term debt, net of discounts	3,500	6,632
Long-term lease liabilities	7,094	8,082
Long-term liabilities of discontinued operations	<u>-</u>	<u>28</u>
Total long-term liabilities	<u>10,594</u>	<u>14,742</u>
Total liabilities	<u>47,275</u>	<u>41,164</u>
STOCKHOLDERS' EQUITY:		
Common stock, par value 0.001:	258	218
990,000,000 shares authorized as of June 30, 2021 and December 31, 2020; 236,555,408 shares issued and 234,247,000 shares outstanding as of June 30, 2021; 196,512,867 shares issued and 194,204,459 shares outstanding as of December 31, 2020.		
Additional paid-in capital	291,026	275,060
Treasury Stock (2,308,408 shares of common stock, 12 shares of Preferred Stock Convertible Series A)	(808)	(808)
Accumulated deficit	<u>(234,927)</u>	<u>(219,803)</u>
Total Unrivald Brands Inc. stockholders' equity	55,549	54,667
Non-controlling interest	<u>3,977</u>	<u>4,463</u>
Total stockholders' equity	<u>59,526</u>	<u>59,130</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 106,801</u>	<u>\$ 100,294</u>

UNRIVALED BRANDS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(in thousands, except for shares and per-share information)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Total revenues	\$ 6,262	\$ 2,706	\$ 11,375	\$ 6,753
Cost of goods sold	3,924	1,458	6,604	3,181
Gross profit	2,338	1,248	4,771	3,572
Selling, general and administrative expenses	6,188	6,279	20,325	14,820
Impairment of assets	-	4,998	-	10,118
Loss (gain) on sale of assets	6	-	6	(35)
Loss from operations	(3,856)	(10,029)	(15,560)	(21,331)
Other income (expense):				
Loss on extinguishment of debt	-	-	(6,161)	-
Interest expense, net	(204)	(454)	(604)	(1,356)
Other income/loss	17	(89)	362	(23)
Gain (loss) on sale of investment	(874)	-	5,337	-
Total other income (expense)	(1,061)	(543)	(1,066)	(1,379)
Loss from continuing operations	(4,917)	(10,572)	(16,626)	(22,710)
Loss from discontinued operations, net of tax	(56)	(7,908)	(43)	(13,143)
NET LOSS	(4,973)	(18,480)	(16,669)	(35,853)
Less: Income (Loss) attributable to non-controlling interest from continuing operations	(868)	(298)	(486)	(341)
NET LOSS ATTRIBUTABLE TO UNRIVALED BRANDS, INC.	<u>\$ (4,105)</u>	<u>\$ (18,182)</u>	<u>\$ (16,183)</u>	<u>\$ (35,512)</u>
Loss from continuing operations per common share attributable to Unrivald Brands, Inc. common stockholders – basic and diluted	<u>\$ (0.02)</u>	<u>\$ (0.06)</u>	<u>\$ (0.07)</u>	<u>\$ (0.13)</u>
Net Loss per common share attributable to Unrivald Brands Inc. common stockholders – basic and diluted	<u>\$ (0.02)</u>	<u>\$ (0.10)</u>	<u>\$ (0.07)</u>	<u>\$ (0.20)</u>
Weighted-average number of common shares outstanding – basic and diluted	<u>258,897,777</u>	<u>186,068,175</u>	<u>248,066,926</u>	<u>174,781,579</u>