

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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): **September 14, 2020**

SG BLOCKS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38037
(Commission File Number)

95-4463937
(I.R.S. Employer
Identification Number)

17 State Street, 19th Floor
New York, NY 10004
(Address of Principal Executive Offices, Zip Code)

Registrant's telephone number, including area code: **(646) 240-4235**

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 \$0.01 | SGBX | 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 8.01 Other Events.

SG Blocks, Inc. (the “Company”) will be making corporate presentations over the next several weeks. In connection with the presentations, the Company intends to discuss the slide presentation attached as Exhibit 99.1 hereto, which is incorporated herein by reference.

The slide presentation attached as Exhibit 99.1 to this Current Report on Form 8-K includes “safe harbor” language pursuant to the Private Securities Litigation Reform Act of 1995, as amended, indicating that certain statements contained in the slide presentation or in the press release are “forward-looking” rather than historical.

The Company undertakes no duty or obligation to update or revise information included in this Current Report on Form 8-K or Exhibit 99.1 hereto.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|--------------------|--|
| 99.1 | SG Blocks, Inc. investor presentation dated September 14, 2020 |

SIGNATURES

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

Dated: September 14, 2020

SG Blocks, Inc.

By: /s/ Paul Galvin
Paul Galvin
Chairman and CEO

IDEAS. UNCONTAINED.



SGBX
Nasdaq Listed

Investor Presentation
September 2020

Safe Harbor

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended about our current expectations and projections about future events. In some cases forward-looking statements can be identified by terminology such as, but not limited to, "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "seek," "should," "strategy," "target," "will," "would" and similar expressions or variation. The statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are based on the beliefs and assumptions of our management based on information currently available to management. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, our ability to continue as a going concern; our ability to raise additional working capital; our ability to profit from our new licensing model; our ability to increase product demand and market acceptance for our products; our ability to generate revenue from our distributorship agreement with Osang Healthcare Co. LTD; our ability to use working capital resources effectively and efficiently; our ability to maintain our listing on the Nasdaq Capital Market, our ability to attract key personnel; our ability to maintain and add new relationships and suppliers, vendors and customers and those discussed in the section titled "Risk Factors" included under Part II, Item 1A below and those identified under Part 1, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2019 and subsequent quarterly reports on Form 10-Q. Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

Investor Highlights



Targeting Large Verticals

Massive opportunities in Medical and Construction markets

- Modular construction
- Diagnostic Tests
- Lab - CLIA



Diversified Revenue Base

Multiple, established recurring revenue streams



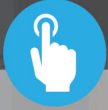
Growing New Business Pipeline

Actively pursuing opportunities to deploy our solutions in new markets



Sufficiently Capitalized

Recent capital raises support operations and provide adequate funding for growth through August 2021



\$17.3M Commercial Backlog

Work under contract provides revenue streams for coming quarters

As of June 30, 2020



Residential Licensing Model

Minimal capital required and execution risk shifted to licensees



**WE REPURPOSE
SHIPPING CONTAINERS INTO
ICONIC STRUCTURES**

SGBX
Nasdaq Listed

Containers Are...

STRONG.

- Containers are **STRONG**, resilient, maritime-grade structures
- Engineered to self-center and lock into place when stacked
- At maximum weight containers can be stacked 9 stories high

Fast.

- Builders save time and money and deliver a structure *Faster* to an end-user
- Containers are already "squared" which eliminates significant time in the construction process.

Green.

- Repurposed containers greatly offset a development's carbon footprint, reducing resource use
- *Millions of unused shipping containers in the world.*

LOWER COST - FASTER TIME TO MARKET

Modular Construction

ARCHITECTURE & ENGINEERING



SITE WORK

CONTAINER MODIFICATIONS



MODULAR FINISHING WORK



TRANSPORT TO SITE



INSTALLATION



COMPLETED PROJECT



CONTAINER FACTS

CSC requirements for 50,000 pound capacity that can withstand lateral forces that exceed CA seismic standards and Miami Dade hurricane codes

Made from heavy gauge Core-Ten steel construction with plywood subflooring

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Nasdaq Listed

Platform Business Model

The SG Blocks product offerings are unique and bring innovative solutions to long standing societal issues:

- Repurposing shipping containers into code-compliant construction reduces the carbon footprint of buildings that are earthquake and hurricane resistant structures
- Enclosing equipment such as computer servers, solar panels or automated parking in containers allows projects to stock vertically and reduce the need for large land parcels
- Point of care diagnostic testing allows people in hotzones, in underserved and rural communities to access life sustaining best-in-class tests in our CLIA Labs

Disrupting Industry

| | |
|---|------------------------------------|
|  | • Systems Integration as a service |
|  | • Hotel as a service |
|  | • Payroll as a service |
|  | • Software as a service |
|  | • Telecom as a service |
|  | • Infrastructure as a service |
|  | • Storage as a service |
|  | • Transportation as a service |

Environmental, Social and Governance (ESG)

SG Blocks is delivering & remains committed to environmentally appropriate products and services that reduce waste, increase efficiency and reduce barriers that prevent working class & underserved populations from receiving best in class diagnostic testing.

ENVIRONMENTAL

- Recycled Materials
- LEED Certifiable
- Modular Efficiency
- Earthquake/Hurricane Resistant
- Point of Care Diagnostic Testing

SOCIAL

- Low cost homes
- Low Carbon Footprint
- Point of Care Medicine
- Helps the sickest and most vulnerable
- Early Detection saves lives

GOVERNANCE

- Tax transparency
- Ethical business approach
- No data sharing
- No spam
- Publicly Traded
- Independent Board of Directors
- Audit Committee
- Compensation Committee
- Nominating and Corporate Governance Committee

Sizeable Opportunities in Multiple Markets

Actively pursuing a large number of new opportunities in existing and new markets

Established base of business in key vertical markets...

Commercial

\$194B⁽¹⁾

Market
Opportunity

Global Modular Construction

\$112B⁽²⁾

Market
Opportunity

POC Diagnostic Market by 2027

\$24.1B⁽³⁾

Market
Opportunity

1. <https://www.ibisworld.com/industry-statistics/market-size/commercial-building-construction-united-states/>

2. <https://www.grandviewresearch.com/industry-analysis/modular-construction-market>

3. <https://www.prnewswire.com/news-releases/point-of-care-diagnostics-market-size-worth-24-1-billion-by-2027--cagr-3-2-grand-view-research-inc-301026642.html#:~:text=Find%20more%20research%20reports%20on,14-4%25%20over%20the%20forecast%20period>

Commercial Vertical: Recent Accomplishments

Materially moving our Commercial business forward...

- ✓ **EXECUTED** a design contract and subsequently awarded a ~\$4M construction contract for a boutique, mixed-use hospitality project in Florida Everglades
- ✓ **COMPLETED** purchase orders for Q3 delivery of two exponential pop-up containers to the University of West Virginia
- ✓ **CONTINUED** work on previously announced Arizona Investissements MoLiving hospitality project...prototype expected to be completed in Q3.
- ✓ **EXECUTED** a design contract for a restaurant expansion in Georgia
- ✓ **COMPLETED** final construction phase of our Planet Smoothie project
- ✓ **COMPLETED** Verizon store in Denver



Residential Vertical: Recent Accomplishments

Strategically shifted lower-margin residential business to a highly scalable, royalty fee model

- ✓ **RECEIVED** final site plan approval for Monticello Mews and site work has commenced on the first phase... anticipate a multi-million dollar royalty upon completion of all three project phases.
- ✓ **RESUMED** work on the 55 concrete shells in Guayama, which had been halted due to the COVID pandemic.
- ✓ **ENTERED** into an agreement for 40 office boxes in Puerto Rico
- ✓ **NEARING COMPLETION** of a Ranchbox prototype

EXPENSES:
Significantly reduces operating expenses

RISK:
Reduces risk by outsourcing execution

CASH: Materially reduces cash burn rate

TIME:
Allows company to focus on delivery, other verticals & pursuit of qualified licenses

- SG Blocks receives ~5% royalty fee on licensees' gross revenue
- First residential licensing agreement signed in October 2019

Healthcare: Recent Accomplishments

Vertically integrated provider of rapid and accurate testing, meeting a significant need

- ✓ **EXECUTED** a non-exclusive distribution agreement with **OSANG Healthcare**
- ✓ **HIRED** three staff consultants to service our COVID-19 testing solutions
- ✓ **ESTABLISHED** cold storage supply chain
- ✓ **EXECUTED** multiple reseller and fee agreements
- ✓ **CREATED** a series of medical testing and laboratory services with Grimshaw Architects



OHC
OSANG HEALTHCARE

- **Global manufacturer and distributor** of state-of-the-art medical grade diagnostic tests, based in South Korea
- Awarded a FEMA contract for **COVID-19 test kits**¹



Bio-Rad/CFX96



Applied Biosystems
7500 Real-time PCR System (ST/FAST)

GeneFinder™ COVID-19 Plus RealAmp Kit...

- Detects Novel Corona virus
- Validated on multiple, real-time PCR systems
- Completed US Customs import license and FDA registration process
- Received European certification (CE-IVD)

SGBX

Nasdaq Listed

¹ <https://www.cnn.com/2020/04/13/politics/south-korea-coronavirus-tests/index.html>

Commercial Backlog

| Commercial Backlog (Non-Licensed) | Amounts |
|--|--------------------|
| Ridge Avenue Commons | \$16,920,500 |
| Other Commercial Projects | \$372,727 |
| Subtotal Commercial Backlog | \$17,293,227 |
| Estimated Gross Profit to SG Blocks | \$2,600,000 |

Commercial Project Backlog as of 06/30/20 *

* The revenue projections above are based upon assumptions and estimates and may not be reflective of actual results. Actual results will depend upon several factors, many of which are not in our control. There can be no assurance given that these projects will be completed at the indicated sizes or at all. Projects remain subject to financing and other risks factors.

Gross Potential Royalties

| Potential Residential Royalty Revenue (projects under the License Agreement) | Amounts |
|---|--------------------|
| Monticello Mews Phase 1 | \$17,000,000 |
| Monticello Mews Phase 2 | 18,000,000 |
| Monticello Mews Phase 3 | 18,000,000 |
| Other Residential Projections | 22,400,000 |
| Subtotal | \$75,400,000 |
| Estimated 5% Royalty to SG Blocks * | \$3,770,000 |

* The estimated royalty projections above are based upon assumptions and estimates and may not be reflective of actual results. Actual results will depend upon several factors, many of which are not in our control. There can be no assurance given that these projects will be completed at the indicated sizes or at all. Projects remain subject to financing and other risks factors. Projects under the license agreement are expected to be completed by third parties, with a royalty fee to be paid to SG Blocks based on a percentage of gross revenues generated by the licensee. For the Monticello Mews project, the licensee has advised us that it has purchased land and committed capital resources to move the project forward.

Capitalization

| SG Blocks, Inc. (as of 6/30/20) | |
|-----------------------------------|--------------|
| Common Shares Outstanding | 8,596,189 |
| Restricted Stock Units (unvested) | 38,757 |
| Options (WAEP \$81.60) | 52,337 |
| Warrants (WAEP \$7.95) | 353,190 |
| <hr/> | |
| Debt | \$0 |
| Cash | \$16,112,907 |

Q3 Significant Executed Contracts

The following contracts have been executed by SG Blocks in Q3 2020 and are not reflected in our backlog as of 6/30/2020

- ***Everglades Hospitality***
 - \$4 million +
- ***Clarity Diagnostics***
 - Executed a design-build contract for a stand alone CLIA Lab.
Price to be determined after the completion of the design
- ***Private Homeless Agency***
 - 2,500 COVID tests
- ***South American Company***
 - 1,000 COVID tests

Management and Delivery Team

PAUL GALVIN, Chairman and Chief Executive Officer

Since inception, Mr. Galvin has played a key role in the company's growth and expansion. He brings over 25 years of experience developing and managing real estate, including residential condominiums, luxury sales and market rate and affordable rental projects. Prior to his involvement in real estate, he founded a non-profit organization that focused on public health, housing and child survival, where he served for over a decade in a leadership position. He is on the board of ToughBuilt Industries.

STEVAN ARMSTRONG, Chief Technology Officer

Mr. Armstrong, appointed as CTO in 2018, was an original founder of SG Blocks. He served as President and COO of SGB and its predecessor entity from 2009 and as a director from 2007. From 2003 – 2010, he was a minority partner (owner) and Chief Construction Officer for Stratford Companies, a large senior housing development group. Prior to that, he was the EVP for Operations of Hospital Affiliates Development Corp.

GERALD SHEERAN, Acting Chief Financial Officer

Mr. Sheeran has served as the Controller since March of 2018 and brings extensive experience and expertise in areas of finance and accounting. Prior to joining the Company, he was a Senior Accounting Manager for Lucid Energy Group. Before his time at Lucid Energy Group, Mr. Sheeran worked for a number of different companies in connection with their accounting, reporting and financial operations.

ROCKEY BUTLER, Vice President of Operations

Mr. Butler brings more than 30 years of experience in all aspects of construction, with particular expertise in steel-based construction. Based in Texas, he is located within SG Blocks' manufacturing zone. Most recently, he served as President / Operations Manager of Business Development and Sales & Customer Relations at JARCO STEEL, INC., where his strategies led to a 20 percent increase in sales.

Management and Delivery Team

RICHARD BLUE, D-Tec Business Dev. & Product Management

Richard is an experienced executive and management consultant. Over 30 years he has focused on the intersection of technology, strategy and investment in the US and Europe, including as a consultant with McKinsey & Co. As President of Blueprint Strategy, he works with Private Equity and Venture Capital funds and growth-stage and Fortune 1000 companies to shape investments, transactions, strategy and growth plans to drive successful new ventures.

PETER HOLDEN, D-Tec Business Dev. & Product Management

Peter is a 25 year investment & turnaround executive with a strong bias towards disruptive technologies in healthcare and other high growth sectors. As well as founding and running several early stage funds, he led Global M&A initiatives for Panasonic based out of Osaka, Japan and was a Partner at Coller Capital LP - a global \$30 Billion Private Equity Secondaries Fund. Prior to this he was SVP at both IPVALUE, Inc. (sold to Vector Capital) and University Patents, Inc. (AMEX listed) where he led R&D commercialization and spin-out programs for universities and corporations globally.

GRIMSHAW ARCHITECTS

Grimshaw is a global design practice engaged in architecture, master planning and industrial design, founded in 1980. The practice operates worldwide with offices in Los Angeles, New York, London, Paris, Dubai, Kuala Lumpur, Melbourne and Sydney employing over 650 staff.

ITS CONGLOBAL

ConGlobal is North America's largest full-service supplier to the intermodal industry. ConGlobal Industries provides SG Blocks with the highest quality containers based on specific project needs from one of their 17 locations in the United States, Mexico and Costa Rica.

GEIS COMPANIES

Geis Companies is a vertically integrated business that specializes in modern construction consisting of six unique businesses that function independently, but often work in any combination thereby providing identifiable efficiencies in both price and execution. Geis has more than 150 skilled professional staff.

Thank You

Let's talk about your ideas.

☎ (646) 240.4235

✉ info@sgblocks.com

