

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): **October 27, 2021**

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)

195 Montague Street, 14th Floor
Brooklyn, NY 11201
(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 7.01 Regulation FD Disclosure

On October 28, 2021, SG Blocks, Inc. (the "Company") issued a press release providing an update regarding its current pipeline of announced projects.

The information in this Item 7.01 and in the press release attached as Exhibit 99.1 to this Current Report on Form 8-K shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this Item 7.01 and in the press release attached as Exhibit 99.1 to this Current Report on Form 8-K shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

The press release 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 therein are "forward-looking" rather than historical.

The Company undertakes no duty or obligation to update or revise the information contained in this Current Report on Form 8-K, although it may do so from time to time if its management believes it is appropriate. Any such updating may be made through the filing of other reports or documents with the Securities and Exchange Commission, through press releases or through other public disclosures.

Item 8.01 Other Events.

On October 27, 2021, the Company closed its previously announced registered direct offering and concurrent private placement that it effected pursuant to the Securities Purchase Agreement that it entered into on October 25, 2021 with an institutional investor and received gross proceeds of \$11.55 million. Pursuant to the terms of the Purchase Agreement, the Company issued to the investor (A) in a registered direct offering (i) 975,000 shares of its Common Stock, par value \$0.01 per share (the "Common Stock"), and (ii) pre-funded warrants to purchase up to 2,189,384 shares of Common Stock and (B) in a concurrent private placement, Series A warrants to purchase up to 1,898,630 shares of Common Stock.

On October 28, 2021, the Company issued a press release providing an update regarding its current pipeline of announced projects. The information in the Press Release included the following:

- The Lago Vista project, on Lake Travis on the Colorado River in Austin, Texas, in which the Company owns a minority interest, is expected to commence development work in the second quarter of 2022, with an anticipated completion date in the fourth quarter of 2022. The project is to consist of up to 225 one- and two-bedroom condominium units, as well as amenities including a community center, marina and health club. The Company expects to capture approximately \$25 million in manufacturing revenue over the life of the project. The Company also anticipates that its minority interest in the sale of the units will be no less than approximately \$5.0 million as units are sold.
- The Norman Berry Village project in the Atlanta, Georgia metropolitan area, in which the Company owns a 50% interest, is expected to be completed at a cost of approximately \$15 million – \$20 million, with the units to be constructed at the Company’s manufacturing facilities in Durant, OK and shipped to Atlanta.
- The Monticello Mews project in the Catskills region of New York is expected to be completed in the third quarter of 2023 and consist of 187 townhomes with one- and two-bedroom units, with amenities including a clubhouse, gym, and outdoor green spaces. The Company also expects to earn a preferred payment upon completion of the project.
- The Cumberland Inlet project in historic downtown St. Marys, Georgia, SGB DevCorp.’s largest project to date and in which the Company owns a 10% interest, is expected to commence site work in the fourth quarter of 2021, with initial deliveries of modular units expected in third quarter of 2022. Modular housing units for the project will be produced at the Company’s manufacturing facilities in Durant, OK, with gross potential manufacturing revenues totaling approximately \$180 million.

The information presented in this Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 is being furnished and shall not be deemed filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise be subject to the liabilities of that section, nor is it incorporated by reference into any filing of the Company, under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit 99.1 [Press Release issued by SG Blocks, Inc., dated October 28, 2021](#)

Exhibit 104 Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

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.

SG Blocks, Inc.

Dated: October 28, 2021

By: /s/ Paul Galvin
Name: Paul Galvin
Title: Chairman and Chief Executive Officer

SG Blocks Comments on Recent Capital Raise

- Provides Visible Funding to Fuel Growing Development Pipeline -

NEW YORK, October 28, 2021— On October 27th, 2021, SG Blocks, Inc. (NASDAQ: SGBX) (“SG Blocks” or the “Company”), a leading designer, innovator and fabricator of modular structures, closed on the issuance of approximately 3.16 million shares of common stock (or common stock equivalents in lieu thereof in the form of pre-funded warrants) together with warrants to purchase up to approximately 1.9 million shares of common stock, for total gross proceeds of approximately \$11.55 million. Each share of common stock and accompanying common warrant were sold together at a combined offering price of \$3.65, and each common stock equivalent and accompanying common warrant were sold together at a combined offering price of \$3.649. The common stock equivalents will be immediately exercisable at a nominal exercise price of \$0.001 and will expire when exercised in full. The common warrants will have an exercise price of \$4.80 per share, will be exercisable upon issuance and will expire five years from the date of an issuance.

Use of proceeds will be for working capital as existing projects advance.

Paul Galvin, Chairman and Chief Executive Officer of SG Blocks, commented, “We believe this capital raise was a momentous step for our Company, providing a definitive path forward as we work to roll-out our growing list of projects. We were extremely pleased with the execution, at a 50% premium to our last share issuance, supported by an investment bank with significant real estate experience. We also welcome a world class institutional investor as a new shareholder.”

Mr. Galvin continued, “Given the pipeline of activity we have underway, we believe it was extremely important to ensure we had sufficient capital to meet our co-investment priorities. Having invested approximately \$8 million in our pipeline over the past year, this incremental capital provides us with visible funding, as well as should provide optionality with regard to anticipated growing supply chain disruptions and delays. 2021 has already been a record revenue year for SG Blocks. As we look to 2022 and beyond, however, we believe we are at the mere beginning of the opportunity we have to deliver innovative solutions with our world class structures in a variety of applications, from the commercial sector, to healthcare, residential, and other technological functions.”

SG Blocks current pipeline of announced projects includes:

- Lago Vista, on Lake Travis, on the Colorado River in Austin, Texas. The project is expected to consist of up to 225 one- and two-bedroom condominium units, as well as amenities including a community center, marina and health club. Development work is expected to commence in the second quarter of 2022, with an anticipated completion date in the fourth quarter of 2022. SG Blocks expects to capture approximately \$25 million in manufacturing revenue over the life of the project. The Company also anticipates that its minority interest in the sale of the units will be no less than approximately \$5.0 million as units are sold.
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- A 50% membership interest to build a 138-unit, 125,000 square foot affordable housing community in East Point, GA within the Atlanta metropolitan area. The community will be known as “Norman Berry Village,” and the units will be constructed at the Company’s manufacturing facilities in Durant, OK and shipped to Atlanta. SGB DevCorp. has partnered with CMC Development Group, ZT Architecture & Land Development, and Community Development Consortium on the project. The Company expects to complete the project at a cost of approximately \$15 million – \$20 million. SGB DevCorp. will control the planning and construction process, and earn manufacturing revenue, as well as a share of development fees.
 - Monticello Mews, a multi-family development project located in the Catskills region of New York. Upon completion, the development is expected to consist of 187 townhomes with one- and two-bedroom units, with amenities including a clubhouse, gym, and outdoor green spaces. The project is expected to be complete in the third quarter of 2023. The Company has carried interest in this project of approximately \$650,000, and expects to earn a preferred payment upon completion of the project.
 - A 10% non-dilutable equity interest in JDI-Cumberland Inlet, LLC, a Georgia limited liability company, contributing \$3,000,000 in capital to develop Cumberland Inlet, a 1,286 acre waterfront parcel in historic downtown St. Marys, Georgia. Modular housing units for the project will be produced at the Company’s manufacturing facilities in Durant, OK, with gross potential manufacturing revenues totaling approximately \$180 million, making Cumberland Inlet SGB DevCorp.’s largest project to date. The development is expected to commence site work in the fourth quarter of 2021, with initial deliveries of modular units expected in third quarter of 2022.

About SG Blocks, Inc.

SG Blocks, Inc. is a premier innovator in advancing and promoting the use of code-engineered cargo shipping containers for safe and sustainable construction. The firm offers a product that exceeds many standard building code requirements, and also supports developers, architects, builders and owners in achieving greener construction, faster execution, and stronger buildings of higher value. Each project starts with GreenSteel™, the structural core and shell of an SG Blocks building, and then is customized to client specifications. For more information, visit www.sgblocks.com.

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 incremental capital providing the Company with optionality with regard to growing supply chain disruptions and delays, the Company being at the beginning of the opportunity to deliver innovative solutions with world class structures in a variety of applications, from the commercial sector, to healthcare, residential, and other technological functions, the Company’s plans to construct the Lago Vista project, the Company commencing the Lago Vista development work in the second quarter of 2022 with an anticipated completion date in the fourth quarter of 2022, the Company capturing approximately \$25 million in manufacturing revenue over the life of the Lago Vista project, the Company’s minority interest in the sale of the units being no less than approximately \$5.0 million as units are sold; the Company’s plans to construct the Norman Berry Village project, the Company completing the Norman Berry Village project at a cost of approximately \$15 million – \$20 million, the Company’s plans to construct the Monticello Mews project, the Company completing the Monticello Mews project in the third quarter of 2023, the Company earning a preferred payment upon completion of the Monticello Mews project, the Company’s plans to develop the Cumberland Inlet project, the Company’s gross potential manufacturing revenues from the Cumberland Inlet project totaling approximately \$180 million, the Company commencing site work for the Cumberland Inlet project in the fourth quarter of 2021 with initial deliveries of modular units in third quarter of 2022. While the Company believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. 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 apply the

incremental capital received to mitigate supply chain disruptions and delays, the Company's ability to commence and complete development work on its various projects and receive the anticipated benefits, the Company's ability to expand within various verticals as planned, the Company's ability to position itself for future profitability, the Company's ability to maintain compliance with the Nasdaq listing requirements, and the other factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 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.

Contacts

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