

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): July 13, 2022

GROVE, INC.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation)

001-40535

(Commission File Number)

83-3378978

(I.R.S. Employer Identification Number)

17129 US Hwy 19 N. Clearwater, FL 33760

(Address of principal executive offices)

(701) 353-5425

(Registrant's telephone number, including area code)

N/A

(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 obligations 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))

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.

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

Title of each class	Ticker symbol(s)	Name of each exchange on which registered
None		

Forward-Looking Statements

This Current Report on Form 8-K and other written and oral statements made from time to time by us may contain so-called “forward-looking statements,” all of which are subject to risks and uncertainties. Forward-looking statements can be identified by the use of words such as “expects,” “plans,” “will,” “forecasts,” “projects,” “intends,” “estimates,” and other words of similar meaning. One can identify them by the fact that they do not relate strictly to historical or current facts. These statements are likely to address our growth strategy, financial results and product and development programs. One must carefully consider any such statement and should understand that many factors could cause actual results to differ from our forward-looking statements. These factors may include inaccurate assumptions and a broad variety of other risks and uncertainties, including some that are known and some that are not. No forward-looking statement can be guaranteed and actual future results may vary materially.

Information regarding market and industry statistics contained in this Current Report on Form 8-K is included based on information available to us that we believe is accurate. It is generally based on industry and other publications that are not produced for purposes of securities offerings or economic analysis. We have not reviewed or included data from all sources and cannot assure investors of the accuracy or completeness of the data included in this Current Report. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and the additional uncertainties accompanying any estimates of future market size, revenue and market acceptance of products and services. We do not assume any obligation to update any forward-looking statement. As a result, investors should not place undue reliance on these forward-looking statements.

Item 7.01 Regulation FD Disclosure

On July 13, 2022, the Company issued a press release related to a letter to the shareholders of Grove, Inc. from the Chief Executive Officer, Allan Marshall, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

The information in Item 7.01, including Exhibit 99.1 attached hereto, 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”), nor shall it be deemed incorporated by reference in any of the Company’s filings under the Securities Act, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference to this Report in such filing.

Item 8.01 Other Events.

On July 13, 2022, the Company issued a press release related to a letter to the shareholders of Grove, Inc. from the Chief Executive Officer, Allan Marshall, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

The information in Item 8.01, including Exhibit 99.1 attached hereto, 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”), nor shall it be deemed incorporated by reference in any of the Company’s filings under the Securities Act, or the Exchange Act, whether made before or after the date hereof, except as shall be expressly set forth by specific reference to this Report in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Number	Description
99.1	Press Release of Grove, Inc., dated July 13, 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.

GROVE, INC.

Dated: July 14, 2022

/s/ Andrew J. Norstrud

Name: Andrew J. Norstrud

Title: Chief Financial Officer

HENDERSON, NV, July 13, 2022 (GLOBE NEWSWIRE) -- via [NewMediaWire](#) – Grove, Inc., (NASDAQ:GRVI) (“Grove” or the “Company”), today released a letter to shareholders from Chief Executive Officer, Allan Marshall.

2022 in review

In our first year of operation as a public company we navigated the challenges of Covid-19, extreme inflationary pressure, employee shortages, along with transportation and logistics delays affecting all aspects of our business. Despite these significant headwinds, we managed to complete our IPO, consolidate multiple acquisitions, and hit both our projected growth and profitability targets while remaining cash flow positive. Sales rose by an estimated 100% over 2021 with a compounded two-year sales growth rate of over 500%. To increase shareholder value, we remained disciplined in our spending and capital allocation and recognized incremental returns on capital invested. Our objective remains the growth of shareholder value and to maximize our return on any capital we invest. Our 2022 acquisition strategy was slowed by extremely high valuations in the private sector. In our opinion the valuations we saw were not based on fundamentals but rather more on hype and excessive capital being deployed. Due to these circumstances, we made the decision to focus on organic growth and to be patient in our acquisition selection process. That decision appears to be paying off as we are seeing declines in multiples across many sectors and more opportunities coming available. Despite current business conditions and turmoil in the equity market, we stand on solid footing and are poised for future growth. The company announced incremental quarterly growth going into our 2023 fiscal year, and our adherence to fiscal responsibility with growth and profitability has put us in a position to capitalize on this turmoil. While many companies continued to spend on growth at all costs, we have spent to increase our profitability and build a foundation for profits in the toughest of times.

Things we can do better

As we review our successes, it is incumbent upon us to identify areas in need of improvement. It has come to my attention that our communication with investors could be better. In addition, our customer service has not always lived up to our high standards. In response, we are implementing many quality control procedures in an effort to improve all aspects of service to our customers now and going forward. We will strive to reach out to the investment community to expand our shareholder reach and improve communication across the board over the coming year.

The future and evolution of Grove

What started as a CBD company has grown into a multifaceted operation of profitable related businesses, with multiple Direct to Consumer Brands, an SAAS Technology advertising business focused on programmatic email advertising and ad services and our newest addition of an Amazon based liquidation company. The future growth will come from our Upexi Brand aggregation business, and acquisitions that expand our technology and liquidation business segments. The Direct-to-Consumer market will remain a key initiative as we believe consumer behavior has been changed forever and that profits and value will continue to be in this vertical. To this end, we have made an investment in an advertising platform to acquire the most valuable asset of a DTC company, which is customer data. The material growth of our consumer database has been a key driver of our sales and profits in fiscal year 2022. Each of the brands and businesses have contributed to company growth and have us better positioned for continued success. To support the future growth, we have made investments in distribution, logistics and technology to service our customers across all current and future product offerings.

Acquiring businesses

We have evaluated many opportunities over the past two years and have remained extremely cautious during this period of elevated multiples. In our rare position of triple digit growth while maintaining profits, it seems prudent to be patient. We believe the current turmoil in both the financial and business markets present opportunities that Grove was built for and our patience will be rewarded through this environment. If valuations make sense, we expect to be more active should the opportunity arise. To be clear, with this strategy, any transaction we conduct will be structured with the intent to return the maximum value possible to our shareholders. Shareholder value is our driving force, and, to the extent possible, any transactions will use a balanced blend of debt and equity to drive growth and performance of the overall company.

Capital outlook

Our cash flow from operations increased over fiscal year 2022 and we remain committed to that trend continuing as our revenue grows. We have a solid balance sheet for future growth with the use of debt and equity to maximize shareholder value. While we believe growth into fiscal year 2023 can be accomplished with debt and cash flow, and do not feel we have a current need for equity capital, the company will always keep all options on the table and would be willing to utilize the equity markets should the opportunity arise and be consistent with our overall short and long-term goal of increasing shareholder value. We believe that the availability of debt should increase for us in the near future and continue to support our ability to remain profitable.

In closing

We remain focused on organic growth across all segments of our business, driving value to our customers with the best products for the best price, delivered as quickly as possible. We look to strengthen our vendor relationships for long-term, lasting partnerships in each industry we touch. Increasing our focus and communication with the investment community and building relationships with investors is a top priority for fiscal year 2023.

Finally, and most importantly, the current and future success of our organization is based upon the incredible people in all departments with whom I have had the pleasure of working over the past few years. Their hard work and long hours, including nights and weekends, does not go unnoticed, and I thank them for trusting me to help guide our future success.

About Grove, Inc.

Grove, Inc. is an innovator in aggregation, accelerating Amazon and eCommerce businesses by combining consumer data and vertical integration to scale brands in multiple industries, while lowering costs with a growing distribution network. Through strategic acquisitions, Grove continues to expand into numerous consumer markets, and utilizes its in-house, SaaS programmatic ad technology to help achieve a lower cost per acquisition and accumulate consumer data for increased cross-selling between its growing portfolio of brands.

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Forward-Looking Statements

This news release contains “forward-looking statements” as that term is defined in Section 27A of the United States Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with business strategy, potential acquisitions, revenue guidance, product development, integration and synergies of acquiring companies and personnel. These forward-looking statements are made as of the date of this news release, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although we believe that the beliefs, plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that such beliefs, plans, expectations or intentions will prove to be accurate. Investors should consult all of the information set forth herein and should also refer to the risk factors disclosure outlined in our annual report on Form 10-K and other periodic reports filed from time-to-time with the Securities and Exchange Commission.