

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 10, 2020 (August 7, 2020)

TERRA TECH CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction
of incorporation)

000-54258

(Commission
File Number)

26-3062661

(IRS Employer
Identification No.)

2040 Main Street, Suite 225

Irvine, California 92614

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(855) 447-6967**

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 Terra Tech Corp. (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 7, 2020, Terra Tech Corp. (the "Company") issued a press release announcing second quarter 2020 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 7.01 Regulation FD Disclosure.

On August 7, 2020, Matthew Morgan, Chief Executive Officer, and Megan Jimenez, Chief Financial Officer, of the Company participated in an interview with KCSA Strategic Communications, which was published on August 7, 2020. A full transcript of the interview is attached as Exhibit 99.2 to this Current Report on Form 8-K. The Company undertakes no obligation to update the information discussed in the interview in the future, except as may be required by law.

The information contained in this Item 7.01 and in Exhibit 99.2 referenced herein is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act or incorporated by reference in any filing under 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 7, 2020
99.2	Transcript of Interview, dated August 7, 2020

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.

Terra Tech Corp.
(Registrant)

Date: August 10, 2020

By: /s/ Matthew Morgan
Name: Matthew Morgan
Title: Chief Executive Officer



Terra Tech Corp. Reports Financial Results for Second Quarter 2020

IRVINE, CA – August 7, 2020 – Terra Tech Corp. (OTCQX: TRTC) (“Terra Tech” or the “Company”) today announced its financial results for the quarter ended June 30, 2020.

Matthew Morgan, Chief Executive Officer of Terra Tech, commented, “Our second quarter results were impacted by reduced footfall due to the COVID-19 pandemic as well as the closure of two of our dispensaries for the entire month of June, following damage done in the wake of civil unrest in California. Our cultivation facilities continued to sell cannabis products throughout the quarter, however the shift in revenue mix toward wholesale products reduced our operating margin. Looking ahead, we remain focused on improving the fundamentals in our THC business in California to maximize near-term revenues, and are prioritizing the opening of our cannabis retail location at East Dyer Road, Santa Ana, finishing our Hegenberger cultivation project, and reopening the Oakland, California dispensary. We expect to build our capital base in the second half of 2020, including completing a number of asset sales in Nevada to strengthen the Company’s cash position and redirect resources to assets that generate the highest returns in the THC business. Despite the recent challenges and uncertainty in the market, we remain focused on our strategy and will continue to build out a lean and sustainable business.”

Financial Update

- For the quarter ended June 30, 2020, the Company generated revenues from continuing operations of approximately \$3.31 million, compared to approximately \$4.48 million for the quarter ended June 30, 2019, a decrease of approximately \$1.17 million. The decrease was primarily due to the combined impact of COVID-19 which reduced customer traffic and sales volume and civil unrest which resulted in damage and close of two of our dispensaries for the entire month of June.
- Terra Tech’s gross profit from continuing operations for the quarter ended June 30, 2020 was approximately \$1.39 million, compared to a gross profit of approximately \$2.3 million for the quarter ended June 30, 2019, a decrease of approximately \$0.91 million. Gross margin for the quarter ended June 30, 2020 was approximately 42.1%, compared to approximately 51.4% for the quarter ended June 30, 2019. The decrease in gross margin was mainly due to our revenue decrease, but was also impacted by higher cost of sales. The shift from being a purely retail company to being fully integrated in 2020 has resulted in lower margins, as a greater percentage of our labor and overhead costs are classified as cost of goods sold, rather than selling, general and administrative expenses. Our cost of sales for the quarter ended June 30, 2020 was also negatively impacted by suboptimal purchasing volume.

- Selling, general and administrative expenses for the three months ended June 30, 2020 were approximately \$7.38 million, compared to approximately \$8.61 million for the three months ended June 30, 2019, a decrease of \$1.23 million.
- The net loss attributable to Terra Tech for the three months ending June 30, 2020 was \$18.18 million, or \$0.10 per basic and diluted share, compared to \$10.10 million, or \$0.10 per basic and diluted share, for the three months ending June 30, 2019. The increase in net loss was primarily attributed to \$11.31 million of non-cash impairment charges recorded in the second quarter, as a result of declining revenues due to the COVID-19 pandemic and civil riots in Oakland, California.
- The Company had \$0.74 million in cash as of June 30, 2020, compared with \$1.23 million as of December 31, 2019.
- Stockholders' equity for the period ending June 30, 2020 amounted to approximately \$52.65 million compared to approximately \$75.33 million as of December 31, 2019.

Conference Call

The company will host a conference call on Friday, August 7, 2020 at 4:30pm ET to discuss the financial and operational results.

Dial-In Number: 1-857-232-0157
Access Code: 422095

Matthew Morgan, CEO of Terra Tech Corp., will be answering shareholder questions at the end of the call. Should you have questions during or prior to the conference call please send an email to TRTC@kcsa.com with TRTC Question in the subject line. Mr. Morgan will answer as many questions as time will allow.

For those unable to participate in the live conference call, a replay will be available at <https://www.smallcapvoice.com/trtc/>. An archived version of the webcast will also be available on the investor relations section of the company's website.

To be added to the Terra Tech email distribution list, please email TRTC@kcsa.com with TRTC in the subject line.

About Terra Tech

Terra Tech, which recently merged with OneQor Technologies, is a holding company with a portfolio of investments focused on cannabis agricultural assets in the THC market and the research, development and commercialization of cannabinoid-based products. Backed by innovative science and best-in-class manufacturing, the company's mission is to deliver top-tier cannabis and cannabinoid-based products across the wide range of emerging consumer markets for plant-based health products, including CBD, pharmaceuticals and consumer brands.

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 other risks associated with the combination, will be more fully discussed in our reports with the SEC. Additional risks and uncertainties are identified and 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.

Contact

Philip Carlson
KCSA Strategic Communications
TRTC@kcsa.com
212-896-1238

TERRA TECH CORP. 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,	
	2020	2019	2020	2019
Total revenues	\$ 3,308	\$ 4,478	\$ 7,621	\$ 6,522
Cost of goods sold	1,916	2,177	3,891	2,622
Gross profit	1,392	2,301	3,730	3,900
Selling, general and administrative expenses	7,377	8,613	16,414	17,204
Impairment of assets	11,314	510	16,433	510
(Gain) / Loss on sale of assets	-	-	(35)	-
Loss on interest in joint venture	-	-	-	1,067
Loss from operations	(17,299)	(6,822)	(29,082)	(14,880)
Other income (expense):				
Interest expense, net	(842)	(3,620)	(1,744)	(6,548)
Other income/loss	(88)	985	(23)	997
Total other income (expense)	(930)	(2,635)	(1,767)	(5,551)
Income (Loss) from continuing operations	(18,229)	(9,457)	(30,849)	(20,431)
Income (Loss) from discontinued operations, net of tax	(252)	(839)	(5,004)	(1,323)
NET INCOME (LOSS)	(18,481)	(10,296)	(35,853)	(21,754)
Less: Income (Loss) attributable to non-controlling interest from continuing operations	(298)	8	(341)	86
Less: Income (Loss) attributable to non-controlling interest from discontinued operations	-	(200)	-	-
NET LOSS ATTRIBUTABLE TO TERRA TECH CORP.	\$ (18,183)	\$ (10,104)	\$ (35,512)	\$ (21,840)
Income / (Loss) from continuing operations per common share attributable to Terra Tech Corp. common stockholders – basic and diluted	\$ (0.10)	\$ (0.09)	\$ (0.17)	\$ (0.21)
Net Loss per common share attributable to Terra Tech Corp. common stockholders – basic and diluted	\$ (0.10)	\$ (0.10)	\$ (0.20)	\$ (0.22)
Weighted-average number of common shares outstanding – basic and diluted	186,068,175	105,360,358	174,781,579	99,319,032

TERRA TECH CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except Shares)

	June 30, 2020	December 31, 2019
	(Unaudited)	
ASSETS		
Current Assets:		
Cash	\$ 744	\$ 1,226
Accounts receivable, net	1,242	693
Inventory	4,768	4,334
Prepaid expenses and other assets	459	675
Current assets of discontinued operations	73	2,440
Total current assets	7,286	9,368
Property, equipment and leasehold improvements, net	34,066	35,469
Intangible assets, net	11,733	14,871
Goodwill	17,224	21,471
Other assets	14,980	10,272
Investments	5,330	5,000
Assets of discontinued operations	10,326	22,799
TOTAL ASSETS	\$ 100,945	\$ 119,250
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES:		
Current liabilities:		
Accounts payable and accrued expenses	\$ 13,119	\$ 9,525
Deferred revenue	129	-
Short-term debt	16,885	11,021
Current liabilities of discontinued operations	8,083	7,035
Total current liabilities	38,216	27,582
Long-term liabilities:		
Long-term debt, net of discounts	1,878	6,570
Long-term lease liabilities	8,202	8,902
Long-term liabilities of discontinued operations	-	869
Total long-term liabilities	10,080	16,341
Total liabilities	48,296	43,923
STOCKHOLDERS' EQUITY:		
Preferred stock, convertible series A, par value 0.001: 100 shares authorized as of June 30, 2020 and December 31, 2019; 12 shares issued and 8 shares outstanding as of June 30, 2020 and December 31, 2019	-	-
Preferred stock, convertible series B, par value 0.001: 41,000,000 Shares Authorized as of June 30, 2020 and December 31, 2019; 0 Shares Issued and Outstanding as of June 30, 2020 and December 31, 2019	-	-
Common stock, par value 0.001: 990,000,000 Shares authorized as of June 30, 2020 and December 31, 2019; 204,777,168 issued and 202,468,760 outstanding as of June 30, 2020 and 120,313,386 shares issued and 118,004,978 shares outstanding as of December 31, 2019	207	120
Additional paid-in capital	273,526	260,516
Treasury Stock (2,308,408 shares of common stock, 4 shares of Preferred Stock Convertible Series A)	(808)	(808)
Accumulated deficit	(225,198)	(189,685)
Total Terra Tech Corp. stockholders' equity	47,727	70,143
Non-controlling interest	4,922	5,184
Total stockholders' equity	52,649	75,327
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 100,945	\$ 119,250

Company Participants

Phil Carlson – Investor Relations-KCSA Strategic Communications

Matt Morgan – Chief Executive Officer

Megan Jimenez – Chief Financial Officer

Conference Call Participants**Phil Carlson**

Good afternoon and welcome to Terra Tech's Second Quarter 2020 Financial Results Conference Call. My name is Phil Carlson from KCSA Strategic Communications. A replay of this call will be available at www.smallcapvoice.com and it will be archived on the Investors Relations section of the Terra Tech website.

Before we begin, please let me remind you that during the course of this conference call, Terra Tech's management may make forward-looking statements. These forward-looking statements are based on current expectations that are subject to a number of risks and uncertainties that may cause actual results to differ materially from expectations.

These risks are outlined in the risk factor section of our SEC filings. Any forward-looking statement should be considered in light of these factors. Please also note, as a Safe Harbor, any outlook we present is as of today. Management does not undertake any obligation to revise any forward-looking statements in the future.

With me on the call today are Mr. Matt Morgan, Terra Tech's Chief Executive Officer; and Megan Jimenez, Terra Tech's Chief Financial Officer.

With that, I would now like to hand it over to Mr. Matt. Matt, please go ahead.

Matt Morgan

Thank you, Phil. Hello to everyone on today's call and thank you for joining us. I'm pleased to be here today to update you on our business and the events of the past few months. As we discussed on our last call, we experienced a very volatile market and are dealing with these challenges. So the strategy to produce a lean cost-effective business centered around our well-known and popular THC brands.

On today's call, I'll give an overview of where the company is today and then speak to the company's greater strategy for the remainder of 2020 and beyond. I will then hand it off to Megan Jimenez, CFO who will walk through the financial results from the second quarter.

Second quarter revenues decreased to approximately \$3.3 million compared to approximately \$4.5 million in Q2 2019, due to market conditions. We were impacted by reduced footfall resulting from COVID-19 restrictions. And unfortunately, two of our dispensaries were closed after they were burglarized and damaged in the wake of the recent civil unrest in California.

Blüm Oakland has been closed since May 29 and has not yet reopened. We are working towards reopening in the third quarter of 2020, pending all finalize insurance claims. Blüm San Leandro was burglarized on May 31 and remained closed until July 15. This meant that both of these locations unfortunately didn't contribute revenues for the entire month of June, which has had a significant impact on our second quarter results.

Fortunately, none of our staff were injured during the unrest and our insurance policies are keeping us protected, and we anticipate that this will mitigate the total loss incurred. Our cultivation sellers were not impacted during the civil unrest and have managed to continue production of our IVXX brand of cannabis products.

We have continued to sell them through third-party dispensaries. This shift in revenue mix towards lower margin wholesale products with less revenue from our retail dispensaries reduced overall margins. Despite the recent challenges and uncertainty in the market, we remain focused on our strategy, we'll continue to build out a lean and sustainable business.

Looking ahead, we remain focused on improving the fundamentals in our THC business in California to maximize near-term revenues. We will continue to sell our popular IVXX brand and wholesale products and remain committed to growing our presence of a leading player in this emerging consumer-niche market.

In addition to the reopening of our Blüm dispensary in Oakland, we are prioritizing the opening of our new cannabis retail facility, East Dyer Road in Santa Ana. This was originally planned as an event center, but we've adapted our strategy to suit the current climate. So customers won't have to leave their cars to purchase cannabis.

We believe this will resonate well with people given the current climate conditions. We're also approaching the finish line with our Hegenberger cultivation facility in the Bay Area of California, which will significantly increase our production of IVXX flower. As discussed in our last call, we expect to build our capital base in the second half of 2020, including pursuing a number of asset sales in Nevada to redirect resources, to assets that generate the highest returns in the THC business.

In essence, we streamlining our cost structure by shedding less lucrative assets and strengthening our cash position so that we can deploy capital and adapt our business strategy in the face of uncertainty. We expect asset sales to collectively bring in approximately \$20 million over the course of the next nine months. This includes previously announced sales of our three Blüm retail assets in Nevada, our Blüm retail store in Santa Ana, California.

Furthermore, we anticipate realizing our investment in Hydrofarm Holdings replayed in the year and have non-core assets such as our Carnegie Avenue property. It has cannabis license, which recently closed. Our property on Fourth Street, Fremont, Nevada, and a stake in the Healing Tree Collective, which we expect will contribute to our cash balance.

We remain committed to setting out a path to profitability in 2021. And we believe that we are uniquely positioned with significant amount of the available capital from our asset sales and investments that will fuel our growth without significantly impacting our capital structures. We believe the company has the potential to generate value and are pleased with our demonstrated ability to adapt our corporate strategy in light of recent headwinds.

I'll now turn the call over to Megan Jimenez, CFO to recap our financial results. Megan?

Megan Jimenez

Thank you, Matt. For the quarter ended June 30, 2020. The company generated revenues of approximately \$3.3 million, compared to approximately \$4.5 million for the quarter ended June 30, 2019, a decrease of \$1.2 million. The decrease was primarily due to the combined impact of COVID-19, which reduced customer traffic and sales volume and civil unrest, which resulted in damage and closure of two of our dispensaries for the month of June.

Terra Tech's gross profit from continuing operations for the quarter ended June 30, 2020 was approximately \$1.4 million, compared to a gross profit of approximately \$2.3 million for the quarter ended June 30, 2019, a decrease of approximately \$0.9 million. Gross margin for the quarter ended June 30, 2020 was approximately 42.1%, compared to approximately 51.4% for the quarter ended June 30, 2019. The shift from being a purely retail company to being fully integrated in 2020 has resulted in a greater percentage of our labor and overhead costs being classified as cost of goods sold rather than selling, general and administrative expenses.

The cost of sales for the quarter ended June 30, 2020 was also negatively impacted by suboptimal purchasing volume, pushing up unit costs. Selling, general and administrative expenses for the three months ended June 30, 2020 were approximately \$7.4 million, compared to approximately \$8.6 million for the three months ended June 30, 2019, a decrease of \$1.2 million. Other operating expenses increased by \$10.8 million, primarily due to approximately \$11.3 million of non-cash intangible asset impairment charges attributed to our Black Oak Gallery and one for reporting units.

These charges were a result of the continued negative impacts of the COVID-19 pandemic, as well as civil unrest in the Bay area. In comparison, the second quarter of 2019 saw only \$0.5 million in impairment charges. We realized an operating loss from continuing operations of approximately \$17.3 million for the three months ended June 30, 2020, compared to an operating loss of approximately \$6.8 million for the three months ended June 30, 2019. Absent the non-cash intangible asset impairment charges, our operating loss would have been \$6 million in the three months ended June 30, 2020 versus \$6.3 million for the three months ended June 30, 2019.

Non-operating expenses from continuing operations for three months ended June 30, 2020 were approximately \$0.9 million, compared to approximately \$2.6 million in the prior year, primarily due to a decrease in our interest expense. The net loss attributable to Terra Tech for the three months ended June 30, 2020 was \$18.2 million or \$0.10 per basic and diluted share, compared to \$10.1 million or \$0.10 per basic and diluted share for the three months ended June 30, 2019. The increase in net loss was primarily attributed to the \$11.3 million of non-cash impairment charges recorded in the second quarter, as a result of declining revenues due to the COVID-19 pandemic and civil unrest in Oakland.

With that, I'd like to turn the call back over to Phil for the question-and-answer session.

Question-and-Answer Session

A - Phil Carlson

Thank you, Megan. First question we have, it has been reported that the illegal cannabis industry has created a surplus supply to the market. Has this had any effect or will it have any effect to Terra Tech in the near future?

Matt Morgan

Yes so, unfortunately the legal market has become very expensive due to taxes and beyond, and this has driven a lot of sales into the black market affecting all cannabis merchants. However people are now starting to become more educated and understand the negative health aspects relate to black market cannabis. I think education needs to continue to increase and tax need to be reevaluated for the regulated market to become competitive. And we see a trending in that direction, Phil.

Phil Carlson

Thanks, Matt. Next question, what is the company doing proactively to prepare for the uncertain market conditions presented by the COVID-19 pandemic?

Matt Morgan

Yes, that's a great question. We're continuing to work on our cost reductions, we've made great strides there today. We are working to get our Hegenberger facility up and running to increase margin and drop more free cash flow to the bottom line. Most importantly we are leveraging the company's balance sheet to make sure we can survive and sustain through these unprecedented times and environment. The company has an active and – opened an eye on the merchant partnerships opportunities to increase economies of scale as well. So we're just trying to keep all options open ourselves.

Phil Carlson

Okay. Next question, what are the competitive advantages of the company's retail strategy in California?

Matt Morgan

We're really excited about opening the dire facility in Orange County, we feel it's going to give us a strategic advantage in the California marketplace. The benefits of that facility are that it can accommodate significant curbside delivery sales and the large footprint allows us to capture significant foot traffic, while maintaining social distancing requirements. We're working to open up facility as soon as possible.

Phil Carlson

All right. Next question, how will revenue from asset sales match up with the current and proposed burn rates?

Matt Morgan

Between the Nevada asset sales and our expected ability to monetize our investment Hydrofarm stock, we expect more than enough liquidity sustain for the foreseeable future, Phil. So...

Phil Carlson

Okay, thank you. I'll now turn the call back over to Matt for his closing remarks.

Matt Morgan

Great. Thank you to everyone who sent in questions. Your support means a great deal to us as we seek to maximize Terra Tech's position as competitive and innovative player in the cannabis market. We're pleased with our progress cutting costs and repositioning Terra Tech as a lean and nimble company, and confident that we have a market leading brand and products that resonate well with our consumers. This will serve us well in the future, we expect many of the challenges we've experienced in the past several months to abate in the second half of 2020, and look forward to strengthening our core competencies and most lucrative assets in the THC business to deliver value in the short-term and put the company in a path to profitability in 2021.

I'd like you to give a special thanks here, as I wrap this up to the accounting team, to the Board of Directors, to all the employees of Terra Tech and also all the shareholders for your continued support. So I look forward to providing you guys with updates on our progress on future quarterly calls. And with that guys, we're going to close the lines.