

RiceBran Technologies
Form 10-Q
November 14, 2014

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2014

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 0-32565

RiceBran Technologies

(Exact Name of Registrant as Specified in its Charter)

California

(State or other jurisdiction of incorporation or organization)

87-0673375

(I.R.S. Employer Identification No.)

6720 North Scottsdale Road, Suite 390

Scottsdale, AZ

(Address of Principal Executive Offices)

85253

(Zip Code)

Issuer's telephone number, including area code: (602) 522-3000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes No

As of October 31, 2014, shares of the registrant's common stock outstanding totaled 9,374,082.

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Cautionary Note about Forward-Looking Statements

This quarterly report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are “forward-looking statements” for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue, liquidity or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new services, products or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. Forward-looking statements may include the words “may,” “could,” “will,” “estimate,” “intend,” “contingent,” “believe,” “expect” or “anticipate” or other similar words. The forward-looking statements contained herein reflect our current views with respect to future events and are subject to certain risks, uncertainties and assumptions. Actual results may differ materially from those projected in such forward-looking statements due to a number of factors, risks and uncertainties, including the factors that may affect future results set forth in this Current Report on Form 10-Q and in our Annual Report on Form 10-K for the year ended December 31, 2013. We disclaim any obligation to update any forward looking statements as a result of developments occurring after the date of this quarterly report.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

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RiceBran Technologies

Condensed Consolidated Statements of Operations

Three and Nine Months Ended September 30, 2014 and 2013

(Unaudited) (in thousands, except share and per share amounts)

	Three Months Ended		Nine Months	
	2014	2013	2014	2013
Revenues	\$10,411	\$8,725	\$29,438	\$26,822
Cost of goods sold	9,446	7,955	25,863	23,808
Gross profit	965	770	3,575	3,014
Operating expenses:				
Selling, general and administrative	4,014	3,132	10,744	8,474
Depreciation and amortization	695	302	2,272	951
Impairment of property	-	-	-	300
Total operating expenses	4,709	3,434	13,016	9,725
Loss from operations	(3,744)	(2,664)	(9,441)	(6,711)
Other income (expense):				
Interest income	63	48	100	74
Interest expense - accreted on debt converted to equity	-	-	(6,323)	-
Interest expense - other	(1,043)	(1,084)	(3,473)	(2,879)
Change in fair value of derivative warrant and conversion liabilities	49	576	(1,679)	(1,918)
Foreign currency exchange, net	(203)	(58)	(68)	(346)
Loss on extinguishment	-	-	(892)	(526)
Financing expense	-	-	(2,072)	(564)
Other income	10	22	10	27
Other expense	(200)	(152)	(318)	(358)
Total other income (expense)	(1,324)	(648)	(14,715)	(6,490)
Loss before income taxes	(5,068)	(3,312)	(24,156)	(13,201)
Income tax benefit	139	636	737	1,717
Net loss	(4,929)	(2,676)	(23,419)	(11,484)
Net loss attributable to noncontrolling interest in Nutra SA	1,233	605	2,798	1,633
Net loss attributable to RiceBran Technologies shareholders	\$(3,696)	\$(2,071)	\$(20,621)	\$(9,851)
Loss per share attributable to RiceBran Technologies shareholders				
Basic	\$(0.47)	\$(1.83)	\$(4.05)	\$(9.10)
Diluted	\$(0.47)	\$(1.83)	\$(4.05)	\$(9.10)
Weighted average number of shares outstanding				
Basic	7,915,349	1,129,290	5,086,994	1,082,452
Diluted	7,915,349	1,129,290	5,086,994	