

**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): June 24, 2024



LOCAL BOUNTI CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40125
(Commission
File Number)

98-1584830
(IRS Employer
Identification No.)

400 W. Main St.
Hamilton, MT 59840
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code: (800) 640-4016

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 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 or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value of \$0.0001 per share	LOCL	New York Stock Exchange

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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Appointment of President

On June 24, 2024, the Board of Directors (the “Board”) of Local Bounti Corporation (the “Company”) appointed Kathleen Valiasek, who currently serves as the Company’s Chief Financial Officer, as President of the Company, effective immediately, pursuant to Section 4.5 of the Company’s Bylaws, which states that the person holding the office of Chief Executive Officer shall be the President of the Company unless the Board shall have designated an individual as the President and a different individual as the Chief Executive Officer of the Company. Accordingly, Craig M. Hurlbert no longer serves as the President of the Company but retains his position as the Chief Executive Officer and Chairman of the Board.

Ms. Valiasek, age 61, has served as the Company’s Chief Financial Officer since April 2021. Previously, Ms. Valiasek served as Chief Financial Officer from January 2017 to June 2019 and Chief Business Officer from June 2019 to March 2021 at Amyris, Inc. (Nasdaq: AMRS), a science and technology leader in the research, development, and production of sustainable ingredients for the clean health and beauty and flavors and fragrances markets. Prior to Amyris, Inc., Ms. Valiasek served as Chief Executive Officer of Lenox Group, Inc., a finance and strategic consulting firm she founded in 1994, and, in this capacity, she worked closely with the senior management teams of fast-growing companies including start-ups, venture-backed, and Fortune 500 companies such as Albertsons, CVS, Gap, Kaiser Permanente, and Softbank. At Lenox Group, Ms. Valiasek was typically engaged for critical roles on multi-year assignments including M&A transactions, debt and equity financings, IPOs, and spinoffs. Ms. Valiasek holds a B.B.A. from the University of Massachusetts at Amherst.

For a description of related-person transactions with the Company and Ms. Valiasek since the beginning of 2022, please see the section of the Company’s definitive proxy statement filed with the Securities and Exchange Commission on April 19, 2024, entitled “*Certain Relationships and Related Person Transactions.*”

Compensation Adjustments

On June 24, 2024, the Board and the Compensation Committee of the Board also approved (1) Mr. Hurlbert’s request for reduction of his base salary from \$300,000 to \$43,888 and (2) an increase in Ms. Valiasek’s salary from \$442,000 to \$500,000. In addition, the Compensation Committee granted Ms. Valiasek an award of 100,000 restricted stock units, which vest in three equal installments on June 24, 2024; June 24, 2025, and June 24, 2026.

Item 7.01 Regulation FD Disclosure.

On June 25, 2024, the Company issued a press release announcing the events described in Item 5.02 above. A copy of the Company’s press release is attached as Exhibit 99.1 and is incorporated herein by reference.

The information furnished under this Item 7.01, including Exhibit 99.1, will not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or otherwise subject to the liabilities of that section, and will not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit number</u>	<u>Description</u>
99.1	Press Release, dated June 25, 2024
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.

Date: June 26, 2024

Local Bounti Corporation

By: /s/ Kathleen Valiasek

Name: Kathleen Valiasek

Title: President and Chief Financial Officer



Local Bounti Chief Financial Officer Kathleen Valiasek Promoted to President and CFO

Added Role of President Reflects Ms. Valiasek's Impact on Improved Operating Efficiency

HAMILTON, Mont., June 25, 2024 – Local Bounti Corporation (NYSE: LOCL) (“Local Bounti” or the “Company”), a breakthrough U.S. indoor agriculture company, announced today that its Chief Financial Officer (CFO), Kathleen Valiasek, has been promoted to President and Chief Financial Officer, effective June 24.

“Since Kathy joined our leadership team over three years ago, her contributions have been extensive, reaching far beyond that of her role as CFO. This appointment recognizes her expanded influence, responsibilities and unwavering commitment to scaling up our business,” commented Craig Hurlbert, CEO of Local Bounti. “Kathy has been instrumental in driving operational efficiencies across our network of growing facilities, building trust with large commercial customers, and developing key financing relationships to advance our capacity expansion efforts. Together, we look forward to leading our organization through our next phase of growth and toward our near-term goal of achieving positive adjusted EBITDA* in early 2025.”

In her new role as President and CFO, Ms. Valiasek will take on additional responsibilities including expanded oversight of the Company’s operations, innovation, commercial and marketing activities, while retaining her existing leadership of the financial organization, among others. She will continue to report directly to the Chief Executive Officer (CEO), Craig Hurlbert, who will maintain his position of leadership and continue supporting the advancement of the Company’s strategic growth plan.

Ms. Valiasek has served as Local Bounti’s Chief Financial Officer since April 2021. Previously, Ms. Valiasek served as Chief Financial Officer from January 2017 to June 2019 and Chief Business Officer from June 2019 to March 2021 at Amyris, a science and technology leader in the research, development and production of sustainable ingredients for the clean health and beauty and flavors and fragrances markets. Prior to Amyris, Ms. Valiasek served as Chief Executive Officer of Lenox Group, Inc., a finance and strategic consulting firm she founded in 1994, and, in this capacity, she worked closely with the senior management teams of fast-growing companies including start-ups, venture-backed, and Fortune 500 companies such as Albertsons, CVS, Gap, Kaiser Permanente, and Softbank. Ms. Valiasek holds a B.B.A. from the University of Massachusetts at Amherst.

*Adjusted EBITDA is a non-GAAP measure defined as net loss before the impact of interest expense, depreciation, and amortization, and further adjusted to exclude certain other non-core items. See our earnings release for the first quarter of 2024 for more information and GAAP reconciliations.

About Local Bounti

Local Bounti is redefining indoor farming with an innovative method – its patented Stack & Flow Technology® – that significantly improves crop turns, increases output and improves unit economics. Local Bounti operates advanced indoor growing facilities across the United States, servicing approximately 13,000 retail doors. Local Bounti grows healthy food utilizing a hybrid approach that integrates the best attributes of controlled environment agriculture with natural elements. Local Bounti’s sustainable

growing methods are better for the planet, using 90% less land and 90% less water than conventional farming methods. With a mission to ‘revolutionize agriculture, ensuring accessibility to fresh, sustainable, locally grown produce and nourishing communities everywhere for generations to come,’ Local Bounti’s food is fresher, more nutritious, and lasts longer than traditional agriculture. To find out more, visit localbounti.com or follow Local Bounti on [LinkedIn](#) for the latest news and developments.

Forward-Looking Statements

This press release includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. In some cases, you can identify these forward-looking statements by the use of terms such as “expect,” “will,” “continue,” “believe,” “expect,” “estimate,” “project,” “intend,” “should,” “is to be,” or similar expressions, and variations or negatives of these words, but the absence of these words does not mean that a statement is not forward-looking. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, statements regarding achieving positive adjusted EBITDA. These statements are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to differ materially from results expressed or implied in this press release. The following factors, among others, could cause actual results to differ materially from those described in these forward-looking statements: the risk that Local Bounti will fail to obtain additional necessary capital when needed on acceptable terms, or at all; the risk that Local Bounti will not be able to close the financings contemplated by the previously announced conditional commitment letters; Local Bounti’s ability to effectively integrate the acquired operations of any CEA or similar operations which it acquires into its existing operations; the ability of Local Bounti to retain and hire key personnel; the Company’s ability to meet the continued listing requirements of the New York Stock Exchange or cure noncompliance; the uncertainty of projected financial information; if and when the Company will repurchase the stock authorized by its Board of Directors and the impact of the share repurchase program to the Company and its stockholders; Local Bounti’s increased leverage as a result of additional indebtedness incurred in connection with the acquisition of Pete’s or as the result of the incurrence of additional future indebtedness; restrictions contained in Local Bounti’s debt facility agreements with Cargill; Local Bounti’s ability to repay, refinance, restructure and/or extend its indebtedness as it comes due; Local Bounti’s ability to generate revenue; the risk that Local Bounti may never achieve or sustain profitability; the risk that Local Bounti could fail to effectively manage its future growth; Local Bounti’s ability to build out additional facilities; reliance on third parties for construction, delays relating to material delivery and supply chains, and fluctuating material prices; Local Bounti’s ability to decrease its cost of goods sold over time; potential for damage to or problems with Local Bounti’s CEA facilities; Local Bounti’s ability to attract and retain qualified employees, including management; Local Bounti’s ability to develop and maintain its brand or brands it may acquire; Local Bounti’s ability to maintain its company culture or focus on its vision as it grows; Local Bounti’s ability to execute on its growth strategy; the risks of diseases and pests destroying crops; Local Bounti’s ability to compete successfully in the highly competitive natural food market; Local Bounti’s ability to defend itself against intellectual property infringement claims; changes in consumer preferences, perception and spending habits in the food industry; seasonality; Local Bounti’s ability to achieve its sustainability goals; and other risks and uncertainties indicated from time to time, including those under “Risk Factors” and “Forward-Looking Statements” in Local Bounti’s Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 28, 2024, as supplemented by other reports and documents Local Bounti files from time to time with the SEC. Local Bounti cautions that the foregoing list of factors is not exclusive and cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date hereof. Local Bounti does not undertake or

accept any obligation or undertaking to update or revise any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based.

Contact:

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