

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): March 28, 2024

Arcadia Biosciences, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37383
(Commission File Number)

81-0571538
(IRS Employer
Identification No.)

5950 Sherry Lane
Suite 215
Dallas, Texas
(Address of Principal Executive Offices)

75225
(Zip Code)

Registrant's Telephone Number, Including Area Code: 214 974-8921

(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 |
|---------------------|-------------------|---|
| Common | RKDA | 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 2.02 Results of Operations and Financial Condition.

On March 28, 2024 Arcadia Biosciences, Inc. (the “Company”) issued a press release announcing financial results for the fourth quarter and year ended December 31, 2023. A copy of the press release is furnished as Exhibit 99.1, and the Company's annual financial information tables are furnished as Exhibit 99.2, to this Current Report on Form 8-K and are incorporated herein by reference.

The information furnished in this Form 8-K, the press release attached as Exhibit 99.1, and the financial information attached as Exhibit 99.2, shall not be deemed “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 2.02, in the press release attached as Exhibit 99.1, and in the financial information attached as Exhibit 99.2, 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | Arcadia Biosciences Announces Fourth-Quarter and Full Year 2023 Financial Results and Business Highlights |
| 99.2 | Arcadia Biosciences Full Year 2023 Financial Information |
| 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 thereunto duly authorized.

ARCADIA BIOSCIENCES, INC.

Date: March 28, 2024

By: /s/ THOMAS J. SCHAEFER
Thomas J. Schaefer, Chief Financial Officer



Arcadia Biosciences (RKDA) Announces Fourth-Quarter and Full-Year 2023 Financial Results and Business Highlights

-- Second continuous year of gross profit growth --
-- Total SG&A expenses declined to the lowest levels since 2019 --
-- GoodWheat™ now in more than 3,500 stores with better-for-you pasta, pancake/waffle mixes and mac & cheese --

DALLAS, Texas (March 28, 2024) – Arcadia Biosciences, Inc.[®] (Nasdaq: RKDA), a producer and marketer of innovative, plant-based health and wellness products, today released its financial and business results for the fourth quarter and full year of 2023.

“We are now at the halfway point of Project Greenfield, our three-year strategic plan to unlock the company’s potential and provide a path to profitability, and the results of this focus are unmistakable,” said Stan Jacot, president and CEO. “Arcadia has significantly improved quality of revenues and has now delivered two straight years of gross profit growth for the first time in its history. SG&A expenses have declined for two straight years and are at their lowest level since 2019.

“The foundation we have laid over the past two years provides optimism for even stronger results in 2024. GoodWheat™ is now in three categories with pasta, pancakes and mac & cheese and garnering national attention. Zola[®] coconut water is leveraging innovation to expand distribution and is anticipating double-digit growth in 2024. We have right sized the organization and streamlined our cost structure in order to extend our runway. And finally, we remain focused on adjacent acquisitions as well as monetizing our IP,” Jacot said.

2023 Key Operating and Business Highlights

- GoodWheat Expands Into Two New Categories with Better-For-You Pancake and Waffle Mixes, Single-Serve Quikcakes™ and Mac & Cheese. Building on its success with GoodWheat high-fiber pasta, Arcadia launched two new product categories in 2023: pancake/waffle mixes and mac & cheese.

Launched in Q3, Arcadia’s pancake and waffle mixes are made with simple ingredients and its proprietary GoodWheat flour, delivering the same delicious taste and texture of regular pancakes with 8-11 times the fiber and 5-7 grams of protein per serving. GoodWheat single-serve Quikcakes, in Buttermilk, Chocolate Chocolate Chip and Confetti flavors, are available nationwide on Amazon, and both Quikcakes and Multi-Serve Pancake & Waffle Mixes, available

in Buttermilk, Chocolate Chocolate Chip and Apple Cinnamon flavors, began shipping to retailers in August.

Arcadia expanded to a third category with the launch of GoodWheat Mac & Cheese in Q4, a family household staple representing more than \$1.1 billion in sales. Better-for-you brands make up nearly 20% of the category and are growing faster than traditional brands. GoodWheat Mac & Cheese packs in the most fiber of any brand in the category, with four times more fiber than the leading brand, as well as 12 grams of protein. One serving of GoodWheat Mac & Cheese has the same fiber as two servings of oatmeal or two and a half servings of broccoli. Available in three varieties – Classic Cheddar, White Cheddar and Three Cheese – GoodWheat Mac & Cheese began shipping to retailers in November 2023, and launched on Amazon in February 2024.

- GoodWheat Pasta Certified as “Heart Healthy” by American Heart Association (AHA). GoodWheat pasta received the AHA’s Heart-Check certification for all five varieties of its single ingredient noodles. With its high fiber, lower sodium and zero saturated fat, GoodWheat meets the AHA’s stringent standards for a heart-healthy pasta and provides consumers with a better-for-you option that delivers superior nutrition with the taste and texture of traditional pasta.
- Arcadia Streamlines Operations by Exiting CBD Body Care Brands. As part of its strategy to focus resources on high-opportunity, scalable businesses, Arcadia discontinued its two remaining Body Care brands ProVault™ and SoulSpring™ in order to concentrate on the more promising GoodWheat and Zola brands. Streamlined operations and organizational changes resulted in operating expense savings of \$2 million in 2023 and \$3 million to \$4 million annually going forward.
- Arcadia Explores Strategic Opportunities with Lake Street Capital Markets. Arcadia initiated a strategic review process in mid-2023 to explore a range of potential transactions and opportunities focused on maximizing the GoodWheat value proposition and driving long-term shareholder value. As part of this process, the company is exploring strategic options that may include potential acquisition, company sale, merger, business combination, asset sale, joint venture, licensing arrangement, capital raise or other strategic transactions.

Recent Highlights

- Zola Coconut Water Introduces Two New Flavors to Energize Sales. Arcadia has focused on innovation in Zola coconut water with the introduction of two new flavors – pineapple and lime – to add to its original, extra pulp and espresso flavors. Pineapple is the number one coconut water flavor, and Lime is the number one flavor in sparkling water, and both flavors are 100% natural, no sugar added and non-GMO. Launched in the first quarter of 2024, these new flavors are available in 16.9 oz resealable containers and will be placed in new distribution in Q2.
- GoodWheat Pasta and Pancake Mixes Receive Accolades From Trusted, Independent Testing Outlets. Following GoodWheat pasta’s 2023 recognition from the American Heart Association’s Heart-Check certification and its selection as “Best New Product” by the Retail Dietitians Business Alliance, GoodWheat pasta and pancake mixes received additional accolades from trusted outlets in the first quarter of 2024.

Better Homes and Gardens, with 13 million followers across social platforms, recognized GoodWheat pasta in the New Basics category as the “Best Stealthy Healthy Pasta,” with the same flavor as regular pasta but four times the fiber. And Eat This, Not That, a website which has 7 million unique views per month, awarded GoodWheat Quikcakes recognition in two different categories in January: “Best Store-Bought, High-Protein Desserts” and “Best Store-Bought High-Fiber Snacks.”

Arcadia Biosciences, Inc.
Financial Snapshot
(Unaudited)
(\$ in thousands)

| | Three months ended Dec 31 | | | | Twelve months ended Dec 31 | | | |
|---|---------------------------|---------|-----------------------------|-----|----------------------------|----------|-----------------------------|-------|
| | 2023 | 2022 | Favorable/ (Unfavorable) | | 2023 | 2022 | Favorable/ (Unfavorable) | |
| | | | \$ | % | | | \$ | % |
| Total Revenues | 1,170 | 744 | 426 | 57% | 5,330 | 7,418 | (2,088) | (28%) |
| Total Operating Expenses | 4,534 | 5,402 | 868 | 16% | 19,268 | 21,425 | 2,157 | 10% |
| Loss From Continuing Operations | (3,364) | (4,658) | 1,294 | 28% | (13,938) | (14,007) | 69 | 0% |
| Net Loss Attributable to Common Stockholders | (2,853) | (4,244) | 1,391 | 33% | (13,981) | (15,376) | 1,395 | 9% |

Certain previously reported financial information has been reclassified to conform to the current year presentation. Reclassifications are related to the presentation of the financial results of our former body care brands as discontinued operations. The financial information above and narrative that follows relate to continuing operations unless stated otherwise.

More detailed financial statements are included in the Form 10-K filed today, available in the Investors section of the company’s website under SEC Filings.

Revenues

Revenues in the fourth quarter of 2023 increased 57% to \$1.2 million compared to the same period in 2022 driven by higher GoodWheat and GLA revenues.

Revenues decreased \$2.1 million during 2023 compared 2022. Revenues during 2022 included approximately \$1.8 million in sales of GoodWheat grain as well as \$0.9 million in one-time license revenue related to the sale of Verdeca.

Operating Expenses

Operating expenses decreased \$868,000 during the fourth quarter of 2023 compared to the same period in 2022 primarily driven by a decrease in cost of revenues and selling, general and administrative (SG&A) expenses in 2023. Cost of revenues in the fourth quarter of 2022

included higher inventory write downs. The decrease in SG&A was primarily related to lower employee costs in 2023.

Operating expenses decreased \$2.1 million during 2023 compared to 2022 primarily driven by a decrease in cost of revenues and SG&A. Cost of revenues in 2022 included grain sold at cost and higher inventory write-downs. The decrease in SG&A was primarily related to lower employee costs in 2023.

Net Loss Attributable to Common Stockholders

Net loss attributable to common stockholders for the fourth quarter of 2023 was \$2.8 million, or \$2.10 per share, a \$1.4 million improvement from the \$4.2 million, or \$6.31 per share, net loss for the fourth quarter of 2022. The improvement in net loss attributable to common stockholders for the fourth quarter of 2023 compared to the same period in 2022 was primarily driven by the reduction in operating expenses.

Net loss attributable to common stockholders for 2023 was \$14.0 million, or \$11.30 per share, a \$1.4 million improvement from the \$15.4 million, or \$25.65 per share, net loss for 2022. The improvement in net loss attributable to common stockholders for 2023 compared to 2022 was primarily driven by the reduction in operating expenses. The impact of the March 2023 financing had a minimal effect during 2023 as a \$6.1 million valuation loss was largely offset by a non-cash gain of \$6.5 million related to the change in the fair value of the common stock warrant and option liabilities compared to a non-cash gain of \$3.2 million during 2022. Additionally, 2023 included a net loss from the discontinued body care brands of \$821,000 compared to \$4.8 million during 2022.

Conference Call and Webcast

The company has scheduled a conference call for 4:30 p.m. Eastern time (1:30 p.m. Pacific time) today, March 28 to discuss fourth-quarter and year-end results and the year's key strategic achievements. Interested participants can join the conference call using the following options:

- An audio-only webcast of the conference call will be available in the Investors section of Arcadia's website.
- To join the live call, please register here, and a dial-in number and unique PIN will be provided.

Following completion of the call, a recorded replay will be available on the company's investor website.

About Arcadia Biosciences, Inc.

Since 2002, Arcadia Biosciences (Nasdaq: RKDA) has been innovating crops to provide high-value, healthy ingredients to meet consumer demands for healthier choices. With its roots in agricultural innovation, Arcadia cultivates next-generation wellness products that make every body feel good. The company's food and beverage products include GoodWheat™ pasta, pancake mixes and mac & cheese and Zola® coconut water. For more information, visit www.arcadiabio.com.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 about the company and its products, including statements relating to the company's growth, cash position, operating costs, financial performance, commercialization of products and review of strategic transactions and their impact on shareholder value. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to, the risks set forth in filings that the company makes with the Securities and Exchange Commission from time to time, including in Arcadia's Annual Report on Form 10-K for the year ended December 31, 2023 and other filings. These forward-looking statements speak only as of the date hereof, and Arcadia Biosciences, Inc. disclaims any obligation to update these forward-looking statements.

Arcadia Biosciences Contact:

T.J. Schaefer
ir@arcadiabio.com

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Arcadia Biosciences, Inc.
Consolidated Balance Sheets
(Unaudited)

(In thousands, except share data)

| | As of December 31, | |
|---|--------------------|-----------|
| | 2023 | 2022 |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 6,518 | \$ 20,644 |
| Short-term investments | 5,124 | — |
| Accounts receivable and other receivables, net of allowance for doubtful accounts of \$0 and \$3 as of December 31, 2023 and 2022, respectively | 514 | 1,221 |
| Inventories, net — current | 1,958 | 2,321 |
| Assets held for sale | 51 | 87 |
| Prepaid expenses and other current assets | 807 | 795 |
| Current assets of discontinued operations | — | 330 |
| Total current assets | 14,972 | 25,398 |
| Property and equipment, net | 384 | 680 |
| Right of use assets | 792 | 1,848 |
| Inventories, net — noncurrent | 3,354 | 767 |
| Intangible assets, net | 39 | 40 |
| Other noncurrent assets | 164 | 165 |
| Noncurrent assets of discontinued operations | — | 24 |
| Total assets | \$ 19,705 | \$ 28,922 |
| Liabilities and stockholders' equity | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | \$ 2,410 | \$ 2,855 |
| Amounts due to related parties | 58 | 48 |
| Operating lease liability — current | 852 | 1,010 |
| Other current liabilities | 270 | 270 |
| Current liabilities of discontinued operations | — | 26 |
| Total current liabilities | 3,590 | 4,209 |
| Operating lease liability — noncurrent | 155 | 1,007 |
| Common stock warrant and option liabilities | 1,257 | 806 |
| Other noncurrent liabilities | 2,000 | 2,000 |
| Total liabilities | 7,002 | 8,022 |
| Commitments and contingencies (Note 13) | | |
| Stockholders' equity: | | |
| Common stock, \$0.001 par value—150,000,000 shares authorized as of December 31, 2023 and December 31, 2022; 1,285,337 and 616,079 shares issued and outstanding as of December 31, 2023 and December 31, 2022, respectively. | 65 | 65 |
| Additional paid-in capital | 284,515 | 278,827 |
| Accumulated other comprehensive income | 101 | — |
| Accumulated deficit | (271,840) | (257,859) |
| Total Arcadia Biosciences stockholders' equity | 12,841 | 21,033 |
| Non-controlling interest | (138) | (133) |
| Total stockholders' equity | 12,703 | 20,900 |
| Total liabilities and stockholders' equity | \$ 19,705 | \$ 28,922 |

Arcadia Biosciences, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)

(In thousands, except share data and per share data)

| | Year Ended December 31, | |
|---|-------------------------|--------------------|
| | 2023 | 2022 |
| Revenues: | | |
| Product | \$ 5,313 | \$ 6,422 |
| License | 17 | 879 |
| Royalty | — | — |
| Total revenues | <u>5,330</u> | <u>7,301</u> |
| Operating expenses (income): | | |
| Cost of revenues | 3,300 | 6,101 |
| Research and development | 1,387 | 1,509 |
| Gain on sale of Verdeca | — | (1,138) |
| Impairment of intangible assets | — | 141 |
| Change in fair value of contingent consideration | — | (70) |
| Gain on sale of property and equipment | (40) | (314) |
| Impairment of property and equipment | — | 160 |
| Impairment of ROU asset | 113 | — |
| Selling, general and administrative | 14,508 | 15,036 |
| Total operating expenses | <u>19,268</u> | <u>21,425</u> |
| Loss from operations | (13,938) | (14,007) |
| Interest income | 695 | 289 |
| Other income, net | 48 | 9 |
| Valuation loss on March 2023 PIPE | (6,076) | — |
| Change in fair value of common stock warrant and option liabilities | 6,544 | 3,209 |
| Issuance and offering costs allocated to liability classified options | (430) | (314) |
| Net loss from continuing operations before income taxes | (13,157) | (10,814) |
| Income tax expense | (8) | (14) |
| Net loss from continuing operations | (13,165) | (10,828) |
| Net loss from discontinued operations | (821) | (4,784) |
| Net loss | (13,986) | (15,612) |
| Net loss attributable to non-controlling interest | (5) | (236) |
| Net loss attributable to common stockholders | <u>\$ (13,981)</u> | <u>\$ (15,376)</u> |
| Net loss per share attributable to common stockholders: | | |
| Basic and diluted from continuing operations | \$ (10.64) | \$ (17.67) |
| Basic and diluted from discontinued operations | \$ (0.66) | \$ (7.98) |
| Weighted-average number of shares used in per share calculations: | | |
| Basic and diluted | <u>1,236,934</u> | <u>599,389</u> |
| Other comprehensive income, net of tax | | |
| Unrealized gains on available-for-sale securities | \$ 101 | \$ — |
| Other comprehensive income | \$ 101 | \$ — |
| Comprehensive loss attributable to common stockholders | <u>\$ (13,880)</u> | <u>\$ (15,376)</u> |

Arcadia Biosciences, Inc.
Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

| | Year Ended December 31, | |
|--|-------------------------|------------------|
| | 2023 | 2022 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Net loss | \$ (13,986) | \$ (15,612) |
| Adjustments to reconcile net loss to cash used in operating activities: | | |
| Change in fair value of common stock warrant and option liabilities | (6,544) | (3,209) |
| Change in fair value of contingent consideration | — | (70) |
| Issuance and offering costs allocated to liability classified options | 430 | 314 |
| Valuation loss on March 2023 PIPE | 6,076 | — |
| Depreciation | 287 | 439 |
| Amortization of intangible assets | — | 40 |
| Lease amortization | 697 | 884 |
| Impairment of intangible assets | — | 404 |
| Gain on disposal of equipment | (40) | (314) |
| Stock-based compensation | 717 | 1,106 |
| Bad debt expense | 20 | 60 |
| Gain on sale of Verdeca | — | (1,138) |
| Write-down of inventories | 444 | 2,471 |
| Impairment of property and equipment | — | 530 |
| Impairment of ROU asset | 113 | — |
| Changes in operating assets and liabilities: | | |
| Accounts receivable and other receivables | 184 | 592 |
| Inventories | (2,419) | 1,118 |
| Prepaid expenses and other current assets | 1 | 91 |
| Other noncurrent assets | 2 | 16 |
| Accounts payable and accrued expenses | (522) | (757) |
| Amounts due to related parties | 10 | (16) |
| Other current liabilities | — | 6 |
| Operating lease payments | (764) | (932) |
| Net cash used in operating activities | <u>(15,294)</u> | <u>(13,977)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Proceeds from sale of property and equipment | 115 | 920 |
| Proceeds from sale of Verdeca — earn-out received | 569 | 569 |
| Proceeds from sale of investments | 2,502 | — |
| Purchases of property and equipment | (5) | (72) |
| Purchases of investments | (7,525) | — |
| Net cash (used in) provided by investing activities | <u>(4,344)</u> | <u>1,417</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from issuance of common stock, pre-funded warrants and preferred investment options from March 2023 PIPE | 5,997 | — |
| Payments of offering costs relating to March 2023 PIPE | (497) | — |
| Proceeds from issuance of common stock, pre-funded warrants and preferred investment options from August 2022 Offering | — | 5,000 |
| Payments of offering costs relating to August 2022 Offering | — | (488) |
| Proceeds from ESPP purchases | 12 | 7 |
| Net cash provided by financing activities | <u>5,512</u> | <u>4,519</u> |
| Net decrease in cash and cash equivalents | <u>(14,126)</u> | <u>(8,041)</u> |
| Cash and cash equivalents — beginning of period | 20,644 | 28,685 |
| Cash and cash equivalents — end of period | <u>\$ 6,518</u> | <u>\$ 20,644</u> |

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

| | | |
|--|--------|----------|
| Cash paid for interest | \$ — | \$ 1 |
| NONCASH TRANSACTIONS: | | |
| Common stock warrant liabilities reclassified to equity upon adoption of ASU 2020-06 | \$ — | \$ 3,392 |
| Common stock options issued to placement agent and included in offering costs related to August 2022 RDO securities purchase agreement | \$ — | \$ 191 |
| Common stock options issued to placement agent and included in offering costs related to March 2023 PIPE | \$ 212 | \$ — |
| Right of use assets obtained in exchange for new operating lease liabilities | \$ — | \$ 114 |
| Proceeds from sale of property and equipment in accounts receivable and other receivables | \$ 8 | \$ 19 |
| Warrant and option modifications included in Valuation loss on March 2023 PIPE | \$ 404 | \$ — |

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