

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): August 13, 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 August 13, 2024 Arcadia Biosciences, Inc. (the “Company”) issued a press release announcing financial results for the second quarter ended June 30, 2024. 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 Second-Quarter 2024 Financial Results and Business Highlights
99.2	Arcadia Biosciences Second-Quarter 2024 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: August 13, 2024

By: /s/ MARK KAWAMAKI
Mark Kawakami, Chief Financial Officer



Arcadia Biosciences (RKDA) Announces Second-Quarter and First-Half 2024 Financial Results and Business Highlights

-- Company closes \$4M transaction with Corteva Agriscience --

-- Above Food Corp acquires GoodWheat™ brand --

-- Zola® coconut water sales increase 42% year over year --

Dallas, Texas (August 13, 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 second quarter and first half of 2024.

“The second quarter of 2024 was a significant turning point for Arcadia as we transform the business and chart our path to becoming cash flow positive,” said T.J. Schaefer, president and CEO. “We monetized our wheat IP through two transactions: selling our resistant starch wheat trait to a wholly owned subsidiary of Corteva Agriscience for \$4 million; and selling our GoodWheat™ brand to Above Food for net payments of \$4 million over the next three years. In addition, we’ve secured significant distribution gains for Zola® coconut water and launched two new flavors and are positioned to grow faster than the category and gain market share.”

“Over the last two years, we’ve exited several underperforming brands, right sized the organization and streamlined our cost structure in order to extend our runway. While we continue to explore strategic alternatives, our focus for the remainder of the year remains on reducing our operating costs and accelerating growth in Zola,” Schaefer said.

Recent Operating and Business Highlights

- Arcadia Sells Resistant Starch Durum Trait to Corteva Agriscience. In May 2024, Arcadia sold its non-GMO Resistant Starch (RS) Durum trait to longtime partner Corteva Agriscience. Arcadia and Corteva began collaborating in 2017 to develop and commercialize RS Durum in North America, and this transaction allowed Arcadia to advance the monetization of its wheat technology with a one-time payment of \$4 million.
- Arcadia Sells GoodWheat Brand to Above Food Corp. Also in Q2, Above Food Corp acquired the GoodWheat brand of better-for-you wheat products from Arcadia for \$4 million in net payments over the next three years. The GoodWheat brand was

launched in 2018 to help consumers get more fiber in their diets by increasing the amount of fiber in the delicious foods they love, using Arcadia's patented non-GMO wheat grain that is naturally higher in fiber and protein.

- Zola Coconut Water Ships New Flavors and Increases Sales. Distribution gains for Zola continued as the new pineapple and lime flavors began shipping in Q2. Zola sales outperformed the coconut water category, with year over year sales increasing 42%.
- Arcadia Announces CEO Transition. Following the recent departure of Stan Jacot, Thomas J. Schaefer was appointed president and CEO of Arcadia. Schaefer was previously Arcadia's chief financial officer and brings more than 20 years of experience in investments, corporate finance and consumer products.

Arcadia Biosciences, Inc.
Financial Snapshot
(Unaudited)

(\$ in thousands)

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2023	Favorable / (Unfavorable)		2024	2023	Favorable / (Unfavorable)	
			\$	%			\$	%
Total revenues	1,306	1,297	9	1%	2,293	2,379	(86)	(4%)
Total operating expenses	(674)	2,751	3,425	125%	1,901	5,889	3,988	68%
Income (loss) from continuing operations	1,980	(1,454)	3,434	236%	392	(3,510)	3,902	111%
Net income (loss) attributable to common stockholders	1,061	823	238	29%	(1,362)	(8,561)	7,199	84%

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 GoodWheat and 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 8-K filed today, available in the Investors section of the company's website under SEC Filings.

Revenues

Revenue increased slightly during the second quarter of 2024 compared to the same period in 2023 driven by an increase in Zola sales that was partially offset by a decrease in GLA sales. Revenue decreased \$86,000 during the first half of 2024 compared to the same period in 2023 driven by a decrease in GLA sales despite an increase in Zola sales year over year.

Operating Expenses

Operating expenses decreased by \$3.4 million and \$4.0 million during the second quarter and first half of 2024 compared to the same periods in 2023, respectively, driven by a gain of \$4.0 million related to the asset sale to Corteva Agriscience in 2024.

Cost of revenues decreased \$17,000 and \$74,000 during the second quarter and first half of 2024, respectively, compared to the same periods in 2023 driven by a decrease in freight cost.

General and administrative expenses increased \$609,000 and \$74,000 during the second quarter and first half of 2024, respectively, compared to the same periods in 2023 due to higher consulting and legal expenses associated with the Corteva and Above Food transactions in 2024.

Net Income (Loss) Attributable to Common Stockholders

Net income attributable to common stockholders for the second quarter of 2024 was \$1.1 million, or \$0.78 per share, compared to \$823,000, or \$0.61 per share, for the same period in 2023. The improvement was primarily driven by the year over year decrease in net loss from discontinued operations.

Net loss attributable to common stockholders for the first half of 2024 was \$1.4 million, or \$1.00 per share, a \$7.2 million improvement from the \$8.6 million, or \$7.70 per share, net loss for same period in 2023. The improvement was primarily driven by the \$4.0 million gain related to the asset sale to Corteva in 2024, as well as the year over year decrease in net loss from discontinued operations.

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, August 13, to discuss second-quarter results and 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. For more information, visit www.arcadiabio.com.

Safe Harbor Statement

“Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This press release and the accompanying conference call contain forward-looking statements about the company and its products, including statements relating to the company’s growth, strategic process, business focus, reduction in operating costs, cash position, financial performance and commercialization of products. 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 Arcadia 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. These forward-looking statements speak only as of the date hereof, and Arcadia Biosciences, Inc. undertakes no duty to update this information.

Arcadia Biosciences Contact:

Sue Wandell
ir@arcadiabio.com

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Arcadia Biosciences, Inc.
Consolidated Balance Sheets
(Unaudited)
(In thousands, except share data)

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 5,504	\$ 6,518
Short-term investments	2,604	5,124
Accounts receivable and other receivables, net of allowance for doubtful accounts of \$0 as of June 30, 2024 and December 31, 2023	840	506
Inventories — current	978	837
Assets held for sale	—	51
Note receivable — current	1,759	—
Prepaid expenses and other current assets	537	807
Current assets of discontinued operations — GoodWheat	212	1,129
Total current assets	<u>12,434</u>	<u>14,972</u>
Property and equipment, net	54	70
Right of use asset	513	792
Inventories — noncurrent	191	196
Intangible assets, net	39	39
Note receivable — noncurrent	3,974	—
Other noncurrent assets	164	164
Noncurrent assets of discontinued operations — GoodWheat	—	3,472
Total assets	<u>\$ 17,369</u>	<u>\$ 19,705</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,560	\$ 1,910
Amounts due to related parties	80	58
Operating lease liability — current	563	852
Other current liabilities	255	270
Current liabilities of discontinued operations — GoodWheat	240	500
Total current liabilities	<u>2,698</u>	<u>3,590</u>
Operating lease liability — noncurrent	11	155
Common stock warrant and option liabilities	1,094	1,257
Other noncurrent liabilities	2,000	2,000
Total liabilities	<u>5,803</u>	<u>7,002</u>
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Common stock, \$0.001 par value—150,000,000 shares authorized; 1,362,840 and 1,285,337 shares issued and outstanding as of June 30, 2024 and December 31, 2023, respectively	65	65
Additional paid-in capital	284,760	284,515
Accumulated other comprehensive income	81	101
Accumulated deficit	(273,202)	(271,840)
Total stockholders' equity	<u>11,704</u>	<u>12,841</u>
Non-controlling interest	(138)	(138)
Total stockholders' equity	<u>11,566</u>	<u>12,703</u>
Total liabilities and stockholders' equity	<u>\$ 17,369</u>	<u>\$ 19,705</u>

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Product	\$ 1,306	\$ 1,287	\$ 2,293	\$ 2,369
License	—	10	—	10
Total revenues	1,306	1,297	2,293	2,379
Operating expenses (income):				
Cost of revenues	633	650	1,104	1,178
Research and development	10	27	16	40
Gain on sale of intangible assets	(4,000)	—	(4,000)	—
Impairment of property and equipment	—	—	36	—
Selling, general and administrative	2,683	2,074	4,745	4,671
Total operating (income) expenses	(674)	2,751	1,901	5,889
Income (loss) from continuing operations	1,980	(1,454)	392	(3,510)
Interest income	150	207	195	405
Other income (loss), net	150	(13)	153	19
Valuation loss on March 2023 PIPE	—	—	—	(6,076)
Change in fair value of common stock warrant and option liabilities	(430)	4,416	163	5,357
Issuance and offering costs allocated to liability classified options	—	—	—	(430)
Net income (loss) from continuing operations before income taxes	1,850	3,156	903	(4,235)
Income tax provision	—	(1)	—	(1)
Net income (loss) from continuing operations	1,850	3,155	903	(4,236)
Net loss from discontinued operations — Body Care	—	(330)	—	(511)
Net loss from discontinued operations — GoodWheat	(789)	(2,007)	(2,265)	(3,819)
Net income (loss)	1,061	818	(1,362)	(8,566)
Net loss attributable to non-controlling interest	—	(5)	—	(5)
Net income (loss) attributable to common stockholders	\$ 1,061	\$ 823	\$ (1,362)	\$ (8,561)
Net income (loss) per share attributable to common stockholders:				
Basic and diluted from continuing operations	\$ 1.36	\$ 2.33	\$ 0.66	\$ (3.81)
Basic from discontinuing operations	\$ (0.58)	\$ (1.71)	\$ (1.66)	\$ (3.90)
Net income (loss) per basic and diluted share attributable to common stockholders	\$ 0.78	\$ 0.61	\$ (1.00)	\$ (7.70)
Weighted-average number of shares used in per share calculations:				
Basic and diluted	1,362,840	1,358,395	1,362,249	1,111,915
Other comprehensive income, net of tax				
Unrealized gains on available-for-sale securities	\$ 31	\$ 21	\$ 91	\$ 21
Change in unrealized gains on available-for-sale securities	\$ (80)	\$ 21	\$ (20)	\$ 21
Comprehensive income (loss)	\$ 981	\$ 844	\$ (1,382)	\$ (8,540)

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

	Six Months Ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (1,362)	\$ (8,566)
Adjustments to reconcile net loss to cash used in operating activities:		
Change in fair value of common stock warrant and option liabilities	(163)	(5,357)
Issuance and offering costs allocated to liability classified options	—	430
Valuation loss on March 2023 PIPE	—	6,076
Depreciation	85	138
Lease amortization	352	357
Amortization of note receivable discount	(29)	—
Gain on disposal of property and equipment	(89)	(26)
Gain on sale of RS durum wheat trait	(4,000)	—
Stock-based compensation	240	411
Write-down of inventories	—	192
Impairment of property and equipment	36	—
Changes in operating assets and liabilities:		
Accounts receivable and other receivables	(334)	87
Inventories	440	(1,316)
Prepaid expenses and other current assets	270	(142)
Other noncurrent assets	—	(13)
Accounts payable and accrued expenses	(612)	(149)
Amounts due to related parties	22	(16)
Other current liabilities	(15)	12
Operating lease liabilities	(507)	(382)
Net cash used in operating activities	<u>(5,666)</u>	<u>(8,264)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property and equipment	162	37
Proceeds from sale of Verdeca — earn-out received	—	569
Proceeds from sale of investments	2,501	—
Proceeds from sale of RS durum wheat trait	4,000	—
Cash paid related to sale of GoodWheat	(2,000)	—
Purchases of property and equipment	(16)	(5)
Purchases of investments	—	(5,002)
Net cash provided by (used in) investing activities	<u>4,647</u>	<u>(4,401)</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 ESPP purchases	5	5
Net cash provided by financing activities	<u>5</u>	<u>5,505</u>
Net decrease in cash and cash equivalents	(1,014)	(7,160)
Cash and cash equivalents — beginning of period	6,518	20,644
Cash and cash equivalents — end of period	<u>\$ 5,504</u>	<u>\$ 13,484</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Common stock options issued to placement agent and included in offering costs related to March 2023 PIPE	\$ —	\$ 212
Warrant and option modifications included in Valuation loss on March 2023 PIPE	\$ —	\$ 404
Proceeds from sale of property and equipment in accounts receivable and other receivables	\$ 84	\$ 2
Right of use assets obtained in exchange for new operating lease liabilities	\$ 86	\$ —
Note receivable recognized from sale of GoodWheat	<u>\$ 5,705</u>	<u>\$ —</u>

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