



# Arcadia

B I O S C I E N C E S

**Fourth Quarter/ Full Year 2017  
Financial Results and Business Highlights**

**March 20, 2018**

# Forward-looking statements

“Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This presentation contains forward-looking statements about the company and its products, including statements relating to components of the company’s long-term financial success; the company’s traits, commercial products, and collaborations; the company’s ability to manage the regulatory processes for its traits and commercial products; the company’s anticipated financial results; current and future products under development; additional collaboration agreements; the regulatory process; business and financial plans; and other non-historical facts.

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 company’s and its partners’ ability to develop commercial products incorporating its traits and complete the regulatory review process for such products; continued competition in seed traits and other products; the company’s compliance with laws and regulations that impact the company’s business, and changes to such laws and regulations; the company’s reliance on its collaborators to commercialize products incorporating its seed traits; the company’s future capital requirements and ability to satisfy its capital needs; the company’s exposure to various contingencies, including those related to intellectual property protection, success of field trials, regulatory compliance, the speed with which regulatory approvals are received, and public acceptance of biotechnology products; developments related to foreign governmental regulations, political climate, currencies and economies; successful operation of the company’s joint ventures; fluctuations in commodity prices; the company’s ability to obtain a significant portion of the increased value to farmers from products that incorporate its traits; and the effect of weather conditions, natural disasters and accidents on the agriculture business or the company’s facilities.

Further information regarding these and other factors that could affect the company’s financial results is included in filings the company makes with the Securities and Exchange Commission from time to time, including the section entitled “Risk Factors” in the company’s Annual Report on Form 10-K for the year ended December 31, 2016. These documents are or will be available on the SEC Filings section of the Investor Relations pages of the company’s website at [www.arcadiabio.com](http://www.arcadiabio.com). All information provided in this presentation and in the attachments is as of the date hereof, and Arcadia Biosciences, Inc. undertakes no duty to update this information.

# Successful results in 2017 set the stage for expanded growth in 2018

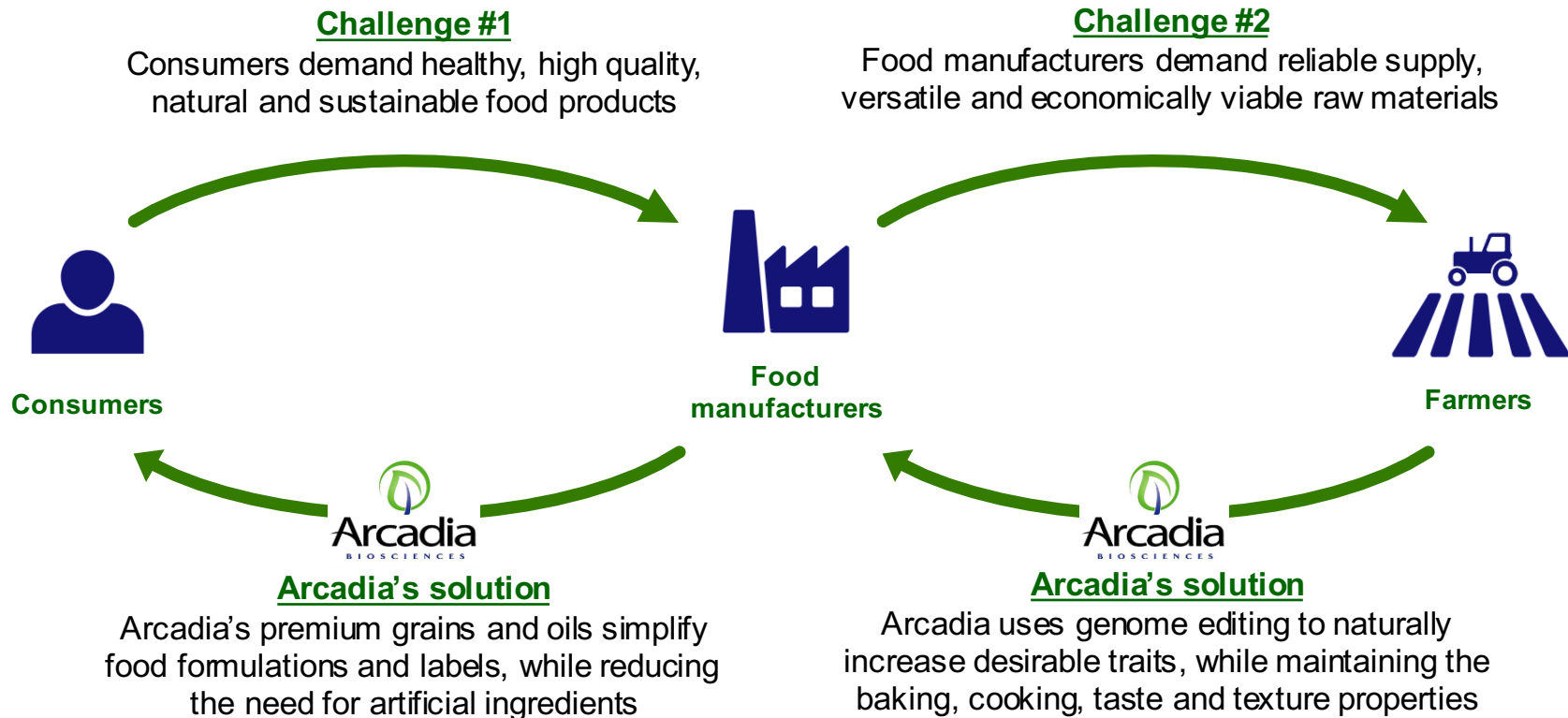
## 2017 focused on path to profitability and shift in strategy

- Sharpened focus on non-GM wheat nutrition traits and commercial launch strategy
- Continued to advance commercialization of agricultural productivity traits through regulatory approvals and field trials
- Licensed CRISPR-Cas 9 gene editing technology to accelerate development of non-GM trait portfolio
- Reduced operating expenses by 16% and reduced operating loss by 23%

## In 2018, exciting results of strategic shift

- Two major milestones in RS wheat: high amylose and high fiber
- Launched a consumer ingredient brand to capture more downstream value
- Bringing in expertise to guide us through strategic evolution
- Closed \$10 in private equity financing to execute growth strategy

# Arcadia addresses today's challenges in the food and agriculture value chain



Arcadia aims to build trusted and sought after consumer brands to maximize value capture at the consumer level. This in turn enables economic sharing throughout the value chain, starting with the farmer

# Introducing GoodWheat™ ingredient brand!

- GoodWheat brand includes:
  - High fiber Resistant Starch wheat
  - Extended Shelf Life wheat
  - Reduced Gluten wheat
  - Future wheat innovations
- Delivers distinct market differentiation for consumer food companies to provide specialty products to discerning consumers
- Working with Ian Miller, brand ingredient strategist
  - Architect of NutraSweet brand along with hundreds of other well-known consumer brands



# Path to Commercialization of RS wheat

## Achieved key technical milestones

- 94% amylose, compared to 25%-30% in traditional wheat
- High fiber levels that meet FDA requirements for “high in fiber” and “good source of fiber” designations

## Breeding into commercial germplasm

- Planting increased acres of wheat to supply customers for testing

## Building partnerships across wheat value chain

- Seed production
- Logistics
- Processors
- Food companies

## New Chief Commercial Officer – Sarah Reiter

- 20 years of business strategy and marketing experience in agriculture and food industries



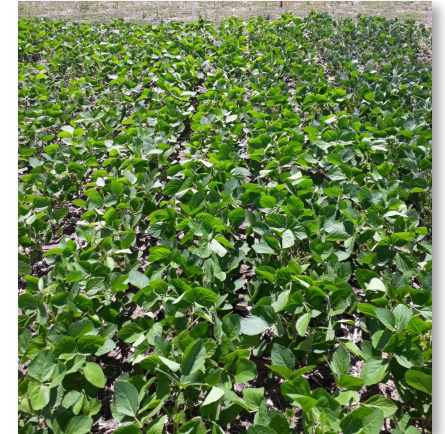
# Ag Productivity traits continue to advance through field trials and regulatory progress

## HB4 Drought Tolerant soybeans

- Second year of commercial germplasm trials are underway
- Drought conditions in Argentina are ideal for testing trait
- FDA approval in 2017, regulatory studies for submission for Europe approvals in progress



*Control*



*HB4 Soybeans*

## Nitrogen Use Efficiency and Salinity Tolerance traits

- NUE and ST rice and cotton trials currently underway in India
- Restructuring license agreements with Mahyco

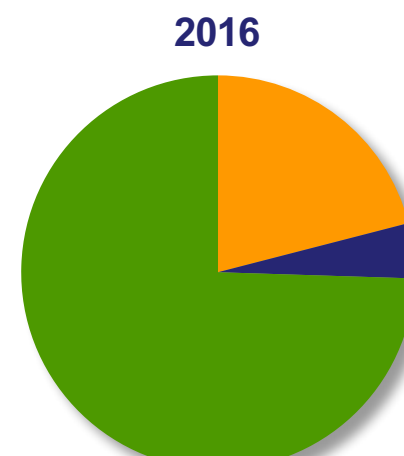
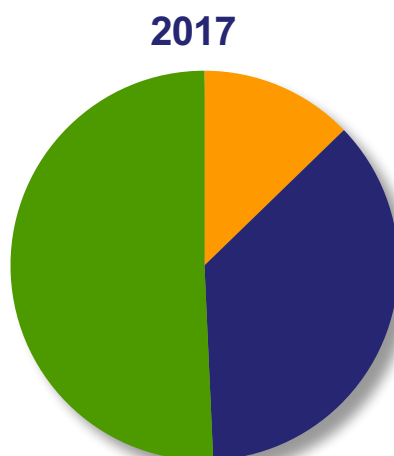
# Revenue

	Fourth Quarter				Full year			
	2017	2016	Favorable/(Unfavorable)		2017	2016	Favorable/(Unfavorable)	
			\$	%			\$	%
Product revenue	32	247	(216)	(87%)	514	669	(155)	(23%)
License revenue	1,117	(365)	1,483	405%	1,470	144	1,326	921%
Contract research and government grants	279	658	(379)	(58%)	2,042	2,375	(333)	(14%)
<b>Total revenues</b>	<b>1,428</b>	<b>540</b>	<b>888</b>	<b>165%</b>	<b>4,026</b>	<b>3,188</b>	<b>838</b>	<b>26%</b>

*\$ in thousands; Unaudited*

## Full-year revenue mix comparison:

- Product revenue
- License revenue
- Contract research and government grants





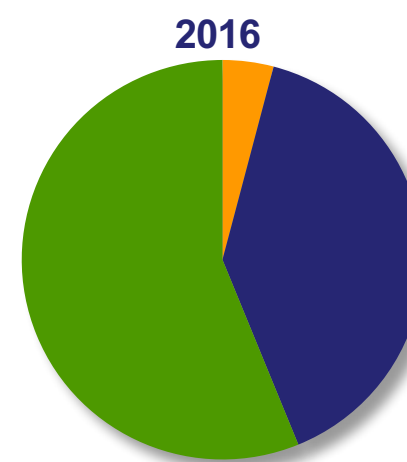
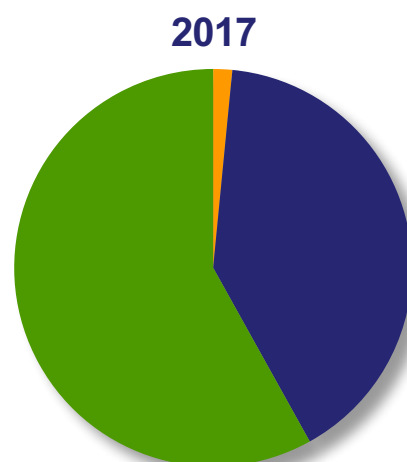
# Operating expenses

	Fourth Quarter				Full Year			
	2017	2016	Favorable/(Unfavorable)		2017	2016	Favorable/(Unfavorable)	
			\$	%			\$	%
Cost of product revenues	20	653	633	97%	283	895	612	68%
R&D expense	2,166	1,990	(176)	(9%)	7,407	8,663	1,256	15%
SG&A expense	2,241	3,368	1,127	33%	10,651	12,250	1,599	13%
<b>Total operating expenses</b>	<b>4,427</b>	<b>6,011</b>	<b>1,584</b>	<b>26%</b>	<b>18,391</b>	<b>21,808</b>	<b>3,417</b>	<b>16%</b>

*\$ in thousands; Unaudited*

## Full-year expense mix comparison:

- Cost of product revenues
- R&D expense
- SG&A expense



# Key financial results



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Loss from operations	(3,000)	(5,471)	2,471	45%	(14,315)	(18,620)	4,305	23%
Interest expense, tax provision and other income and loss, net	40	(237)	277	117%	(1,392)*	(1,004)	(388)	(39%)
Net loss and net loss attributable to common stockholders	(2,960)	(5,708)	2,748	51%	(15,707)	(19,624)	3,917	20%
Net loss per share attributable to common stockholders	(1.39)	(2.57)	1.18	N/A	(7.28)	(8.85)	1.57	N/A
Basic and diluted shares outstanding (weighted average)	2,134,154	2,218,341			2,156,201	2,218,341		

\$ in thousands, except share and per share data  
Unaudited

\* Includes \$900K nonrecurring charge for extinguishment of debt during the quarter



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**Thank you!**