



# Arcadia

B I O S C I E N C E S

**First Quarter 2018**  
**Financial Results and Business Highlights**

**May 9, 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, 2017. 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.

# 2018: Starting to deliver on our strategic shift to an ingredients-based company

## **Financing:**

- Closed \$10M in private equity financing to execute growth strategy

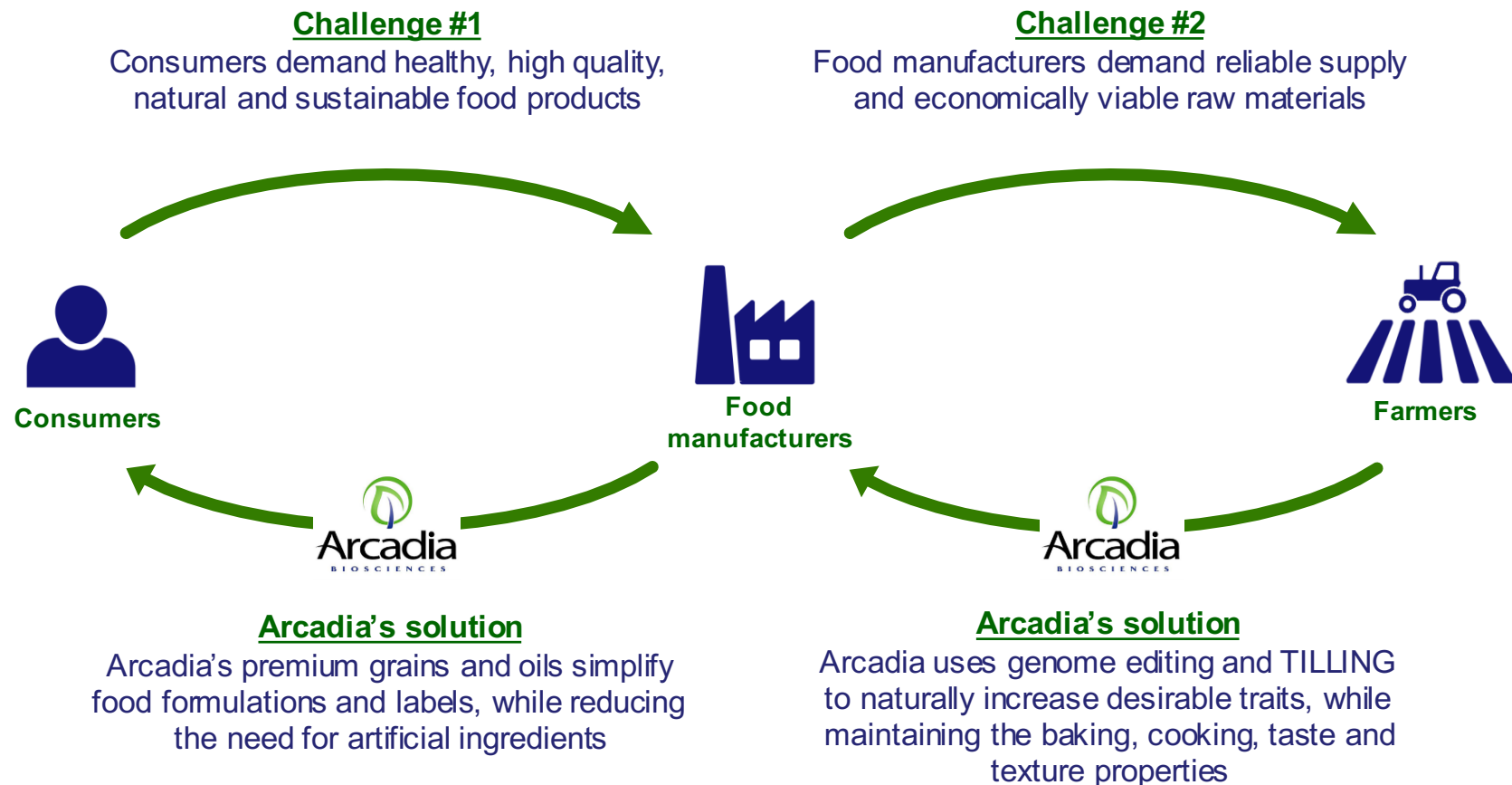
## **Wheat quality products:**

- Achieved two major milestones in RS wheat: high amylose and high fiber
- Added Reduced Gluten Wheat to our commercialization plans
- Launched GoodWheat™, a consumer ingredient brand, to capture more downstream value from our non-GM wheat quality traits
- Welcomed Chief Commercial Officer, Sarah Reiter, to Management Team

## **Ag productivity traits**

- Triple-stack stress mitigation traits increase rice yields by double digits

# Meeting food companies' needs for specialty ingredients and healthier products for consumers



# GoodWheat™ ingredient brand

- ④ Arcadia aims to build trusted and sought after consumer brands to maximize value capture at the consumer level
  - Enables economic sharing throughout the value chain, from farmers to food companies
- ④ GoodWheat™ brand includes:
  - High fiber Resistant Starch wheat
  - Extended Shelf Life wheat
  - Reduced Gluten wheat
  - Future wheat innovations
- ④ Delivers distinct market differentiation for consumer food companies to provide specialty products to discerning consumers



# 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

- Agreements with breeding institutions to breed our traits 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



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

## **HB4 Drought Tolerant soybeans**

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



## **Nitrogen Use Efficiency and Salinity Tolerance traits**

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



## **Triple stack (NUE, WUE, ST) lines in rice**

- Demonstrated 2 years of significant yield increases compared to controls in trials conducted by CIAT as part of the USAID grant project

# Key financial results



	First Quarter			
	2018	2017	\$ Favorable/ (Unfavorable)	% Favorable/ (Unfavorable)
Total revenues	214	1,018	(804)	(79%)
Cost of product revenues	36	106	70	66%
R&D expense	1,396	1,823	427	23%
SG&A expense	2,621	3,052	431	14%
Loss from operations	(3,839)	(3,963)	124	3%
Interest expense, tax provision, other income, loss and change in FV of liabilities, and offering costs	(6,776)	(253)	(6,523)	(2,578%)
Net loss and net loss attributable to common stockholders	(10,615)	(4,216)	(6,399)	(152%)
Net loss per share attributable to common stockholders	(4.86)	(1.90)		
Basic and diluted shares outstanding (weighted average)	2,186,196	2,218,010		

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



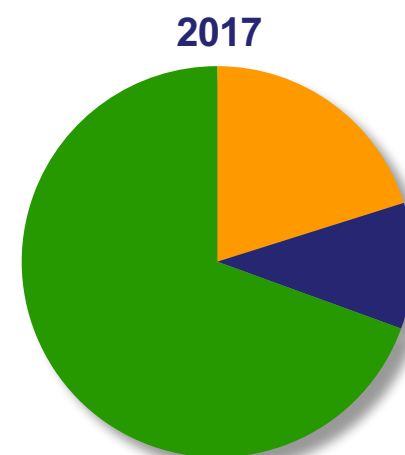
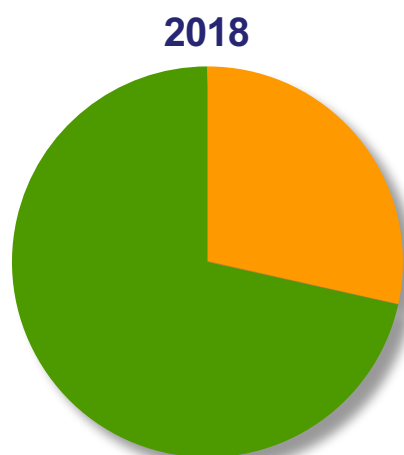
# Revenue

	First Quarter			
	2018	2017	\$ Favorable/ (Unfavorable)	% Favorable/ (Unfavorable)
Product revenue	61	205	(144)	(70%)
License revenue	0	106	(106)	(100%)
Contract research and government grants	153	707	(554)	(78%)
<b>Total revenues</b>	<b>214</b>	<b>1,018</b>	<b>(804)</b>	<b>(79%)</b>

*\$ in thousands; Unaudited*

## First quarter revenue mix comparison:

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



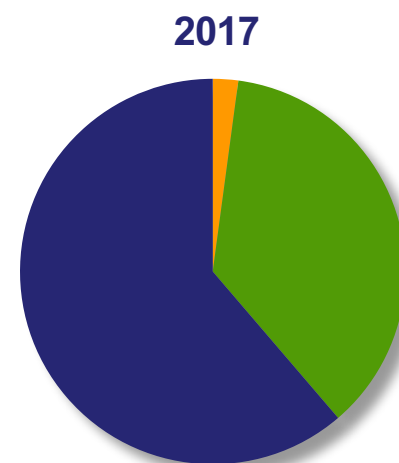
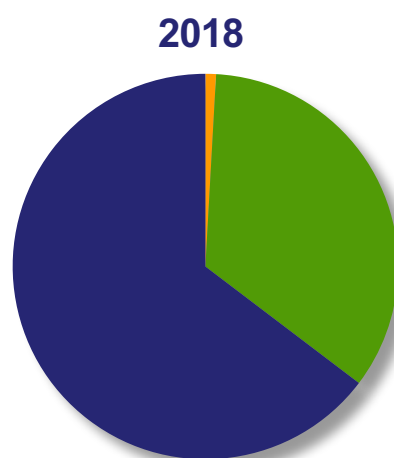
# Operating expenses

	First Quarter			
	2018	2017	\$ Favorable/ (Unfavorable)	% Favorable/ (Unfavorable)
Cost of product revenues	36	106	70	66%
R&D expense	1,396	1,823	427	23%
SG&A expense	2,621	3,052	431	14%
<b>Total operating expenses</b>	<b>4,053</b>	<b>4,981</b>	<b>928</b>	<b>19%</b>

*\$ in thousands; Unaudited*

## First quarter expense mix comparison:

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





# Arcadia

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**Thank you!**