

**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): November 09, 2023

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 November 9, 2023, Arcadia Biosciences, Inc. (the “Company”) issued a press release announcing financial results for the third quarter ended September 30, 2023. A copy of the press release is furnished as Exhibit 99.1, and the Company's financial information tables for the third quarter ended September 30, 2023 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 Third-Quarter 2023 Financial Results and Business Highlights
99.2	Arcadia Biosciences Third-Quarter 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: November 9, 2023

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



Arcadia Biosciences (RKDA) Announces Strong Third Quarter 2023 Financial Results and Business Highlights

- Increased revenue from continuing operations 20% quarter over quarter --*
- Lowest SG&A expenses since 2019 --*
- GoodWheat™ expanding into third category with upcoming launch of Mac & Cheese --*

Dallas, Texas (November 9, 2023) – 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 third quarter of 2023.

“Arcadia continues to make excellent progress in executing Project Greenfield, our three-year strategic plan to unlock the company’s potential and provide a path to profitability,” said Stan Jacot, president and CEO. “GoodWheat™ pasta and pancake mixes and Zola® coconut water added more than a thousand of stores of distribution in Q3, resulting in revenue growth from continuing operations of 20 percent compared to Q2 2023. And we are operating with a leaner structure after winding down our body care business, resulting in our lowest total SG&A expenses since 2019!”

In addition to GoodWheat pasta and pancake mixes, Arcadia has now expanded to a third category with the upcoming launch of GoodWheat Mac & Cheese, 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 will start shipping to retailers this month with an e-commerce launch planned in February 2024.

“We believe Arcadia is in the best position in its history as we prepare to enter 2024,” said Jacot. “We’ve delivered positive gross profit from continuing operations for seven consecutive quarters and streamlined our cost structure by exiting unprofitable businesses. Our proprietary wheat technology has been commercialized in three categories, with the potential to add additional categories through acquisition. And we continue to explore a range of strategic options to further scale the business, in line with our Project Greenfield strategy.”

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

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023	2022	Favorable / (Unfavorable)		2023	2022	Favorable / (Unfavorable)	
			\$	%			\$	%
Total revenues	1,597	1,570	27	2%	4,160	6,674	(2,514)	(38%)
Total operating expenses	4,839	5,561	722	13%	14,734	16,023	1,289	8%
Loss from continuing operations	(3,242)	(3,991)	749	19%	(10,574)	(9,349)	(1,225)	(13%)
Net loss attributable to common stockholders	(2,567)	(2,867)	300	10%	(11,128)	(11,132)	4	0%

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

Revenues

Revenues in the third quarter of 2023 increased 2% to \$1.6 million compared to the same period in 2022 driven by higher GoodWheat revenues, offset by a decline in Zola revenues.

Revenues decreased \$2.5 million during the first nine months of 2023 compared to the same period in 2022. Revenues during the first nine months of 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 \$722,000 during the third quarter of 2023 compared to the same period in 2022 primarily driven by a decrease in selling, general and administrative ("SG&A") expenses related to lower employee costs in 2023.

Operating expenses decreased \$1.3 million during the first nine months of 2023 compared to the same period in 2022 primarily driven by a decrease in cost of revenues and SG&A. Cost of revenues in the first nine months of 2022 included grain sold at cost and higher inventory write-downs. The decrease in SG&A during the first nine months of 2023 compared to the same period in 2022 was related to lower employee costs in 2023.

Net Loss Attributable to Common Stockholders

Net loss attributable to common stockholders for the third quarter of 2023 was \$2.6 million, or \$1.89 per share, a \$300,000 improvement from the \$2.9 million, or \$4.67 per share, net loss for the third quarter of 2022. The improvement in net loss attributable to common stockholders for the third 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 the first nine months of 2023 and 2022 was each \$11.1 million. The net loss attributable to common stockholders per share was \$9.31 and \$19.37 for the first nine months of 2023 and 2022, respectively. The impact of the March 2023 financing had a minimal effect on the first nine months of 2023 as a \$6.1 million valuation loss was largely offset by a non-cash gain of \$6.0 million related to the change in the fair value of the common stock warrant and option liabilities compared to a non-cash gain of \$1.9 million during the same period in 2022. Additionally, the first nine months of 2023 included a net loss from the discontinued body care brands of \$591,000 compared to \$3.6 million during the same period in 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) to discuss third-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, with a link posted 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 in the Investors Section of the company's 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 and pancake mixes 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, product categories, operating costs, 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 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, 2022 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)

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 10,611	\$ 20,644
Short-term investments	5,089	—
Accounts receivable and other receivables, net of allowance for doubtful accounts of \$0 and \$3 as of September 30, 2023 and December 31, 2022, respectively	304	1,221
Inventories, net — current	2,657	2,321
Assets held for sale	87	87
Prepaid expenses and other current assets	1,093	795
Current assets of discontinued operations	165	330
Total current assets	20,006	25,398
Property and equipment, net	468	680
Right of use asset	1,147	1,848
Inventories, net — noncurrent	1,624	767
Intangible assets, net	40	40
Other noncurrent assets	181	165
Noncurrent assets of discontinued operations	—	24
Total assets	\$ 23,466	\$ 28,922
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 2,602	\$ 2,855
Amounts due to related parties	46	48
Operating lease liability — current	924	1,010
Other current liabilities	282	270
Current liabilities of discontinued operations	31	26
Total current liabilities	3,885	4,209
Operating lease liability — noncurrent	347	1,007
Common stock warrant and option liabilities	1,836	806
Other noncurrent liabilities	2,000	2,000
Total liabilities	8,068	8,022
Commitments and contingencies (Note 13)		
Stockholders' equity:		
Common stock, \$0.001 par value—150,000,000 shares authorized as of September 30, 2023 and December 31, 2022; 1,110,337 and 616,079 shares issued and outstanding as of September 30, 2023 and December 31, 2022, respectively	65	65
Additional paid-in capital	284,371	278,827
Accumulated other comprehensive income	87	—
Accumulated deficit	(268,987)	(257,859)
Total stockholders' equity	15,536	21,033
Non-controlling interest	(138)	(133)
Total stockholders' equity	15,398	20,900
Total liabilities and stockholders' equity	\$ 23,466	\$ 28,922

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues:				
Product	\$ 1,597	\$ 1,543	\$ 4,150	\$ 5,685
Royalty	—	17	—	117
License	—	10	10	872
Total revenues	1,597	1,570	4,160	6,674
Operating expenses (income):				
Cost of revenues	1,102	1,128	2,630	5,201
Research and development	305	255	1,055	1,009
Gain on sale of Verdeca	—	—	—	(1,138)
Change in fair value of contingent consideration	—	—	—	(70)
Gain on sale of property and equipment	(11)	—	(36)	(386)
Selling, general and administrative	3,443	4,178	11,085	11,407
Total operating expenses	4,839	5,561	14,734	16,023
Loss from continuing operations	(3,242)	(3,991)	(10,574)	(9,349)
Interest income	133	95	538	123
Other income, net	17	43	36	13
Valuation loss on March 2023 PIPE	—	—	(6,076)	—
Change in fair value of common stock warrant and option liabilities	608	1,880	5,965	1,880
Issuance and offering costs allocated to liability classified options	—	(314)	(430)	(314)
Net loss from continuing operations before income taxes	(2,484)	(2,287)	(10,541)	(7,647)
Income tax provision	—	(1)	(1)	(1)
Net loss from continuing operations	(2,484)	(2,288)	(10,542)	(7,648)
Net loss from discontinued operations	(83)	(589)	(591)	(3,636)
Net loss	(2,567)	(2,877)	(11,133)	(11,284)
Net loss attributable to non-controlling interest	—	(10)	(5)	(152)
Net loss attributable to common stockholders	\$ (2,567)	\$ (2,867)	\$ (11,128)	\$ (11,132)
Net loss per share attributable to common stockholders:				
Basic and diluted from continuing operations	\$ (1.83)	\$ (3.71)	\$ (8.81)	\$ (13.05)
Basic and diluted from discontinued operations	\$ (0.06)	\$ (0.96)	\$ (0.49)	\$ (6.33)
Net loss per basic and diluted share attributable to common stockholders	\$ (1.89)	\$ (4.67)	\$ (9.31)	\$ (19.37)
Weighted-average number of shares used in per share calculations:				
Basic and diluted	1,359,511	613,814	1,195,354	574,621
Other comprehensive income, net of tax				
Unrealized gains on available-for-sale securities	\$ 66	\$ —	\$ 87	\$ —
Other comprehensive income	\$ 66	\$ —	\$ 87	\$ —

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

(In thousands)

	Nine Months Ended September 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (11,133)	\$ (11,284)
Adjustments to reconcile net loss to cash used in operating activities:		
Change in fair value of common stock warrant and option liabilities	(5,965)	(1,880)
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	227	354
Amortization of intangible assets	—	39
Lease amortization	535	686
Impairment of intangible assets	—	72
Gain on disposal of property and equipment	(36)	(386)
Stock-based compensation	573	897
Bad debt expense	—	32
Gain on sale of Verdeca	—	(1,138)
Write-down of inventories	444	1,530
Impairment of property and equipment	—	370
Changes in operating assets and liabilities:		
Accounts receivable and other receivables	249	(534)
Inventories	(1,388)	1,071
Prepaid expenses and other current assets	(284)	(90)
Other noncurrent assets	(13)	15
Accounts payable and accrued expenses	(300)	(890)
Amounts due to related parties	(2)	(17)
Other current liabilities	11	6
Operating lease liabilities	(573)	(718)
Net cash used in operating activities	(11,149)	(11,621)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property and equipment	42	897
Proceeds from sale of Verdeca — earn-out received	569	285
Purchases of property and equipment	(5)	(46)
Purchases of investments	(5,002)	—
Net cash (used in) provided by investing activities	(4,396)	1,136
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	5,512	4,519
Net decrease in cash and cash equivalents	(10,033)	(5,966)
Cash and cash equivalents — beginning of period	20,644	28,685
Cash and cash equivalents — end of period	\$ 10,611	\$ 22,719
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ —	\$ 1
NONCASH INVESTING AND FINANCING ACTIVITIES:		
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 Verdeca in accounts receivable and other receivables	\$ —	\$ 854
Warrant and option modifications included in Valuation loss on March 2023 PIPE	\$ 404	\$ —

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