

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)
 QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 001-37383

Arcadia Biosciences, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
5950 Sherry Lane, Suite 215
Dallas, TX
(Address of Principal Executive Offices)

81-0571538
(I.R.S. Employer
Identification No.)

75225
(Zip Code)

Registrant's telephone number, including area code: (214) 974-8921

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	NASDAQ CAPITAL MARKET

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of May 1, 2025, the registrant had 1,367,040 shares of common stock outstanding, \$0.001 par value per share.

Arcadia Biosciences, Inc.
FORM 10-Q FOR THE QUARTER ENDED March 31, 2025
INDEX

	<u>Page</u>
Part I — Financial Information (Unaudited)	
Item 1. Condensed Consolidated Financial Statements:	1
Condensed Consolidated Balance Sheets	1
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)	2
Condensed Consolidated Statements of Stockholders' Equity	3
Condensed Consolidated Statements of Cash Flows	4
Notes to Condensed Consolidated Financial Statements	5
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	20
Item 3. Quantitative and Qualitative Disclosures About Market Risk	27
Item 4. Controls and Procedures	27
Part II — Other Information	28
Item 1. Legal Proceedings	28
Item 1A. Risk Factors	28
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	28
Item 3. Defaults Upon Senior Securities	28
Item 4. Mine Safety Disclosures	28
Item 5. Other Information	28
Item 6. Exhibits	29
SIGNATURES	30

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 3,159	\$ 4,242
Accounts receivable and other receivables, net of allowance for doubtful accounts of \$0 as of March 31, 2025 and December 31, 2024	1,615	1,175
Inventories — current	1,285	904
Note receivable — current	1,964	1,894
Prepaid expenses and other current assets	727	931
Current assets of discontinued operations — GoodWheat	96	96
Total current assets	<u>8,846</u>	<u>9,242</u>
Property and equipment, net	28	41
Right of use asset	19	137
Intangible assets, net	39	39
Note receivable — noncurrent	3,966	3,966
Other noncurrent assets	92	92
Total assets	<u>\$ 12,990</u>	<u>\$ 13,517</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,895	\$ 2,108
Amounts due to related parties	30	30
Operating lease liability — current	21	155
Other current liabilities	270	270
Total current liabilities	<u>2,216</u>	<u>2,563</u>
Common stock warrant and option liabilities	869	2,731
Other noncurrent liabilities	1,000	2,000
Total liabilities	<u>4,085</u>	<u>7,294</u>
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Common stock, \$0.001 par value—150,000,000 shares authorized as of March 31, 2025 and December 31, 2024; 1,367,040 and 1,364,940 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	65	65
Additional paid-in capital	285,119	285,036
Accumulated deficit	(276,279)	(278,878)
Total stockholders' equity	<u>8,905</u>	<u>6,223</u>
Total liabilities and stockholders' equity	<u>\$ 12,990</u>	<u>\$ 13,517</u>

See accompanying notes to the unaudited condensed consolidated financial statements.

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

(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2025	2024
Revenues:		
Product	\$ 1,200	\$ 987
Total revenues	1,200	987
Operating expenses (income):		
Cost of revenues	682	471
Research and development	—	6
Gain on sale of intangible assets	(750)	—
Impairment of property and equipment	—	36
Change in fair value of contingent consideration	(1,000)	—
Selling, general and administrative	1,738	2,062
Total operating expenses	670	2,575
Income (loss) from continuing operations	530	(1,588)
Interest income	207	45
Other income, net	—	3
Change in fair value of common stock warrant and option liabilities	1,862	593
Net income (loss) from continuing operations	2,599	(947)
Net loss from discontinued operations	—	(1,476)
Net income (loss) attributable to common stockholders	\$ 2,599	\$ (2,423)
Net income (loss) per share attributable to common stockholders:		
Basic from continuing operations	\$ 1.90	\$ (0.70)
Basic from discontinued operations	\$ —	\$ (1.08)
Net income (loss) per basic share attributable to common stockholders	\$ 1.90	\$ (1.78)
Diluted from continuing operations	\$ 1.90	\$ (0.70)
Diluted from discontinued operations	\$ —	\$ (1.08)
Net income (loss) per diluted share attributable to common stockholders	\$ 1.90	\$ (1.78)
Weighted-average number of shares used in per share calculations:		
Basic	1,366,060	1,361,657
Diluted	1,366,203	1,361,657
Other comprehensive income (loss), net of tax		
Unrealized gains on available-for-sale securities	\$ —	\$ 60
Other comprehensive income	\$ —	\$ 60
Comprehensive income (loss) attributable to common stockholders	\$ 2,599	\$ (2,363)

See accompanying notes to the unaudited condensed consolidated financial statements.

Arcadia Biosciences, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)
(In thousands, except share data)

	Common Stock		Additional Paid-In	Accumulated	Accumulated Other Comprehensive	Non-Controlling	Total Stockholders'
	Shares	Amount	Capital	Deficit	Income	Interest	Equity
Balance at December 31, 2024	1,364,940	\$ 65	\$ 285,036	\$ (278,878)	\$ —	\$ —	\$ 6,223
Issuance of shares related to employee stock purchase plan	2,100	—	5	—	—	—	5
Stock-based compensation	—	—	78	—	—	—	78
Net income	—	—	—	2,599	—	—	2,599
Balance at March 31, 2025	1,367,040	\$ 65	\$ 285,119	\$ (276,279)	\$ —	\$ —	\$ 8,905

	Common Stock		Additional Paid-In	Accumulated	Accumulated Other Comprehensive	Non-Controlling	Total Stockholders'
	Shares	Amount	Capital	Deficit	Income	Interest	Equity
Balance at December 31, 2023	1,285,337	\$ 65	\$ 284,515	\$ (271,840)	\$ 101	\$ (138)	\$ 12,703
Issuance of shares related to March 2023 pre-funded warrants exercise	75,000	—	—	—	—	—	—
Issuance of shares related to employee stock purchase plan	2,503	—	5	—	—	—	5
Stock-based compensation	—	—	138	—	—	—	138
Unrealized gains on available-for-sale securities	—	—	—	—	60	—	60
Net loss	—	—	—	(2,423)	—	—	(2,423)
Balance at March 31, 2024	1,362,840	\$ 65	\$ 284,658	\$ (274,263)	\$ 161	\$ (138)	\$ 10,483

See accompanying notes to the unaudited condensed consolidated financial statements.

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

	Three Months Ended March 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ 2,599	\$ (2,423)
Adjustments to reconcile net income to cash used in operating activities:		
Change in fair value of common stock warrant and option liabilities	(1,862)	(593)
Change in fair value of contingent consideration	(1,000)	—
Depreciation	13	51
Lease amortization	104	177
Amortization of note receivable	(69)	—
Loss on sale of property and equipment	—	2
Gain on sale of intangible assets	(750)	—
Stock-based compensation	78	138
Impairment of property and equipment	—	36
Changes in operating assets and liabilities:		
Accounts receivable and other receivables	(193)	(246)
Inventories	(381)	303
Prepaid expenses and other current assets	205	275
Accounts payable and accrued expenses	(213)	(678)
Amounts due to related parties	—	17
Operating lease liabilities	(119)	(269)
Net cash used in operating activities	(1,588)	(3,210)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of intangible assets	500	—
Proceeds from sale of property and equipment	—	17
Purchases of property and equipment	—	(13)
Net cash provided by investing activities	500	4
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from ESPP purchases	5	5
Net cash provided by financing activities	5	5
Net decrease in cash and cash equivalents	(1,083)	(3,201)
Cash and cash equivalents — beginning of period	4,242	6,518
Cash and cash equivalents — end of period	\$ 3,159	\$ 3,317
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Proceeds from sale of property and equipment in accounts receivable and other receivables	\$ —	\$ 12
Purchases of property and equipment in accounts payable and accrued expenses	\$ —	\$ 13
Right of use assets obtained in exchange for new operating lease liabilities	\$ —	\$ 86
Proceeds from sale of intangible assets in accounts receivable and other receivables	\$ 250	\$ —

See accompanying notes to the unaudited condensed consolidated financial statements.

Arcadia Biosciences, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Description of Business and Basis of Presentation

Organization

Arcadia Biosciences, Inc. (the "Company," "Arcadia" or "management"), was incorporated in Arizona in 2002 and maintains its headquarters in Dallas, Texas, with additional office space in Sacramento, California. The Company was reincorporated in Delaware in March 2015.

Arcadia has leveraged its history as a leader in science-based approaches to develop high value products and drive innovation in the consumer goods industry. Since acquiring the assets of Zola in May 2021, Arcadia has provided consumers with a way to rehydrate, reset, and reenergize with Zola coconut water products. Previously, Arcadia developed products primarily in wheat, which it commercialized through the sales of seed, grain and food products, as well as through trait licensing and royalty agreements.

On March 28, 2025, Arcadia entered into an agreement with Bioceres Crop Solutions Corp. ("BIOX") pursuant to which BIOX agreed to transfer to the Company all rights and materials relating to certain soy traits that were included in licenses granted by the Company to BIOX in the November 2020 sale of Verdeca. In addition, BIOX agreed to pay a total of \$750,000 to the Company. The Company agreed to transfer to BIOX all of the Company's granted patents, pending applications, related materials and documents related to the Company's reduced gluten and oxidative stability patents. In addition, the parties agreed to amend a previous agreement between the parties to eliminate any obligation to pay the Company future product royalties under the agreement. The Company recorded a gain of \$750,000 on the condensed consolidated statement of operations and comprehensive income (loss) related to this transaction as the patents, pending applications and future product royalties have no carrying value. As of March 31, 2025, the Company received payment for \$500,000 of the \$750,000. The Company received payment for the remaining \$250,000 in April 2025.

On December 4, 2024, Arcadia, Roosevelt Resources LP ("Roosevelt" or the "Partnership") and Elliott Roosevelt, Jr. and David A. Roosevelt, in their capacities as representatives of the limited partners of the Partnership entered into a Securities Exchange Agreement (as it may be amended from time to time, the "Exchange Agreement"). Subject to the terms of the Exchange Agreement and to the satisfaction or waiver of the conditions set forth in the Exchange Agreement, at the closing of the transactions contemplated by the Exchange Agreement (the "Closing"), Arcadia agreed to issue shares of its common stock to the limited partners of Roosevelt in exchange for all of the limited partnership interests of Roosevelt and to the sole member of the general partner of Roosevelt (together with the limited partners, referred to collectively as the "Limited Partners") in exchange for its membership interest (together with the limited partnership interests of the Limited Partners, the "Partner Interests") in the limited liability company that is the general partner of Roosevelt (such exchange, contributions and issuances referred to as the "Exchange"). As a result of the Exchange, Arcadia will continue and Roosevelt will continue as a wholly owned subsidiary of Arcadia. Upon completion of the Exchange, and based on the number of shares issuable pursuant to the Exchange Agreement (and assuming that no other shares are issuable to third parties in connection with the Closing), the Limited Partners and the Arcadia stockholders as of immediately prior to the Closing will own 90% and 10%, respectively, of the shares of common stock of Arcadia outstanding immediately after the Closing. On February 14, 2025, the Company filed a registration statement on Form S-4 with the SEC relating to the shares to be issued in the transaction. The registration statement also included a proxy statement/prospectus relating to a meeting of stockholders of the Company to be held to vote on proposals approve the issuance of shares pursuant to the Exchange Agreement and related proposals. On April 30, 2025, the parties to the Exchange Agreement entered into a First Amendment to Securities Exchange Agreement. See Note 18 for additional information.

On May 16, 2024, Arcadia sold the GoodWheat™ brand to Above Food Corp. for net consideration of \$3.7 million. The strategic decision to sell GoodWheat enabled the Company to monetize its intellectual property early. The assets sold consisted primarily of grain and finished goods inventories, formulations and trademarks. The disposition of GoodWheat met the "held for sale" criteria per ASC 205-20-45-1B and represented a strategic shift that had a major effect on the Company's operations and financial results. As a result, the financial statements and related notes as of March 31, 2025 and 2024 reflect the GoodWheat disposition as a discontinued operation. The disposition of GoodWheat resulted in a loss of \$1,500 during the second quarter of 2024. Refer to Notes 3 and 7 for further details of the transaction.

On May 14, 2024, Arcadia sold its non-GMO Resistant Starch ("RS") durum wheat trait to longtime partner Corteva Agriscience ("Corteva") for total cash consideration of \$4.0 million. Under the terms of the agreement, Arcadia retained certain rights to use the RS durum wheat trait. Refer to Note 9 for further details of the transaction.

In August 2019, the Company entered into a joint venture agreement with Legacy Ventures Hawaii, LLC (“Legacy,” see Note 8) to grow, extract, and sell hemp products. The partnership Archipelago Ventures Hawaii, LLC (“Archipelago”), combined the Company’s genetic expertise and resources with Legacy’s experience in hemp extraction and sales. In October 2021, Arcadia and Legacy mutually agreed to wind down the cultivation activities of Archipelago, due to regulatory challenges and a saturated hemp market.

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial statements and are in the form prescribed by the Securities and Exchange Commission (the “SEC”) in instructions to Form 10-Q and Rule 10-01 of Regulation S-X. In the opinion of management, the accompanying condensed consolidated financial statements reflect all adjustments, consisting of normal recurring adjustments, considered necessary for a fair statement of the Company’s financial position, results of operations and cash flows for the periods indicated. All material intercompany accounts and transactions have been eliminated in consolidation. The accompanying unaudited condensed consolidated financial statements include the accounts of the Company, Arcadia Wellness, and Archipelago.

The Company uses a qualitative approach in assessing the consolidation requirement for variable interest entities (“VIEs”). This approach focuses on determining whether the Company has the power to direct the activities of the VIE that most significantly affect the VIE’s economic performance and whether the Company has the obligation to absorb losses, or the right to receive benefits, that could potentially be significant to the VIE.

For all periods presented, the Company has determined that it is the primary beneficiary of Archipelago, a joint venture, as it has a controlling interest in Archipelago. Accordingly, the Company consolidates Archipelago in the condensed consolidated financial statements after eliminating intercompany transactions. For consolidated joint ventures, the non-controlling partner’s share of the assets, liabilities and operations of the joint venture is included in non-controlling interests as equity of the Company. The non-controlling partner’s interest is generally computed as the joint venture partner’s ownership percentage of Archipelago. The non-controlling partner’s equity interests are presented as non-controlling interests on the condensed consolidated balance sheets.

The information included in these condensed consolidated financial statements and notes thereto should be read in conjunction with the consolidated financial statements and notes thereto for the fiscal year ended December 31, 2024 included in the Company’s Annual Report on Form 10-K, filed with the SEC on March 25, 2025.

Reclassifications

Certain previously reported financial information has been reclassified to conform to the current year presentation. For a discussion of the reclassification of the financial presentation of our former GoodWheat brand reported as discontinued operations, see Note 3. Unless otherwise noted, amounts and disclosures throughout these notes to condensed consolidated financial statements relate solely to continuing operations and exclude all discontinued operations.

Liquidity, Capital Resources, and Going Concern

The accompanying condensed consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities during the normal course of business. Since inception, the Company has financed its operations primarily through equity financings. As of March 31, 2025, the Company had an accumulated deficit of \$276.3 million, cash and cash equivalents of \$3.2 million and current note receivable of \$2.0 million. For the three months ended March 31, 2025, the Company had net income of \$2.6 million and net cash used in operations of \$1.6 million. For the twelve months ended December 31, 2024, the Company had net loss of \$7.0 million and net cash used in operations of \$9.6 million.

With cash and cash equivalents of \$3.2 million and current note receivable of \$2.0 million as of March 31, 2025, the Company believes that its existing cash and cash equivalents and current note receivable will not be sufficient to meet its anticipated cash requirements for at least the next 12 months from the issuance date of these financial statements, which raises substantial doubt about the Company’s ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In December 2024, the Company entered into a business combination agreement with Roosevelt Resources, LP. However, the Company may still seek to raise additional funds through debt or equity financings. The sale of additional equity would result in dilution to the Company’s stockholders. The incurrence of debt would result in debt service obligations, and the instruments governing such debt could provide for additional operating and financing covenants that would restrict operations. If the Company requires additional funds and is unable to secure adequate additional funding on terms acceptable to the Company, the Company may be forced to reduce spending, extend payment terms with suppliers, or liquidate assets. Any of these actions could materially harm the Company’s business, results of operations and financial condition.

2. Recent Accounting Pronouncements

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740) — Improvements to Income Tax Disclosures. The amendments in this update require additional income tax disclosures primarily related to the rate reconciliation and income taxes paid. The new guidance is effective either prospectively or retrospectively, for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of this update on our income tax disclosures.

In November 2024, the FASB issued ASU No. 2024-03, Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40). The amendments in this update, among other things, require quantitative disclosures for employee compensation, selling expenses and purchases of inventory. The new guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this update on our financial statements and disclosures.

3. Discontinued Operations

On May 16, 2024, the Company sold the GoodWheat brand to Above Food. GoodWheat operations ceased during the second quarter of 2024.

In accordance with the provisions of ASC 205-20, the Company has separately reported the assets and liabilities of the discontinued operations in the condensed consolidated balance sheets and the results of the discontinued operations as separate components on the condensed consolidated statements of operations and comprehensive income (loss) for all periods presented.

Major classes of line items constituting the balance sheet of discontinued operations:

(In thousands)	March 31, 2025	December 31, 2024
Assets		
Accounts receivable and other receivables	\$ 96	\$ 96
Total assets	<u>\$ 96</u>	<u>\$ 96</u>

Major classes of line items constituting net loss from discontinued operations:

(In thousands)	Three Months Ended March 31,	
	2025	2024
Product revenue	\$ —	\$ 268
Cost of revenues	—	(349)
Research and development	—	(267)
Loss on sale of property and equipment	—	(2)
Selling, general and administrative	—	(1,126)
Net loss from discontinued operations	<u>\$ —</u>	<u>\$ (1,476)</u>

The following table presents cash and non-cash items of discontinued operations:

(In thousands)	Three Months Ended March 31,	
	2025	2024
Depreciation	\$ —	\$ 32
Loss on sale of property and equipment	\$ —	\$ 2
Inventories	\$ —	\$ 243
Accounts payable and accrued expenses	\$ —	\$ (109)
Proceeds from sale of property and equipment	\$ —	\$ 17

There were no other operating or investing cash or non-cash items for the three months ended March 31, 2025 and 2024.

4. Inventory

Inventory costs are tracked on a lot-identified basis and are included as cost of revenues when sold. Inventories are stated at the lower of cost or net realizable value. The Company makes adjustments to inventory when conditions indicate that the net realizable value may be less than cost due to physical deterioration, obsolescence, changes in price levels, or other factors. Additional adjustments to inventory are made for excess and slow-moving inventory on hand that is not expected to be sold within a reasonable timeframe to reduce the carrying amount to its estimated net realizable value. The write-downs to inventory are included in cost of revenues and are based upon estimates about future demand from the Company's customers and distributors and market conditions. If there are significant changes in demand and market conditions, substantial future write-downs of inventory may be required, which would materially increase the Company's expenses in the period the write down is taken and materially affect the Company's operating results.

Inventories, net consist of the following (in thousands):

	March 31, 2025	December 31, 2024
Raw materials	\$ 420	\$ 289
Finished goods	865	615
Inventories	<u>\$ 1,285</u>	<u>\$ 904</u>

5. Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	March 31, 2025	December 31, 2024
Software and computer equipment	291	291
Furniture and fixtures	32	32
Leasehold improvements	1,584	1,584
Property and equipment, gross	1,907	1,907
Less: accumulated depreciation and amortization	(1,879)	(1,866)
Property and equipment, net	<u>\$ 28</u>	<u>\$ 41</u>

Depreciation expense was \$13,000 and \$51,000 for the three months ended March 31, 2025 and 2024, respectively.

During the first quarter of 2024, the Company recorded an impairment of \$36,000 related to Archipelago property and equipment held for sale. During the second quarter of 2024, all Archipelago property and equipment previously held for sale were sold.

6. Investments and Fair Value Instruments

Investments

The investments are carried at fair value, based on quoted market prices or other readily available market information. Unrealized and realized gains and losses are recognized as other income in the consolidated statements of operations and comprehensive income (loss).

The following tables summarize the amortized cost and fair value of the investment securities portfolio at March 31, 2025 and December 31, 2024:

<i>(Dollars in thousands)</i>	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
March 31, 2025				
Cash equivalents:				
Money market funds	\$ 2,034	\$ —	\$ —	\$ 2,034
Total Assets at Fair Value	<u>\$ 2,034</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,034</u>
<i>(Dollars in thousands)</i>	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
December 31, 2024				
Cash equivalents:				
Money market funds	\$ 2,757	\$ —	\$ —	\$ 2,757
Total Assets at Fair Value	<u>\$ 2,757</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,757</u>

The Company did not have any investment categories that were in a continuous unrealized loss position for more than twelve months as of March 31, 2025.

Fair Value Measurement

The fair value of the investment securities at March 31, 2025 were as follows:

(Dollars in thousands)	Fair Value Measurements at March 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Cash equivalents:				
Money market funds	\$ 2,034	\$ —	\$ —	\$ 2,034
Total Assets at Fair Value	\$ 2,034	\$ —	\$ —	\$ 2,034

The fair value of the investment securities at December 31, 2024 were as follows:

(Dollars in thousands)	Fair Value Measurements at December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Cash equivalents:				
Money market funds	\$ 2,757	\$ —	\$ —	\$ 2,757
Total Assets at Fair Value	\$ 2,757	\$ —	\$ —	\$ 2,757

The Company uses the market approach technique to value its financial instruments and there were no changes in valuation techniques during 2025 or 2024. The Company's financial instruments consist primarily of cash and cash equivalents, accounts receivable and other receivables, note receivable, accounts payable and accrued liabilities. For accounts receivable and other receivables and accounts payable and accrued liabilities, the carrying amounts of these financial instruments as of March 31, 2025 and December 31, 2024 were considered representative of their fair values due to their short term to maturity or repayment. Cash equivalents are carried at cost, which approximates their fair value. The note receivable is recorded at amortized cost. The amortized cost of the note receivable is considered approximate fair value due to its variable interest rate.

The Company's Level 3 liabilities consist of a contingent liability resulting from the Anawah, Inc. ("Anawah") acquisition as described in Note 14, as well as preferred investment options related to the March 2023 Private Placement and August 2022 Registered Direct offerings.

The contingent liability related to the Anawah acquisition was measured and recorded on a recurring basis as of March 31, 2025 and December 31, 2024, using unobservable inputs, namely the Company's ability and intent to pursue certain specific products developed using technology acquired in the purchase. A significant deviation in the Company's ability and/or intent to pursue the technology acquired in the purchase could result in a significantly lower (higher) fair value measurement.

The preferred investment option liabilities were measured and recorded on a recurring basis using the Black-Scholes Model with the following assumptions as of March 31, 2025 and December 31, 2024:

	March 2023 Options - Series A & March 2023 Placement Agent Options		August 2022 Options & August 2022 Placement Agent Options	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Remaining term (in years)	2.89	3.14	2.42	2.67
Expected volatility	94.8%	101.7%	97.3%	95.9%
Risk-free interest rate	3.9%	4.3%	3.9%	4.3%
Expected dividend yield	—	—	—	—

The significant input used in the fair value measurement of the Company's Level 3 options liabilities is volatility. A significant increase (decrease) in volatility could result in a significantly higher (lower) fair value measurement.

The following table sets forth the establishment of the Company's Level 3 assets and liabilities, as well as a summary of the changes in the fair value and other adjustments (in thousands):

<i>(Dollars in thousands)</i>	March 2023 Options - Series A	March 2023 Placement Agent Options	August 2022 Options	August 2022 Placement Agent Options	Note Receivable Bifurcated Derivatives	Contingent Liabilities	Total
Balance as of December 31, 2024	\$ 2,285	\$ 90	\$ 349	\$ 7	\$ 250	\$ 2,000	\$ 4,981
Change in fair value	(1,562)	(59)	(236)	(5)	—	(1,000)	(2,862)
Balance as of March 31, 2025	\$ 723	\$ 31	\$ 113	\$ 2	\$ 250	\$ 1,000	\$ 2,119

7. Note Receivable and Embedded Derivatives

On May 16, 2024, the Company sold the GoodWheat brand to Above Food for net consideration of \$3.7 million. The assets sold consisted primarily of grain and finished goods inventories, formulations and trademarks. A loss of \$1,500 was recognized in the condensed consolidated statements of operations and comprehensive loss during the second quarter of 2024, related to the sale.

In connection with the transaction, Arcadia paid to Above Food \$2.0 million and received a \$6.0 million promissory note dated May 14, 2024. The promissory note has a term of three years and accrues interest at the *Wall Street Journal* prime rate. On each of the first, second and third anniversaries of the promissory note, accrued interest and \$2.0 million of principal are payable to Arcadia. The promissory note contains contingent features, including an option that requires Above Food to cause its parent entity, Above Food Ingredients Inc. ("Parent Company"), to issue to the Company publicly traded stock of Parent Company in exchange for the cancellation of a portion of the principal of the promissory note, as well as default provisions.

The Company accounted for the promissory note as a note receivable in accordance with ASC 310. The Company did not elect the fair value option and since the Company intends to and has the ability to hold the promissory note to maturity, it has been classified as held for investment and is reported on the condensed consolidated balance sheet at amortized cost. The first installment payment due in 2025 is classified as current and the remaining installment payments due in 2026 and 2027 are classified as noncurrent on the condensed consolidated balance sheets.

The promissory note was recorded at a discount of \$545,000, which is being amortized over the term of the promissory note using the effective interest method. The Company recognized discount amortization and interest of \$69,000 and \$111,000 in the condensed consolidated statements of operations and comprehensive income (loss) during the three months ended March 31, 2025, respectively.

Embedded Derivatives

The contingent features of the promissory note were evaluated for bifurcation in accordance with ASC 815. The contingent features requiring bifurcation had an estimated fair value of \$250,000 as of the transaction date and as of March 31, 2025. The estimated fair value of the contingent features is reported in note receivable – noncurrent on the condensed consolidated balance sheet as of March 31, 2025.

8. Consolidated Joint Venture

In 2019, the Company and Legacy Ventures Hawaii, LLC, a Nevada limited liability company ("Legacy"), formed Archipelago Ventures Hawaii, LLC, a Delaware limited liability company and entered into a Limited Liability Company Operating Agreement (the "Operating Agreement"). The Company and Legacy formed Archipelago to develop, extract and commercialize hemp-derived products from industrial hemp grown in Hawaii.

In October 2021, Arcadia and Legacy mutually agreed to wind down the cultivation activities of Archipelago, due to regulatory challenges and a saturated hemp market.

9. Collaborative Arrangements

In August 2017, the Company entered into a collaborative arrangement for the research, development and commercialization of our non-GMO RS durum wheat trait in North America. This collaborative arrangement was a contractual agreement with Corteva and involved joint operating activities where both Arcadia and Corteva were active participants in the activities of the collaboration. Arcadia and Corteva participated in the research and development, and Arcadia had the primary responsibility for the intellectual property strategy while Corteva generally led the marketing and commercialization efforts. Both parties were exposed to significant risks and rewards of the collaboration and the agreement included both cost sharing and profit sharing. The activities were performed with no guarantee of either technological or commercial success.

The Company accounted for research and development (“R&D”) costs in accordance ASC 730, *Research and Development*, which states R&D costs must be charged to expense as incurred. Accordingly, internal R&D costs are expensed as incurred. Third-party R&D costs are expensed when the contracted work has been performed or as milestone results are achieved.

On May 14, 2024, the Company sold its RS durum wheat trait to Corteva. Under the terms of the agreement, Arcadia retained certain rights to use the RS durum wheat trait. The Company received \$4.0 million in cash payment from Corteva during the year ended December 31, 2024 and recorded a gain of the same amount as the trait had no carrying value on the condensed consolidated statement of operations and comprehensive income (loss) related to the transaction.

10. Leases

Operating Leases

As of March 31, 2025, the Company leases office space in Dallas, TX and Sacramento, CA. Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these short-term leases on a straight-line basis.

Some leases include one or more options to renew, with renewal terms that can extend the lease term from one to five years. The exercise of lease renewal options is at the Company’s sole discretion. In January 2024, the Company exercised its option to renew the facility lease in American Falls, Idaho for one year through December 31, 2024. The lease renewal resulted in recognition of additional right-of-use asset and lease liability of \$86,000 on the condensed consolidated balance sheet. The Company subsequently terminated the facility lease in American Falls, Idaho effective July 2024.

The Company’s lease agreements do not contain any material variable lease payments, material residual value guarantees or material restrictive covenants. Leases consisted of the following (in thousands):

Leases	Classification	March 31, 2025	December 31, 2024
Assets			
Operating lease assets	Right of use asset	\$ 19	\$ 137
Total leased assets		\$ 19	\$ 137
Liabilities			
Current - Operating	Operating lease liability- current	\$ 21	\$ 155
Total leased liabilities		\$ 21	\$ 155
		Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Lease Cost	Classification		
Operating lease cost	SG&A Expenses	\$ 119	\$ 265
Short term lease cost	SG&A Expenses	3	3
Sublease income (1)	SG&A Expenses	(143)	(121)
Net lease (income) cost		\$ (21)	\$ 147

(1) Sublease income is recorded as a reduction to lease expense.

Lease Term and Discount Rate	March 31, 2025	December 31, 2024
Weighted-average remaining lease term (years)	0.5	0.6
Weighted-average discount rate	6.5%	6.5%

11. Warrants and Options

Equity Classified Common Stock Warrants

The Company issued the following warrants to purchase shares of its common stock, which are outstanding as of March 31, 2025 and December 31, 2024, respectively. These warrants are exercisable any time at the option of the holder until their expiration date.

	Issuance Date	Term	Exercise Price Per Share	Exercised during the Year Ended December 31, 2024	Outstanding at December 31, 2024	Exercised during the Three Months Ended March 31, 2025	Outstanding at March 31, 2025
March 2023 Pre-Funded Warrants	Mar-23	perpetual	\$ —	(75,000)	—	—	—
December 2022 Service and Performance Warrants (1)	December 2022	5 years	\$ 11.20	—	1,000	—	1,000
October 2022 Service and Performance Warrants (1)	October 2022	5 years	\$ 16.00	—	1,000	—	1,000
January 2021 Placement Agent Warrants	January 2021	5.5 years	\$ 159.60	—	9,846	—	9,846
December 2020 Warrants (2)	December 2020	5.5 years	\$ 9.00	—	16,367	—	16,367
December 2020 Warrants	December 2020	5.5 years	\$ 120.00	—	49,100	—	49,100
December 2020 Placement Agent Warrants	December 2020	5 years	\$ 152.80	—	3,274	—	3,274
July 2020 Warrants (2)	July 2020	5.5 years	\$ 9.00	—	16,036	—	16,036
July 2020 Placement Agent Warrants	July 2020	5.5 years	\$ 198.80	—	802	—	802
May 2020 Warrants (2)	May 2020	5 years	\$ 9.00	—	9,946	—	9,946
May 2020 Warrants	May 2020	5 years	\$ 191.20	—	24,863	—	24,863
May 2020 Placement Agent Warrants	May 2020	5 years	\$ 245.20	—	1,741	—	1,741
January 2021 Warrants (2)	January 2021	5.5 years	\$ 9.00	—	7,831	—	7,831
January 2021 Warrants	January 2021	5.5 years	\$ 125.20	—	90,629	—	90,629
September 2019 Warrants (2) (3)	September 2019	5.5 years	\$ 9.00	—	9,892	—	—
September 2019 Warrants (3)	September 2019	5.5 years	\$ 300.80	—	6,594	—	—
June 2019 Warrants (3)	June 2019	5.5 years	\$ 200.00	—	10,896	—	—
Total				(75,000)	259,817	—	232,435

⁽¹⁾ The Company issued service and performance warrants (“Service and Performance Warrants”) in connection with professional services agreements with non-affiliated third party entities.

⁽²⁾ These warrants were repriced as part of the March 2023 Private Placement offering.

⁽³⁾ These warrants expired during the three months ended March 31, 2025.

Liability Classified Preferred Investment Options

The preferred investment options issued in connection with the March 2023 Private Placement and August 2022 Registered Direct offerings contain certain early settlement provisions that preclude them from equity classification and therefore were accounted for as liabilities at the date of issuance and are adjusted to fair value at each balance sheet date. The change in fair value of the options liabilities is recorded as change in fair value of common stock warrant and option liabilities in the condensed consolidated statements of operations and comprehensive income (loss). The key terms and activity of the liability classified preferred investment options are summarized as follows:

	Issuance Date	Term	Exercise Price Per Share	Exercised during the Year Ended December 31, 2024	Outstanding at December 31, 2024	Exercised during the Three Months Ended March 31, 2025	Outstanding at March 31, 2025
March 2023 Options - Series A	March 2023	5 years	\$ 9.00	—	666,334	—	666,334
March 2023 Placement Agent Options	March 2023	5 years	\$ 11.25	—	33,317	—	33,317
August 2022 Options (1)	August 2022	5 years	\$ 9.00	—	118,063	—	118,063
August 2022 Placement Agent Options	August 2022	5 years	\$ 52.80	—	5,904	—	5,904
Total				—	823,618	—	823,618

(1) These options were repriced as part of the March 2023 Private Placement offering.

12. Stock-Based Compensation and Employee Stock Purchase Program

Stock Incentive Plans

The Company has two equity incentive plans: the 2006 Stock Plan (“2006 Plan”) and the 2015 Omnibus Equity Incentive Plan (“2015 Plan”).

In 2006, the Company adopted the 2006 Plan, which provided for the granting of stock options to executives, employees, and other service providers under terms and provisions established by the Board of Directors. The Company granted non-statutory stock options (“NSOs”) under the 2006 Plan until May 2015, when it was terminated as to future awards, although it continues to govern the terms of options that remain outstanding and were issued under the 2006 Plan. The 2015 Plan became effective upon the Company’s IPO in May 2015 and all shares that were reserved, but not issued, under the 2006 Plan were assumed by the 2015 Plan. Upon effectiveness, the 2015 Plan had 3,860 shares of common stock reserved for future issuance, which included 259 that were transferred to and assumed by the 2015 Plan. The 2015 Plan provides for automatic annual increases in shares available for grant. In addition, shares subject to awards under the 2006 Plan that are forfeited or canceled will be added to the 2015 Plan. The maximum number of shares that may be awarded to any individual employee, including our directors and officers, during any calendar year was 9,375 shares. The 2015 Plan provides for the grant of incentive stock options (“ISOs”), NSOs, restricted stock awards, stock units, stock appreciation rights, and other forms of equity compensation, all of which may be granted to employees, officers, non-employee directors, and consultants. The exercise price for ISOs and NSOs will be granted at a price per share not less than the fair value of our common stock at the date of grant. Options granted generally vest over a four-year period; however, there might be alternative vesting schedules, as approved by the Board. Options granted, once vested, are generally exercisable for up to 10 years, after grant to the extent vested.

On June 25, 2024, the shareholders approved an amendment to the Company’s 2015 Plan that increased the number of shares of common stock that may be issued under the 2015 Plan by 200,000 shares and increased the maximum number of shares of common stock issuable to employees, including our officers and directors, in any fiscal year from 9,375 shares to 50,000 shares. On February 2, 2022, former president and chief executive officer of the Company, Stanley Jacot, Jr. was hired. The Company granted Mr. Jacot an inducement stock option to purchase 7,902 shares of the Company’s common stock pursuant to Rule 5635(c)(4) of the Nasdaq Listing Rules. The Company filed a registration statement on Form S-8 to register the issuance of shares upon exercise of this inducement stock option. The inducement options grants were issued outside of the 2015 Plan, but are subject to the terms and conditions of the 2015 Plan. As of March 31, 2025, a total of 338,341 shares of common stock were reserved for issuance under the 2015 Plan, of which 147,038 shares of common stock are available for future grant. As of March 31, 2025, a total of 9 and 191,303 options are outstanding under the 2006 and 2015 Plans, respectively. As of December 31, 2024, a total of 40 and 205,236 options were outstanding under the 2006 and 2015 Plans, respectively. A total of 199 inducement options were outstanding as of March 31, 2025 and December 31, 2024.

The following is a summary of stock option information and weighted average exercise prices under the Company’s stock incentive plans:

	Shares Subject to Outstanding Options	Weighted- Average Exercise Price Per Share	Aggregate Intrinsic Value
Outstanding — Balance at December 31, 2024	205,475	\$ 21.00	\$ 516,378
Options expired	(13,964)	\$ 98.37	—
Outstanding — Balance at March 31, 2025	191,511	\$ 14.92	\$ 40,820
Vested and expected to vest — March 31, 2025	177,989	\$ 15.82	\$ 37,420
Exercisable — March 31, 2025	29,741	\$ 79.12	\$ —

Aggregate intrinsic value represents the difference between the exercise price of the options and the estimated fair value of the Company’s common stock determined by its Board of Directors for each of the respective periods.

As of March 31, 2025, there was \$251,000 of unrecognized compensation cost related to unvested stock-based compensation grants that will be recognized over the weighted-average remaining recognition period of 1.0 years.

In determining the fair value of the stock-based awards, the Company uses the Black-Scholes option-pricing model and assumptions discussed below. Each of these inputs is subjective and generally requires significant judgment to determine.

Expected Term—The expected term is the estimated period of time outstanding for stock options granted and was estimated based on a simplified method allowed by the SEC, and defines the term as the average of the contractual term of the options and the weighted-average vesting period for all open employee awards.

Expected Volatility—The historical volatility data was computed using the daily closing prices for the Company’s shares during the equivalent period of the calculated expected term of the stock-based awards.

Risk-Free Interest Rate—The risk-free interest rate is based on the interest rate of U.S. Treasuries of comparable maturities on the date the options were granted.

Expected Dividend—The expected dividend yield is based on the Company’s expectation of future dividend payouts to common stockholders.

There were no option grants during the three months ended March 31, 2025 and 2024.

The Company recognized \$78,000 and \$138,000 of compensation expense for stock options awards during the three months ended March 31, 2025 and 2024, respectively.

Employee Stock Purchase Plan

The Company’s 2015 Employee Stock Purchase Plan (“ESPP”) became effective on May 14, 2015. The ESPP allows eligible employees to purchase shares of the Company’s common stock at a discount of up to 15% of their eligible compensation through payroll deductions, subject to any plan limitations. After the first offering period, which began on May 14, 2015 and ended on February 1, 2016, the ESPP provides for six-month offering periods, and at the end of each offering period, employees are able to purchase shares at 85% of the lower of the fair market value of the Company’s common stock on the first trading day of the offering period or on the last day of the offering period. As of March 31, 2025, the number of shares of common stock reserved for future issuance under the ESPP is 1,108. The ESPP provides for automatic annual increases in the shares available for purchase beginning on January 1, 2016. As of March 31, 2025, 10,171 shares had been issued under the ESPP. The Company recorded \$3,000 and \$2,000 of ESPP related compensation expense during the three months ended March 31, 2025 and 2024, respectively.

13. Income Taxes

Income tax expense during interim periods is based on applying an estimated annual effective income tax rate to year-to-date income, plus any significant unusual or infrequently occurring items that are recorded in the interim period. The computation of the annual estimated effective tax rate at each interim period requires certain estimates and significant judgment including, but not limited to, the expected operating income for the year, projections of the proportion of income earned and taxed in various jurisdictions, permanent and temporary differences, and the likelihood of recovering deferred tax assets generated in the current year. The accounting estimates used to compute the provision for income taxes may change as new events occur, more experience is obtained, additional information becomes known, or as the tax environment changes.

The interim financial statement provision for income taxes is different from the amounts computed by applying the United States federal statutory income tax rate of 21%. The Company's effective tax rate was 0.00% for each of the three months ended March 31, 2025 and 2024. The difference between the effective tax rate and the federal statutory rate of 21% was primarily due to the full valuation allowance recorded on the Company's net deferred tax assets.

During the three months ended March 31, 2025, there were no material changes to the Company's uncertain tax positions.

In February 2023, the Company received notification from the Internal Revenue Service that our Archipelago joint venture was selected for audit for the 2021 tax year. The Company received the IRS Notice of Proposed Partnership Adjustment during the third quarter of 2024, accepted the adjustments, and submitted the push out election forms during the first quarter of 2025, to push the audit adjustments to the partners. Arcadia will adjust their balance of available tax net operating losses with the filing of their 2024 income tax returns, which have already been adjusted for financial statements purposes, and expects to incur no penalties or interest due.

The Company is currently not under audit for state purposes.

14. Commitments and Contingencies

Leases

The Company leases office space under operating lease agreements having initial lease terms ranging from one to five years, including certain renewal options available to the Company at market rates. See Note 10.

Legal Matters

From time to time, the Company may be subject to legal proceedings, actions, claims, suits, or investigations arising from the ordinary course of our business, including actions with respect to intellectual property claims, breach of contract claims, claims relating to our products, labor and employment claims and other matters. Any litigation or other proceedings could divert management time and attention, could involve significant amounts of legal fees and other fees and expenses, or could result in an adverse outcome having a material adverse effect on our financial condition, cash flows or results of operations. Actions, claims, suits, investigations and proceedings are inherently uncertain and their results cannot be predicted with certainty. Except as described below, the Company is not currently involved in any legal proceedings that the Company believes are, individually or in the aggregate, material to our business, results of operations or financial condition. However, regardless of the outcome, litigation can have an adverse impact on us because of associated cost and diversion of management time.

On March 6, 2025, a complaint was filed in the Superior Court of the State of California for the County of San Francisco by the Center for Environmental Health, a non-profit corporation (the "plaintiff"), against approximately 28 named companies, including several major retailers and manufacturers such as Walmart, Whole Foods Market, Smart & Final Stores, and Raleys, as well as many companies that manufacture and market coconut water products, including the Company, alleging violations of the California Safe Drinking Water and Toxic Enforcement Act, known as Proposition 65. Proposition 65 requires, among things, that a specific warning appear on any product sold in California containing a substance listed by that state as having been found to cause cancer or reproductive toxicity. The complaint contends that the defendants violated Proposition 65 by knowingly and intentionally exposing individuals in California to Bisphenol A ("BPA") in coconut water containers. The complaint states that the plaintiff's claims against the Company are limited to the Company's coconut water products packaged in cans. The complaint seeks injunctive relief, including an injunction prohibiting defendants from offering coconut water products sold in California without either reducing the BPA level in the product such that no Proposition 65 warnings are required or providing prior clear and reasonable warnings, and civil penalties. As of the date of this Report, the Company has not responded to the complaint, and intends to vigorously defend against the claims. Due in part to the early stage of the proceedings, the Company cannot predict the outcome of this matter at this time.

As disclosed above, on December 4, 2024, the Company entered into the Exchange Agreement with Roosevelt providing for the Exchange transaction, and on February 14, 2025, the Company filed a registration statement on Form S-4 with the SEC, including a preliminary proxy statement/prospectus, relating to shares to be issued in the transaction and a meeting of stockholders of the Company to be held to approve the issuance of shares in the transaction and related proposals. Since the date of filing of the registration statement, the Company has received several letters (the "Demand Letters") from counsel to purported stockholders of the Company. Each letter asserts that the preliminary proxy statement included in the registration statement was deficient and demanded that the alleged deficiencies be rectified. The Demand Letters allege, among other matters, that corrective disclosures are required to be included in the registration statement to address alleged material misstatements and omissions in the registration statement and that the proxy statement/prospectus contains materially incomplete and misleading information concerning, among other matters, financial projections, financial analysis performed by the entity that provided a fairness opinion to the Company's board of directors in connection with the transaction, potential conflicts of interest involving the Company's financial advisor in connection with the transaction and the Company's insiders, and possible breach of fiduciary duties by the directors of executive officers of the Company in connection with the transaction. Certain of the Demand Letter include a request for inspection of certain books and records of the Company pursuant to Delaware corporate law. It is possible that additional, similar letters may be received, or complaints filed. If this occurs, except as may be required by law, the Company does not intend to announce the filing of any such additional demand letter or any such complaint. The Company believes that the allegations in the Demand Letters are without merit and intends to vigorously defend itself against any complaint that may be filed.

The matters described in this section could divert management time and attention from the Company, and could involve significant amounts of legal fees and other fees and expenses. An adverse outcome in any such proceedings could have a material adverse effect on the Company.

Contingent Liability Related to the Anawah Acquisition

In June 2005, the Company completed its agreement and plan of merger and reorganization with Anawah, to purchase Anawah's food and agricultural research company through a non-cash stock purchase. Pursuant to the merger with Anawah, and in accordance with ASC 805 - Business Combinations, the Company incurred a contingent liability not to exceed \$5.0 million. This liability represents amounts to be paid to Anawah's previous stockholders for cash collected on revenue recognized by the Company upon commercial sale of certain specific products developed using technology acquired in the purchase. During 2010, the Company ceased activities relating to three of the six Anawah product programs thus, the contingent liability was reduced to \$3.0 million. During 2016, one of the programs previously accrued for was abandoned and another program previously abandoned was reactivated. During 2019, the Company determined that one of the technologies was no longer active and decided to abandon the previously accrued program. During March 2025, the Company decided to abandon one of the two remaining technologies. As of March 31, 2025, the Company continues to pursue or is otherwise liable for a development program using the one remaining technology and believes that the contingent liability is probable. As a result, \$1.0 million remains on the condensed consolidated balance sheet as an other noncurrent liability.

Contracts

The Company has exited all contract research agreements and has no additional funding commitments previously associated with these agreements.

The Company licenses certain technologies via executed agreements ("In-Licensing Agreements") that were used to develop and advance the Company's own technologies. These technologies have subsequently been sublicensed to unrelated parties.

The Company could be adversely affected by certain actions by the government as it relates to government contract revenue received in prior years. Government agencies, such as the Defense Contract Audit Agency routinely audit and investigate government contractors. These agencies review a contractor's performance under its agreements; cost structure; and compliance with applicable laws, regulations and standards. The agencies also review the adequacy of, and a contractor's compliance with, its internal control systems and policies, including the contractor's purchasing, property, estimating, compensation and management information systems. While the Company's management anticipates no adverse result from an audit, should any costs be found to be improperly allocated to a government agreement, such costs will not be reimbursed, or if already reimbursed, may need to be refunded. If an audit uncovers improper or illegal activities, civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, suspension of payments or fines, and suspension or prohibition from doing business with the government could occur. In addition, serious reputational harm or significant adverse financial effects could occur if allegations of impropriety were made against the Company.

15. Segment Reporting

The Company has one operating and reportable segment, which derives revenue primarily from the sale of Zola coconut water. The Company's Chief Executive Officer is the Company's chief operating decision maker ("CODM"). The CODM uses net income (loss) for purposes of evaluating performance, forecasting future period financial results, allocating resources and setting incentive targets. The CODM evaluates segment business performance based primarily on consolidated net income (loss) (from continuing operations) as reported on the consolidated statements of operations and comprehensive income (loss). The CODM considers budget-to-actual variances on a monthly basis for net income (loss) when making decisions. Segment assets provided to the CODM are consistent with those reported on the consolidated balance sheets.

Information about the Company's segment operations during the three months ended March 31, 2025 and 2024, are as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
Total revenues	\$ 1,200	\$ 987
Product COGS	(569)	(316)
Other Adjustments	(113)	(155)
Human capital & technology	(464)	(955)
Corporate expenses	(402)	(304)
Advertising & marketing	(11)	(8)
Outside services	(589)	(700)
Depreciation	(13)	(51)
Other SG&A	(259)	(45)
Interest income	207	45
Change in fair value of common stock warrant and option liabilities	1,862	593
Other segment items	1,750	(39)
Net income (loss) from continuing operations	\$ 2,599	\$ (947)

Other segment items consist of research and development expenses, gain on sale of intangible assets, change in fair value of contingent consideration, impairment of property and equipment, and other income.

16. Net Income (Loss) per Share

Basic net income (loss) per share is calculated by dividing net income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding during the period and excludes any dilutive effects of stock-based awards and warrants. Diluted net income (loss) per share attributable to common stockholders is computed giving effect to all potentially dilutive common shares, including common stock issuable upon exercise of stock options and warrants.

	<u>For the Three Months Ended March 31,</u>	
	<u>2025</u>	<u>2024</u>
Net income (loss) per share - Basic		
Numerator:		
Net income (loss) attributable to common stockholders	\$ 2,599	\$ (2,423)
Denominator:		
Weighted average number of common shares outstanding	1,366,060	1,361,657
Basic net income (loss) per share attributable to common stockholders:	\$ 1.90	\$ (1.78)
Net income (loss) per share - Diluted		
Numerator:		
Net income (loss) attributable to common stockholders	\$ 2,599	\$ (2,423)
Denominator:		
Weighted average number of common shares outstanding	1,366,060	1,361,657
Effect of dilutive stock options	143	—
Effect of dilutive warrants	—	—
Weighted average number of common shares outstanding - diluted	1,366,203	1,361,657
Diluted net income (loss) per share attributable to common stockholders:	\$ 1.90	\$ (1.78)

17. Related-Party Transactions

The Company's related parties include Moral Compass Corporation ("MCC") and the John Sperling Foundation ("JSF"). The rights to the intellectual property owned by Blue Horse Labs, Inc. ("BHL") were assigned to its sole shareholder, the John Sperling Revocable Trust ("JSRT") due to BHL's dissolution and then subsequently to the JSF. The JSF is deemed a related party of the Company because MCC, one of the Company's largest stockholders, and the JSF share common officers and directors.

JSF receives a single digit royalty from the Company when revenue has been collected on product sales or for license payments from third parties that involve certain intellectual property developed under research funding originally from BHL. Royalty fees due to JSF was \$30,000 as of March 31, 2025 and December 31, 2024, respectively, and are included in the condensed consolidated balance sheets as amounts due to related parties.

Product sales related to intellectual property developed under research funding from BHL ceased as of December 31, 2024. The royalty fees due to JSF for sales in 2024 were paid in April 2025 and no future royalty fees are expected.

18. Subsequent Events

On April 30, 2025, the parties to the Exchange Agreement entered into a First Amendment to Securities Exchange Agreement (the "Amendment"). The Amendment amended certain provisions of the Exchange Agreement, including without limitation the following: (i) the "Termination Date" provided for in one of the closing conditions described in the Exchange Agreement, which allows a party to terminate the Exchange Agreement if the Closing (as defined in the Exchange Agreement) has not occurred by May 15, 2015, was amended to be August 15, 2025; (ii) the provisions governing the number of shares of common stock that are issuable to the Limited Partners of Roosevelt were amended so that the number is calculated such that the number of shares to be issued to the Limited Partners equals 90% of the number of shares of common stock outstanding immediately after the Closing giving effect to the number of shares issuable to the Limited Partners (and ignoring and not giving effect to any other shares of common stock that may be issuable to any other persons in connection with or immediately after the Closing) (the "Exchange Shares"), without any possible upward or downward adjustments to the number of Exchange Shares to be issued based on the amount of cash and cash equivalents of the Company as of the Closing Date; and (iii) certain definitions related to determination of the Company's cash amount at the Closing Date were eliminated.

As discussed in Notes 1 and 7 above, on May 14, 2024, Arcadia and its wholly-owned subsidiary Arcadia Wellness, LLC entered into an Asset Purchase Agreement ("Purchase Agreement"), Promissory Note and a related Security Agreement, with Above Food Corp., a corporation formed under the laws of Saskatchewan ("Parent"), and Above Food Ingredients Corp., a Delaware corporation and wholly owned subsidiary of Parent (together with Parent, "Buyer"). Pursuant to the Purchase Agreement, Arcadia and Wellness sold to Buyer certain assets relating to Arcadia's GoodWheat business and transferred to Buyer \$2,000,000 of cash. As consideration for the purchased assets and the \$2,000,000 cash payment, Parent and Buyer issued a promissory note, dated May 14, 2024, in favor of Arcadia in the original principal amount of \$6,000,000 ("Promissory Note"). On each of the first, second and third anniversaries of the Promissory Note, accrued interest and \$2,000,000 of principal are payable to Arcadia. The Promissory Note includes provisions that allow the Company, during certain times and by means of a notice to Parent (a "Notice"), to require Parent to issue to Arcadia a number of publicly traded shares of Parent's common stock ("Parent Shares"), and if Arcadia delivered such a notice, Parent is obligated to issue the shares to Arcadia within three business days after delivery of the notice. The Promissory Note also provided that if Parent becomes a wholly-owned subsidiary of a company with shares listed on a national securities exchange, then the term "Parent Shares" refers to the publicly traded common stock of such parent company, and Parent agreed to cause such entity to issue and register such shares as provided in the Promissory Note. Sometime after the date of the Promissory Note, Parent became a wholly-owned subsidiary of Above Food Ingredients Inc. ("AFII"), a Canadian company and foreign private issuer whose shares are listed on the Nasdaq Capital Market. The Promissory Note provides that the issuance of the Parent Shares will constitute a prepayment of the final installment payment of \$2,000,000 principal of the Promissory Note that would otherwise be due on the third anniversary of the Promissory Note, but that the Buyer remains obligated to pay the first two installments of principal and interest on each of the first and second anniversaries of the date of the Promissory Note.

On May 1, 2025, Arcadia delivered a Notice to Parent pursuant to the provisions of Promissory Note, to require Parent to cause AFII to issue Parent Shares to Arcadia. The Notice indicated that pursuant to the provisions of the Promissory Note regarding the calculation and determination of the number of Parent Shares that are issuable in connection with delivery of a Notice, the number of Parent Shares issuable are approximately 3.5 million shares (the "Prepayment Shares") to be issued pursuant to the provisions of the Promissory Note. The Notice also requested, pursuant to the provisions of the Promissory Note, that Buyer begin preparation of a Form F-1 registration statement covering the resale from time to time of the Prepayment Shares by Arcadia. The Promissory Note provisions require that this registration statement be filed with the Securities and Exchange Commission by 20 calendar days from delivery of the Notice. Buyer and AFII have acknowledged receipt of the Notice and have indicated their intention to respond to the Notice.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Special Note Regarding Forward-Looking Statements

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes to those statements included herein. In addition to historical financial information, this report contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed in the forward-looking statements. The statements contained in this report that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements are often identified by the use of words such as, but not limited to, "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "seek," "should," "strategy," "target," "will," "would" and similar expressions or variations intended to identify forward-looking statements. These statements are based on the beliefs and assumptions of our management based on information currently available to management. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section titled "Risk Factors" included in the most recent Annual Report on Form 10-K filed by the Company. Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

Solely for convenience, the trademarks, service marks and trade names referred to in this report may appear without the ®, TM, or SM symbols, but such references do not constitute a waiver of any rights that might be associated with the respective trademarks, service marks, or trade names.

Overview

Arcadia has leveraged its history as a leader in science-based approaches to develop high value products and drive innovation in the consumer goods industry. Since acquiring the assets of Zola in May 2021, Arcadia has provided consumers with a way to rehydrate, reset, and reenergize with Zola coconut water products. Previously, Arcadia developed products primarily in wheat, which it commercialized through the sales of seed, grain and food ingredients and products, and through trait licensing and royalty agreements.

On May 14, 2024, Arcadia sold its non-GMO Resistant Starch ("RS") durum wheat trait to longtime partner Corteva Agriscience ("Corteva") for total cash consideration of \$4.0 million. Under the terms of the agreement, Arcadia retained certain rights to use the RS durum wheat trait. Refer to Note 9 to the condensed consolidated financial statements for further details of the transaction.

On May 16, 2024, Arcadia sold the GoodWheat™ brand to Above Food for net consideration of \$3.7 million. The strategic decision to sell GoodWheat enabled the Company to monetize its intellectual property early. The assets sold consisted primarily of grain and finished goods inventories, formulations and trademarks. The disposition of GoodWheat represented a strategic shift that had a major effect on the Company's operations and financial results. As a result, the financial statements and related notes as of March 31, 2025 and 2024 reflect the GoodWheat disposition as a discontinued operation. The disposition of GoodWheat resulted in a loss of \$1,500 during the second quarter of 2024. Refer to Notes 3 and 7 to the condensed consolidated financial statements for further details of the transaction.

On December 4, 2024, Arcadia, Roosevelt Resources LP ("Roosevelt" or the "Partnership") and Elliott Roosevelt, Jr. and David A. Roosevelt, in their capacities as representatives of the limited partners of the Partnership entered into a Securities Exchange Agreement (as it may be amended from time to time, the "Exchange Agreement"). Subject to the terms of the Exchange Agreement and to the satisfaction or waiver of the conditions set forth in the Exchange Agreement, at the closing of the transactions contemplated by the Exchange Agreement (the "Closing"), Arcadia agreed to issue shares of its common stock to the limited partners of Roosevelt in exchange for all of the limited partnership interests of Roosevelt and to the sole member of the general partner of Roosevelt (together with the limited partners, referred to collectively as the "Limited Partners") in exchange for its membership interest (together with the limited partnership interests of the Limited Partners, the "Partner Interests") in the limited liability company that is the general partner of Roosevelt (such exchange, contributions and issuances referred to as the "Exchange"). As a result of the Exchange, Arcadia will continue and Roosevelt will continue as a wholly owned subsidiary of Arcadia. Upon completion of the Exchange, and based on the number of shares issuable pursuant to the Exchange Agreement (and assuming that no other shares are issuable to third parties in connection with the Closing), the Limited Partners and the Arcadia stockholders as of immediately prior to the Closing will own 90% and 10%, respectively, of the shares of common stock of Arcadia outstanding immediately after the Closing. On February 14, 2025, the Company filed a registration statement on Form S-4 with the SEC relating to the shares to be issued in the transaction. The registration statement also included a proxy statement/prospectus relating to a meeting of stockholders of the Company to be held to vote on proposals approve the issuance of shares pursuant to the Exchange Agreement and related proposals.

On April 30, 2025, the parties to the Exchange Agreement entered into a First Amendment to Securities Exchange Agreement (the "Amendment"). The Amendment amended certain provisions of the Exchange Agreement, including without limitation the following: (i) the "Termination Date" provided for in one of the closing conditions described in the Exchange Agreement, which allows a party to terminate the Exchange Agreement if the Closing (as defined in the Exchange Agreement) has not occurred by May 15, 2015, was amended to be August 15, 2025; (ii) the provisions governing the number of shares of common stock that are issuable to the Limited Partners of Roosevelt were amended so that the number is calculated such that the number of shares to be issued to the Limited Partners equals 90% of the number of shares of common stock outstanding immediately after the Closing giving effect to the number of shares issuable to the Limited Partners (and ignoring and not giving effect to any other shares of common stock that may be issuable to any other persons in connection with or immediately after the Closing) (the "Exchange Shares"), without any possible upward or downward adjustments to the number of Exchange Shares to be issued based on the amount of cash and cash equivalents of the Company as of the Closing Date; and (iii) certain definitions related to determination of the Company's cash amount at the Closing Date were eliminated.

On March 28, 2025, Arcadia entered into an agreement with Bioceres Crop Solutions Corp. ("BIOX") pursuant to which BIOX agreed to transfer to the Company all rights and materials relating to certain soy traits that were included in licenses granted by the Company to BIOX in the November 2020 sale of Verdeca. In addition, BIOX agreed to pay a total of \$750,000 to the Company. The Company agreed to transfer to BIOX all of the Company's granted patents, pending applications, related materials and documents related to the Company's reduced gluten and oxidative stability patents. In addition, the parties agreed to amend a previous agreement between the parties to eliminate any obligation to pay the Company future product royalties under the agreement. The Company recorded a gain of \$750,000 on the condensed consolidated statement of operations and comprehensive income (loss) related to this transaction as the patents, pending applications and future product royalties have no carrying value. As of March 31, 2025, the Company received payment for \$500,000 of the \$750,000. The Company received payment for the remaining \$250,000 in April 2025.

Tariffs

On April 9, 2025, baseline tariffs imposed by the U.S. government went into effect, and at this time, the U.S. government has delayed the effective date for additional country-specific tariffs until July 2025. The impact of tariffs on the Company remains uncertain, and it is possible that features of the tariff policy may change before the country-specific tariffs take effect. We are closely monitoring the tariff landscape and are in discussions with our business partners to explore ways to mitigate the impact of tariffs on the Company. For additional information regarding the potential impacts of tariffs on our business and results of operations, see Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K, filed with the SEC on March 25, 2025.

Our Products

Zola Coconut Water

Founded in 2002, Zola became part of the Arcadia family of brands in May 2021. Sourced from Thailand, Zola is a pure, natural, 100% coconut water with a crisp, clean taste that's slightly sweet and refreshing. Naturally hydrating and rich in electrolytes, Zola is Non-GMO Project Verified and only contains 60 calories per serving. In taste tests, Zola beat competitors 2 to 1, and the Company believes that it is a superior way to rehydrate, reset and reenergize. Zola flavors include original, original with pulp, espresso, lime and pineapple.

Agronomic Wheat Traits

As described in Note 1 to the condensed consolidated financial statements above, our March 2025 agreement transferred all of our patents, pending applications, related materials and documents related to the Company's reduced gluten and oxidative stability patents. In addition, due to various prior agreements and transactions, Arcadia no longer retains any effective commercialization rights to its resistant starch portfolio of patents. As a result, the Company does not expect to receive any license or royalty fees in the future related to any wheat-based intellectual property rights.

Discontinued Operations

As mentioned above, Arcadia exited the GoodWheat brand. In accordance with the provisions of ASC 205-20, Arcadia has separately reported the assets and liabilities of the discontinued operations in the condensed consolidated balance sheets and the results of the discontinued operations as separate components on the condensed consolidated statements of operations and comprehensive income (loss) for all periods presented. See Note 3 to the condensed consolidated financial statements for further information on discontinued operations.

Components of Our Statements of Operations Data

Revenues

Product revenues

Product revenues consist primarily of sales of Zola and GLA products. We recognize revenue from product sales when control of the product is transferred to third-party distributors and manufacturers, collectively “our customers,” which generally occurs upon delivery. Revenues fluctuate depending on the timing of shipments of product to our customers and are reported net of estimated chargebacks, returns and losses.

Operating Expenses

Cost of revenues

Cost of revenues primarily relates to the sale of Zola products and consists primarily of product and freight costs. Adjustments or write-downs to inventory are also included in cost of revenues.

Research and development expenses ("R&D")

Research and development expenses consist of costs incurred in the development and testing of our products. These expenses currently consist primarily of fees paid to product formulation consultants and are expensed as incurred. Additionally, the Company is required from time to time to make certain milestone payments in connection with the development of technologies in-licensed from third parties.

Impairment of property and equipment

Impairment of property and equipment includes losses from tangible assets due to impairment or recoverability test charges to write down fixed assets to their fair value or recoverability value.

Gain on sale of intangible assets

Gain on sale of intangible assets consists of the gain on sale of our reduced gluten and oxidative stability patent portfolios in March 2025.

Change in fair value of contingent consideration

Change in the fair value of contingent consideration is comprised of the gain associated with the reduction of our contingent liability as the result of a decision to abandon a program that was previously accrued.

Selling, general and administrative expenses

Selling, general and administrative expenses consist primarily of employee costs, professional service fees, broker and sales commission fees, and overhead costs.

Interest income

Interest income consists of interest income on our cash and cash equivalents, investments and note receivable.

Other income, net

Other income, net consists of miscellaneous income net of miscellaneous losses.

Change in the estimated fair value of common stock warrant and option liabilities

Change in the estimated fair value of common stock warrant and option liabilities is comprised of the fair value remeasurement of the liabilities associated with our financing transactions.

Net loss from discontinued operations

Net loss from discontinued operations represents results of operations related to the discontinued GoodWheat brand. See Note 3 to the condensed consolidated financial statements for further information on discontinued operations.

Results of Operations

Comparison of the Three Months Ended March 31, 2025 and 2024

	Three Months Ended March 31,		\$ Change	% Change
	2025	2024		
	(In thousands except percentage)			
Revenues:				
Product	\$ 1,200	\$ 987	\$ 213	22%
Total revenues	1,200	987	213	22%
Operating expenses (income):				
Cost of revenues	682	471	211	45%
Research and development	—	6	(6)	(100)%
Impairment of property and equipment	—	36	(36)	(100)%
Gain on sale of intangible assets	(750)	—	(750)	100%
Change in fair value of contingent consideration	(1,000)	—	(1,000)	100%
Selling, general and administrative	1,738	2,062	(324)	(16)%
Total operating expenses	670	2,575	(1,905)	(74)%
Income (loss) from continuing operations	530	(1,588)	2,118	(133)%
Interest income	207	45	162	360%
Other income, net	—	3	(3)	(100)%
Change in fair value of common stock warrant and option liabilities	1,862	593	1,269	214%
Net income (loss) from continuing operations	2,599	(947)	3,546	(374)%
Net loss from discontinued operations	—	(1,476)	1,476	(100)%
Net income (loss) attributable to common stockholders	\$ 2,599	\$ (2,423)	\$ 5,022	(207)%

Revenues

Product revenues increased \$213,000, or 22%, and consisted entirely of Zola coconut water sales during the three months ended March 31, 2025 compared to the same period in 2024. Zola revenues increased \$567,000, or 90% during the three months ended March 31, 2025 compared to the same period in 2024. This was primarily driven by an increase in distribution resulting in higher sales volume. The Company did not implement any price increases during 2024 or the first quarter of 2025. Revenues for the three months ended March 31, 2024 included \$354,000 from GLA oil.

Cost of revenues

Cost of revenues increased by \$211,000, or 45%, and consisted entirely of Zola coconut water costs during the three months ended March 31, 2025 compared to the same period in 2024. Zola cost of revenues increased \$244,000, or 56% during the three months ended March 31, 2025 compared to the same period in 2024 driven by the increase in Zola unit sales. Cost of revenues for the three months ended March 31, 2024 included \$33,000 from GLA oil.

Research and development

Research and development expenses decreased by \$6,000, or 100%, during the three months ended March 31, 2025 compared to the same period in 2024 reflecting our strategy to develop the Zola brand by leveraging our existing resources and minimizing new investment.

Impairment of property and equipment

During the three months ended March 31, 2024, the Company recognized impairment of property and equipment held for sale related to Archipelago of \$36,000. There was no such impairment of property and equipment during the three months ended March 31, 2025.

Gain on sale of intangible assets

During 2025, the Company realized a gain of \$750,000 related to the sale of our reduced gluten and oxidative stability patent portfolios in March 2025. There was no such gain recorded during 2024.

Change in fair value of contingent consideration

During the three months ended March 31, 2025, the change in the fair value of contingent consideration was due to the gain of \$1.0 million associated with the reduction of our contingent liability as the result of a decision to abandon a program with respect to which a contingent liability was previously accrued. See Note 14 to the condensed consolidated financial statements for details. There was no change in fair value of contingent consideration during the three months ended March 31, 2024.

Selling, general, and administrative

Selling, general, and administrative expenses decreased by \$324,000, or 16%, during the three months ended March 31, 2025 compared to the same period in 2024, driven by operating costs and employee related costs in 2024 that were absent in 2025.

Interest income

During the three months ended March 31, 2025, the Company recognized interest income of \$207,000, of which \$180,000 was related to discount amortization and accrued interest on the promissory note from Above Food. The remaining difference was related to interest from investments. During the three months ended March 31, 2024, the Company recognized interest income of \$45,000 from investments.

Other income, net

During the three months ended March 31, 2025 and 2024, the Company recognized other income of \$0 and \$3,000, respectively.

Change in the estimated fair value of common stock warrant and option liabilities

The change in the estimated fair value of common stock warrant and option liabilities resulted in a gain of \$1.9 million and \$593,000 during the three months ended March 31, 2025 and 2024, respectively, related to the change in the estimated fair value of the liability classified preferred investment options issued in connection with the March 2023 PIPE and August 2022 Registered Direct Offering financing transactions.

Net loss from discontinued operations

Net loss from discontinued operations for GoodWheat was \$1.5 million during the three months ended March 31, 2024, reflecting the sale of the GoodWheat brand and related assets to Above Food during the second quarter of 2024. See Note 3 to the condensed consolidated financial statements for further information on discontinued operations.

Seasonality

The coconut water category, similar to other beverages, is seasonal. Generally, sales volumes are highest during our second and third fiscal quarters when the weather is warmer.

Liquidity & Capital Resources

We have funded our operations primarily with the net proceeds from our private and public offerings of our equity securities as well as proceeds from the sale of our products and payments under license agreements. Our principal use of cash is to fund our operations, which are primarily focused on commercializing our products. Our contractual obligations are primarily related to our operating leases for facilities, land and equipment. As of March 31, 2025, we had cash and cash equivalents of \$3.2 million and current note receivable of \$2.0 million. In April 2025, we received \$250,000 representing the remaining payment from BIOX pursuant to our March 28, 2025 agreement, pursuant to which we transferred all of our granted patents, pending applications, related materials and documents related to our reduced gluten and oxidative stability patents. For the three months ended March 31, 2025, the Company had net income of \$2.6 million and net cash used in operations of \$1.6 million. For the twelve months ended December 31, 2024, the Company had net losses of \$7.0 million and net cash used in operations of \$9.6 million.

Going Concern; Material Cash Requirements

We believe that our existing cash and cash equivalents will not be sufficient to meet our anticipated cash requirements for at least the next 12 months from the issuance date of these financial statements, which raises substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In December 2024, we entered into an agreement with Roosevelt Resources, LP regarding a business combination transaction. However, we may still seek to raise additional funds through debt or equity financings. The sale of additional equity would result in dilution to our stockholders. The incurrence of debt would result in debt service obligations, and the instruments governing such debt could provide for additional operating and financing covenants that would restrict operations. If we require additional funds and are unable to secure adequate additional funding at terms acceptable to us, we may be forced to reduce spending, extend payment terms with suppliers, liquidate assets, or initiate dissolution and liquidation or bankruptcy proceedings. Any of these actions could materially harm the business, results of operations and financial condition.

As noted above, through March 31, 2025, we have incurred substantial losses and may be required to obtain additional cash resources in the near term in order to support our operations and activities. The availability of required additional funding cannot be assured. In addition, an adverse outcome in legal or regulatory proceedings in which we are or could become involved could adversely affect our liquidity and financial position. No assurance can be given as to the timing or ultimate success of obtaining future funds. If we are not able to obtain additional required funding or if our business combination with Roosevelt Resources, LP is not completed, our cash resources would be significantly limited and could become depleted, and we could be required to materially reduce or suspend operations or seek dissolution and liquidation, or bankruptcy protection. In the event of dissolution and liquidation proceedings or bankruptcy proceedings, the creditors of Arcadia would have first claim on the value of the assets of Arcadia which, other than remaining cash, would most likely be liquidated in one or more transactions or a bankruptcy sale, and the common stock of Arcadia likely would have little or no value. Arcadia can give no assurance as to the magnitude of the net proceeds of such a sale and whether such proceeds and available cash would be sufficient to satisfy Arcadia's obligations to its creditors, let alone to permit any distribution to its equity holders.

Liquidity

The following table summarizes total current assets, current liabilities and working capital for the dates indicated (in thousands):

	As of March 31, 2025	As of December 31, 2024
Current assets	\$ 8,846	\$ 9,242
Current liabilities	2,216	2,563
Working capital surplus	<u>\$ 6,630</u>	<u>\$ 6,679</u>

Cash Flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2025	2024
Net cash provided by (used in):		
Operating activities	\$ (1,588)	\$ (3,210)
Investing activities	500	4
Financing activities	5	5
Net decrease in cash	<u>\$ (1,083)</u>	<u>\$ (3,201)</u>

Cash flows from operating activities

Cash used in operating activities for the three months ended March 31, 2025, was \$1.6 million. With respect to our net income of \$2.6 million, non-cash charges including the change in fair value of common stock warrant and option liabilities of \$1.9 million, change in fair value of contingent consideration of \$1.0 million, amortization of note receivable discount of \$69,000, a gain on sale of intangible assets of \$750,000, adjustments in our working capital accounts of \$582,000, and operating lease payments of \$119,000 were offset by \$13,000 of depreciation, \$104,000 of lease amortization and \$78,000 of stock-based compensation.

Cash used in operating activities for the three months ended March 31, 2024, was \$3.2 million. With respect to our net loss of \$2.4 million, non-cash charges including \$51,000 of depreciation, \$138,000 of stock-based compensation, \$177,000 of lease amortization, and \$36,000 of impairment of property and equipment, were offset by the change in fair value of common stock warrant and option liabilities of \$593,000, adjustments in our working capital accounts of \$329,000, and operating lease payments of \$269,000.

Cash flows from investing activities

Cash provided by investing activities for the three months ended March 31, 2025 consisted of proceeds from the sale of intangible assets of \$500,000.

Cash provided by investing activities for the three months ended March 31, 2024 consisted of proceeds of \$17,000 from the sale of property and equipment, offset by \$13,000 of purchases of property and equipment.

Cash flows from financing activities

Cash provided by financing activities for the three months ended March 31, 2025 consisted of proceeds from the purchase of ESPP shares of \$5,000.

Cash provided by financing activities for the three months ended March 31, 2024 consisted of proceeds from the purchase of ESPP shares of \$5,000.

Off-Balance Sheet Arrangements

Since our inception, we have not engaged in any off-balance sheet arrangements, including the use of structured finance, special purpose entities, or variable interest entities other than Verdeca, which was disposed of in November 2020.

Critical Accounting Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenue generated, and expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We consider our critical accounting estimates to be revenue recognition, determination of the provision for income taxes, and net realizable value of inventory.

ITEM 3: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Required.

ITEM 4: CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as such term is defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, or Exchange Act, that are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our President and Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, management recognized that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Our disclosure controls and procedures have been designed to meet reasonable assurance standards. Additionally, in designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Based on their evaluation as of the end of the period covered by this Quarterly Report on Form 10-Q, our President and Chief Executive Officer and our Chief Financial Officer have concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) identified in connection with the evaluation identified above that occurred during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business. Please refer to Note 14 included in Part I, "Item 1. Notes to Condensed Consolidated Financial Statements" for a discussion of legal proceedings.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this Quarterly Report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024, which could materially affect our business, financial condition, liquidity or future results. The risks described in our Annual Report on Form 10-K are not the only risks facing our company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, liquidity or future results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the quarter ended March 31, 2025, no director or "officer" (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS

The following exhibits are attached hereto or are incorporated herein by reference.

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.1**+	Agreement between Bioceres and Arcadia dated as of March 28, 2025					X
31.1	Principal Executive Officer's Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Principal Financial Officer's Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1(1)	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
32.2(1)	Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104.1	Cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in inline XBRL (and contained in Exhibit 101)					X

(1) This certification is deemed not filed for purpose of Section 18 of the Exchange Act or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

+ Certain information has been excluded from this exhibit because it is not material and would likely cause competitive harm to the registrant if publicly disclosed.

** Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Registrant hereby undertakes to furnish supplemental copies of any of the omitted schedules and exhibits upon request by the SEC.

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.

May 8, 2025

By: /s/ THOMAS J. SCHAEFER
Thomas J. Schaefer
President and Chief Executive Officer

May 8, 2025

By: /s/ MARK KAWAKAMI
Mark Kawakami
Chief Financial Officer

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [*], HAS BEEN OMITTED BECAUSE IT IS NOT MATERIAL AND WOULD LIKELY CAUSE COMPETITIVE HARM TO ARCADIA BIOSCIENCES, INC. IF PUBLICLY DISCLOSED**

AGREEMENT BETWEEN BIOCERES AND ARCADIA

This Agreement (the "Agreement") is entered into as of March 28, 2025, by and between:

BIOCERES CROP SOLUTIONS, CORP., with its principal place of business located at Ocampo 210 bis, Rosario, 2000, Santa Fe, Argentina ("BIOCERES"), and

ARCADIA BIOSCIENCES, INC., with its principal place of business located at 5950 Sherry Lane, Suite 215, Dallas, Texas 75225 ("ARCADIA").

WHEREAS, BIOCERES and ARCADIA wish to enter into a transaction where BIOCERES will transfer certain assets to ARCADIA, and ARCADIA will provide certain intellectual property rights and obligations in return;

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth below, the parties agree as follows:

• **TRANSFER OF ASSETS AND CONSIDERATION**

• **Assets Transferred by BIOCERES to ARCADIA:**

BIOCERES agrees to transfer the following to ARCADIA:

- **[REDACTED] Trait:** All rights, licenses, and materials containing or pertaining to the Soy ANF trait as described in the patent documents set forth in **Schedule A**, including all relevant documentation and materials. BIOCERES may destroy all germplasm and other relevant plant material pertaining to the Soy ANF trait in its possession or under its control rather than deliver it to ARCADIA.
- **Cash Payment:** A cash payment of **\$750,000 USD** to ARCADIA in two installments, as described in Section 2.

• **Assets Transferred by ARCADIA to BIOCERES:**

In return for the transfer described in Section 1.1, ARCADIA agrees to provide the following to BIOCERES:

- **RG and OX Wheat Patents:** ARCADIA shall transfer to BIOCERES all rights, titles, and interests in the RG and OX Wheat Patents set forth in **Schedule B**, including all associated materials and documents.
 - **Cancellation of Wheat Field Royalties and Performance Benchmarks:**
 - ARCADIA shall cancel all wheat field royalties due to ARCADIA under Section 2.2.4 of the Master Transaction Agreement between the Bioceres and Arcadia, attached as **Exhibit A**. Arcadia has exclusivity licensed its relevant patents relating to RS durum wheat to Corteva, subject to the license rights granted to
-

Bioceres. This section addresses only royalties payable to Arcadia, not any future royalties that might or could be payable to Corteva.

- ARCADIA releases BIOCERES from any performance benchmark obligations related to the RG, OX, and RS Varieties derived from the License Agreement attached as **Exhibit B**.

- **Cancellation of Future Soy Royalties:**

- ARCADIA shall cancel 100% of any future royalties arising from the sale or commercialization of soy products under Section 2.2.4 of the Master Transaction Agreement attached as **Exhibit A**.

- **PAYMENT TERMS**

- **Cash Payment:** The total cash payment of **\$750,000 USD** shall be paid by BIOCERES to ARCADIA in the following manner:

- **\$500,000 USD** shall be paid by BIOCERES at the signing of this Agreement (the “Closing”).
- **\$250,000 USD** shall be paid by BIOCERES to ARCADIA within **20 days after Closing**.

- **Payment Method:** Payments will be made by wire transfer to a bank account designated by ARCADIA.

- **CLOSING**

- **Closing Date:** The Closing of this Agreement will take place on March 28, 2025, or such other date as mutually agreed by the parties in writing (the “Closing Date”).

- **Documents and Deliverables at Closing:**

- BIOCERES will, by the Closing Date, (i) transfer the Soy ANF Trait materials and documents and ensure the proper handling of the intellectual property rights, (ii) destroy all germplasm and other plant materials possessing the Soy ANF Trait in or under BIOCERES control, and (iii) wire transfer to a bank account designated by ARCADIA \$500,000 USD.
- ARCADIA will deliver to BIOCERES the executed assignment documents of **Exhibit C** transferring the RG and OX Wheat Patents and confirming the cancellation of the royalties and performance obligations as outlined in Section 1.2.

- **WARRANTIES AND REPRESENTATIONS**

- **Warranties by BIOCERES:** BIOCERES warrants that it holds all stated rights and ownership of materials possessing the Soy ANF Trait and that it has the authority to transfer those rights and materials to ARCADIA.
- **Warranties by ARCADIA:** ARCADIA warrants that it holds all necessary rights to the RG and OX Wheat Patents and that it has the authority to transfer those patents to BIOCERES as stated in this Agreement.
- **No Pending Legal Issues:** Each party represents and warrants that there are no pending or threatened legal actions, claims, or disputes regarding the assets being transferred or any other aspect of this Agreement.

- **CONFIDENTIALITY**

- **Confidential Information:** Both parties agree to maintain the confidentiality of all proprietary and
-

confidential information exchanged between the parties during the negotiation and performance of this Agreement.

• **Exceptions:** Confidential information does not include information that is public, disclosed under court order, or already known to the receiving party.

- **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of New York, USA.

- **ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior or contemporaneous agreements or understandings, whether written or oral, related to the subject matter.

- **AMENDMENTS**

This Agreement may be amended only by written agreement signed by authorized representatives of both BIOCERES and ARCADIA.

- **TERMINATION**

- **Termination by Mutual Agreement:** Either party may terminate this Agreement by mutual written consent before the Closing.

- **Termination for Breach:** Either party may terminate this Agreement if the other party materially breaches its obligations and fails to cure such breach within 60 days after receiving written notice.

- **EXECUTION**

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BIOCERES CROP SOLUTIONS, CORP.

By: /s/ Federico Trucco

Name: Federico Trucco

Title: CEO

Date: March 28, 2025

ARCADIA BIOSCIENCES, INC.

By: /s/ Thomas J. Schaefer

Name: Thomas J. Schaefer

Title: CEO

Date: March 28, 2025

Exhibit A
Master Transaction Agreement

Schedule A

[}] Soybean Portfolio**

[]**

Schedule B

Oxidative Stability Wheat Portfolio

[***}

Reduced Gluten Wheat Portfolio

[***]

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Thomas J. Schaefer, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arcadia Biosciences, Inc. for the period ended March 31, 2025;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 8, 2025

/s/ THOMAS J. SCHAEFER

Thomas J. Schaefer
President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULE 13a-14(a)/15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Mark Kawakami, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Arcadia Biosciences, Inc. for the period ended March 31, 2025;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 8, 2025

/s/ MARK KAWAKAMI

Mark Kawakami
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report of Arcadia Biosciences, Inc. (the "Company"), on Form 10-Q for the quarter ended March 31, 2025 (the "Report"), I, Thomas J. Schaefer, President and Chief Executive Officer of the Company, hereby certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2025

/s/ THOMAS J. SCHAEFER
Thomas J. Schaefer
President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the accompanying Quarterly Report of Arcadia Biosciences, Inc. (the "Company"), on Form 10-Q for the quarter ended March 31, 2025 (the "Report"), I, Mark Kawakami, Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002 that:

- (1) the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 8, 2025

/s/ MARK KAWAKAMI
Mark Kawakami
Chief Financial Officer
(Principal Financial Officer)
