

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 11, 2022

Arcadia Biosciences, Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37383
(Commission File Number)

81-0571538
(IRS Employer
Identification No.)

**202 Cousteau Place
Suite 105
Davis, California**
(Address of Principal Executive Offices)

95618
(Zip Code)

Registrant's Telephone Number, Including Area Code: 530 756-7077

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common	RKDA	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On August 11, 2022, Arcadia Biosciences, Inc. (the “Company”) issued a press release announcing financial results for the second quarter ended June 30, 2022. A copy of the press release is furnished as Exhibit 99.1, and the Company's financial information tables for the second quarter ended June 30, 2022 are furnished as Exhibit 99.2, to this Current Report on Form 8-K and are incorporated herein by reference.

The information furnished in this Form 8-K, the press release attached as Exhibit 99.1, and the financial information attached as Exhibit 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this Item 2.02, in the press release attached as Exhibit 99.1, and in the financial information attached as Exhibit 99.2, shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Arcadia Biosciences Announces Second-Quarter 2022 Financial Results and Business Highlights
99.2	Arcadia Biosciences Second-Quarter 2022 Financial Information
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ARCADIA BIOSCIENCES, INC.

Date: August 11, 2022

By: /s/ PAMELA HALEY
Pamela Haley, Chief Financial Officer



Arcadia Biosciences (RKDA) Announces Strong Second-Quarter and First-Half 2022 Financial Results and Business Highlights

- Revenue increased 175% from Q2 2021 –
- GoodWheat™ pasta successfully launched in retail and online –
- \$2M milestone achievement recognized for HB4® soybean approval in China –

DAVIS, Calif. (August 11, 2022) – Arcadia Biosciences, Inc.® (Nasdaq: RKDA), a producer and marketer of innovative, plant-based health and wellness products, today released its financial and business results for the second quarter and first half of 2022.

“We’re thrilled with this record-breaking quarter, but we are just getting started,” said Stan Jacot, president and CEO of Arcadia Biosciences, who was also recently named to Arcadia’s board of directors. “We continue to simplify and wind-down non-core businesses to focus on core brands. With our successful national launch of GoodWheat™ pasta both in retail and online, and growth opportunities in Zola® and ProVault™, we anticipate a bright future.”

Arcadia is also introducing Project Greenfield, a 3-year plan to unlock the company’s potential and create a path to profitability. “Project Greenfield aligns the company’s resources around solid, achievable goals to drive shareholder value, including GoodWheat’s retail expansion, driving growth of our core brands and partnerships, as well as maintaining an agile organization to cultivate next generation wellness products that make every body feel good, inside and out,” said Jacot.

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

	Three Months Ended June 30,				Six Months Ended June 30,			
	2022	2021	Favorable / (Unfavorable)		2022	2021	Favorable / (Unfavorable)	
			\$	%			\$	%
Total revenues	3,858	1,405	2,453	175 %	7,078	2,234	4,844	217 %
Total operating expenses	7,641	9,088	1,447	16 %	15,484	15,243	(241)	(2) %
Loss from operations	(3,783)	(7,682)	3,899	51 %	(8,406)	(13,009)	4,603	35 %
Net loss attributable to common stockholders	(3,777)	(5,261)	1,484	28 %	(8,265)	(3,202)	(5,063)	(158) %

More detailed financial statements are included in the Form 8-K filed today, available in the Investors section of the company’s website under SEC Filings.

Revenues

In the second quarter of 2022, revenues were \$3.9 million, compared to \$1.4 million in the second quarter of 2021 – a \$2.5 million increase driven primarily by sales of Zola coconut water and body care products. Revenues for the first half of 2022 were \$7.1 million, compared to \$2.2 million in the first half of 2021, driven by the same factors as well as GoodWheat grain sales, the majority of which were completed in the first quarter of 2022.

Arcadia achieved a \$2 million milestone from Bioceres in the second quarter as a result of the HB4[®] soybean approval in China. Based on accounting guidance, \$862,000 was recognized as license revenue and the remaining \$1.1 million was recognized as a gain on the 2020 sale to Bioceres of Arcadia's interest in the Verdeca joint venture.

Operating Expenses

In the second quarter of 2022, operating expenses were \$7.6 million compared to \$9.1 million in the second quarter of 2021, and the first half of 2022 operating expenses were \$15.5 million compared to \$15.2 million in the first half of 2021.

Cost of product revenues in the second quarter of 2022 were \$3.5 million, or \$1.9 million higher than the second quarter of 2021, primarily driven by costs associated with sales of Zola, body care and GoodWheat, in addition to inventory write-downs of \$1.0 million, while the second quarter of 2021 included inventory write-downs of \$720,000. Cost of product revenues for the first half of 2022 were \$6.9 million, or \$4.5 million higher than in the first half of 2021, primarily driven by costs related to sales of the wellness product lines as well as GoodWheat, in addition to inventory write-downs of \$1.4 million, while the second half of 2021 included inventory write-downs of \$880,000.

Research and development (R&D) spending decreased by \$772,000 and \$1.5 million for the three and six months ended June 30, 2022, respectively, compared to the same periods in 2021, as a result of the company's focus on commercialization, which has led to lower employee-related expenses, and research-related activity costs.

General and administrative (SG&A) costs for the three and six months ended June 30, 2022 were \$1.7 million and \$1.4 million lower than in the three and six months ended June 30, 2021, respectively, primarily driven by lower employee expenses, lease expense and consulting fees, as well as the absence of acquisition fees in 2022.

Net Income Attributable to Common Stockholders

Net loss attributable to common stockholders for the second quarter of 2022 was \$3.8 million, or \$0.17 per share, a \$1.5 million decrease from the \$5.3 million, or \$0.24 per share, net loss for the second quarter of 2021.

Net loss attributable to common stockholders for the first half of 2022 was \$8.3 million, or \$0.37 per share, a \$5.1 million increase from the \$3.2 million, or \$0.15 per share, net loss for the second half of 2021. The remeasurement and sale of Bioceres stock in the first and second quarters of 2021 impacted net loss attributable to common stockholders significantly with a gain

of \$2.8 million and \$10.2 million in second quarter and first half of 2021, respectively. No such gain was recorded in 2022.

Conference Call and Webcast

The company has scheduled a conference call for 4:30 p.m. Eastern (1:30 p.m. Pacific) today, August 11, to discuss second quarter financial results and key strategic achievements.

Interested participants can join the conference call using the following numbers:

U.S. Toll-Free Dial-In: +1-866-374-5140
International Dial-In: +1-404-400-0571
Passcode: 40534492

A live webcast of the conference call will be available on the “Investors” section of Arcadia’s website at www.arcadiabio.com. Following completion of the call, a recorded replay will be available on the company’s investor website.

About Arcadia Biosciences, Inc.

Since 2002, Arcadia Biosciences (Nasdaq: RKDA) has been innovating crops to provide high-value, healthy ingredients to meet consumer demands for healthier choices. With its roots in agricultural innovation, Arcadia cultivates next-generation wellness products that make every body feel good, inside and out. The company’s food, beverage and body care products include GoodWheat™, Zola® coconut water, ProVault™ topical pain relief and SoulSpring™ bath and body care. For more information, visit www.arcadiabio.com.

Safe Harbor Statement

“Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This press release and the accompanying conference call contain forward-looking statements about the company and its products, including statements relating to the company’s growth, financial success and commercialization of products. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially, and reported results should not be considered as an indication of future performance. These risks and uncertainties include, but are not limited to: the company’s and its partners’ and affiliates’ ability to develop and sell commercial products incorporating its traits; consumer acceptance of the company’s products; the company’s compliance with laws and regulations that impact the company’s business, including the sale of products containing CBD, and changes to such laws and regulations; the growth of the global wheat market; the company’s ability to make acquisitions and execute on divestitures in accordance with its business strategy and effectively manage integration and the growth from acquisitions; the potential impact of COVID-19 on its business; and the company’s future capital requirements and ability to satisfy its capital needs. Further information regarding these and other factors that could affect the company’s financial results is included in filings the company makes with the Securities and Exchange Commission from time to time, including the section entitled “Risk Factors” and additional information that will be set forth in its Form 10-K for the year ended December 31, 2021, and other filings. These forward-looking statements speak only as of the date hereof, and Arcadia Biosciences, Inc. undertakes no duty to update this information.

Arcadia Biosciences Contact:

T.J. Schaefer

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Arcadia Biosciences, Inc.
Consolidated Balance Sheets
(Unaudited)

(In thousands, except share data)

	June 30, 2022	December 31, 2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 21,234	\$ 28,685
Accounts receivable, net of allowance for doubtful accounts of \$89 and \$76 as of June 30, 2022 and December 31, 2021, respectively	3,854	1,370
Inventories, net — current	3,275	4,433
Assets held for sale	254	—
Prepaid expenses and other current assets	1,441	900
Total current assets	30,058	35,388
Property and equipment, net	954	2,291
Right of use asset	2,308	3,081
Inventories, net — noncurrent	1,136	2,494
Intangible assets, net	386	484
Other noncurrent assets	166	180
Total assets	\$ 35,008	\$ 43,918
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,391	\$ 3,638
Amounts due to related parties	83	64
Operating lease liability — current	994	1,074
Other current liabilities	272	264
Total current liabilities	4,740	5,040
Operating lease liability — noncurrent	1,500	2,220
Common stock warrant liabilities	—	3,392
Other noncurrent liabilities	2,000	2,070
Total liabilities	8,240	12,722
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Common stock, \$0.001 par value—150,000,000 shares authorized as of June 30, 2022 and December 31, 2021; 22,188,918 and 22,184,235 shares issued and outstanding as of June 30, 2022 and December 31, 2021, respectively	63	63
Additional paid-in capital	277,492	257,515
Accumulated deficit	(250,748)	(226,485)
Total stockholders' equity	26,807	31,093
Non-controlling interest	(39)	103
Total stockholders' equity	26,768	31,196
Total liabilities and stockholders' equity	\$ 35,008	\$ 43,918

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Revenues:				
Product	\$ 2,946	\$ 1,379	\$ 6,116	\$ 2,183
Royalty	50	26	100	51
License	862	—	862	—
Total revenues	3,858	1,405	7,078	2,234
Operating expenses (income):				
Cost of revenues	3,447	1,587	6,906	2,443
Research and development	359	1,131	754	2,290
Gain on sale of Verdeca	(1,138)	—	(1,138)	—
Impairment of intangible assets	72	—	72	—
Change in fair value of contingent consideration	(39)	—	(70)	(140)
Impairment of property and equipment	346	—	346	210
Gain on sale of property and equipment	(58)	—	(386)	—
Selling, general and administrative	4,652	6,370	9,000	10,439
Total operating expenses	7,641	9,088	15,484	15,243
Loss from operations	(3,783)	(7,682)	(8,406)	(13,009)
Interest income (expense)	30	(1)	29	(8)
Other (expense) income, net	(44)	2,759	(3)	10,222
Change in fair value of common stock warrant liabilities	—	(498)	—	(176)
Issuance and offering costs	—	—	(27)	(769)
Net loss before income taxes	(3,797)	(5,422)	(8,407)	(3,740)
Income tax provision	—	—	—	—
Net loss	(3,797)	(5,422)	(8,407)	(3,740)
Net loss attributable to non-controlling interest	(20)	(161)	(142)	(538)
Net loss attributable to common stockholders	<u>\$ (3,777)</u>	<u>\$ (5,261)</u>	<u>\$ (8,265)</u>	<u>\$ (3,202)</u>
Net loss per share attributable to common stockholders:				
Basic and diluted	<u>\$ (0.17)</u>	<u>\$ (0.24)</u>	<u>\$ (0.37)</u>	<u>\$ (0.15)</u>
Weighted-average number of shares used in per share calculations:				
Basic and diluted	<u>22,188,918</u>	<u>21,745,403</u>	<u>22,187,961</u>	<u>21,271,960</u>
Other comprehensive loss, net of tax				
Foreign currency translation adjustment	—	(12)	—	(12)
Other comprehensive loss	—	(12)	—	(12)
Comprehensive loss attributable to common stockholders	<u>\$ (3,777)</u>	<u>\$ (5,273)</u>	<u>\$ (8,265)</u>	<u>\$ (3,214)</u>

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

	Six Months Ended June 30,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (8,407)	\$ (3,740)
Adjustments to reconcile net loss to cash used in operating activities:		
Change in fair value of common stock warrant liabilities	—	176
Change in fair value of contingent consideration	(70)	(140)
Issuance and offering costs	—	769
Depreciation	277	484
Amortization of intangible assets	26	48
Lease amortization	420	639
Impairment of intangible assets	72	—
(Gain) loss on disposal of property and equipment	(386)	135
Stock-based compensation	583	681
Bad debt expense	37	—
Realized gain on corporate securities	—	(10,222)
Impairment of property and equipment	346	210
Write-down of inventories	1,515	983
Changes in operating assets and liabilities:		
Accounts receivable	(2,471)	259
Inventories	1,001	(633)
Prepaid expenses and other current assets	(541)	(938)
Other noncurrent assets	15	(153)
Accounts payable and accrued expenses	(247)	1,083
Amounts due to related parties	19	(47)
Unearned revenue	—	56
Other current liabilities	8	1
Other noncurrent liabilities	(1)	(1)
Operating lease payments	(446)	(590)
Net cash used in operating activities	(8,250)	(10,940)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of property and equipment	841	—
Purchases of property and equipment	(46)	(713)
Acquisitions, net of cash acquired	—	(4,250)
Proceeds from sales and maturities of investments	—	21,845
Net cash provided by (used in) investing activities	795	16,882
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of common stock and warrants from January 2021 PIPE securities purchase agreement	—	25,147
Payments of offering costs relating to January 2021 PIPE securities purchase agreement	—	(1,912)
Principal payments on debt	—	(2,019)
Proceeds from ESPP purchases	4	27
Capital contributions received from non-controlling interest	—	750
Net cash provided by financing activities	4	21,993
Effects of foreign currency translation on cash and cash equivalents	—	(1)
Net (decrease) increase in cash and cash equivalents	(7,451)	27,934
Cash and cash equivalents — beginning of period	28,685	16,043
Cash and cash equivalents — end of period	\$ 21,234	\$ 43,977
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for income taxes	\$ —	\$ 1
Cash paid for interest	\$ 1	\$ 21
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Shares of common stock issued at closing of Arcadia Wellness transaction	\$ —	\$ 2,053
Common stock warrant liabilities reclassified to equity upon adoption of ASU 2020-06	\$ 3,392	\$ —
Common stock warrants issued to placement agent and included in offering costs related to January 2021 PIPE securities purchase agreement	\$ —	\$ 942
Right of use assets obtained in exchange for new operating lease liabilities	\$ —	\$ 913
Proceeds from sale of property and equipment in accounts receivable	\$ 51	\$ —
Purchases of property and equipment included in accounts payable and accrued expenses	\$ —	\$ 58

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