

## **ChromaDex Corporation Reports Second Quarter 2021 Financial Results**

*Tru Niagen® net sales of \$15.4 million for the three months ended June 30, 2021, up 31% from the prior year quarter, with total company net sales of \$17.7 million and gross margin of 61.1% for the quarter.*

LOS ANGELES – ChromaDex Corp. (NASDAQ:CDXC) today announced financial results for the second quarter of 2021.

### ***Second Quarter 2021 and Recent Highlights***

- Total net sales were \$17.7 million, up 16% from the prior year quarter.
- Tru Niagen® net sales were \$15.4 million, a 31% increase from the prior year quarter.
- Gross margin was 61.1%, a 170 basis point increase from the prior year quarter.
- Net loss was \$(5.6) million or \$(0.08) per share, down \$0.02 per share from the prior year quarter.
- Adjusted EBITDA excluding total legal expense, a non-GAAP measure, was a profit of \$0.6 million, a \$0.1 million improvement from the prior year quarter.
- Launched Tru Niagen® in 3,800 Walmart stores across the United States in June.
- Research on nicotinamide riboside (“NR”) continues to expand, with 49 clinical studies currently registered.

“This was an excellent quarter for ChromaDex, financially and strategically,” said ChromaDex Chief Executive Officer, Rob Fried. “We delivered strong growth in our core e-Commerce business as well as with existing partners. We launched Tru Niagen® in Walmart, our first mass retail launch for the brand and delivered our first shipment of Niagen® to a new partner, Ro. We achieved record sales of \$17.7 million and positive Adjusted EBITDA excluding legal of \$0.6 million. I am very proud of our team’s execution and believe our long-term prospects look stronger than ever.”

### ***Results of operations for the three months ended June 30, 2021***

For the three months ended June 30, 2021 (“Q2 2021”), ChromaDex reported net sales of \$17.7 million, up \$2.4 million or 16% compared to the second quarter of 2020 (“Q2 2020”). The increase in Q2 2021 revenues was largely driven by growth in sales of Tru Niagen®, partially offset by lower Niagen® and other ingredient sales.

Gross margin percentage improved by 170 basis points to 61.1% in Q2 2021 compared to 59.4% in Q2 2020. The improvement in gross margin percentage was driven by the positive impact of increased Tru Niagen® consumer product sales and product cost savings initiatives.

Operating expenses increased by \$3.6 million to \$16.4 million in Q2 2021, compared to \$12.8 million in Q2 2020. The increase in operating expenses was driven by \$1.3 million of higher selling and marketing expenses and a \$2.2 million increase in general and administrative expense. The increase in general and administrative expense was primarily driven by \$2.3 million of higher legal expense.

The net loss for Q2 2021 was \$(5.6) million or \$(0.08) per share as reported compared to a net loss of \$(3.7) million or \$(0.06) per share for Q2 2020 as reported. Adjusted EBITDA excluding total legal expense, a non-GAAP measure, was a profit of \$0.6 million for Q2 2021, compared to a profit of \$0.5 million for Q2 2020, a \$0.1 million improvement. See “Reconciliation of Non-GAAP Financial Measures” for a reconciliation of non-GAAP Adjusted EBITDA excluding total legal expense to net loss, the most directly comparable GAAP measure.

For Q2 2021, the net cash outflow from operating activities was \$(7.9) million, compared to \$(1.6) million in Q2 2020.

### **2021 Full Year Outlook**

Looking forward, for the full year, the Company expects continued, steady revenue growth driven by its global e-commerce business, as well as growth with existing and new strategic partners. The Company expects slightly better than 60% gross margin and slightly higher general and administrative expense, excluding severance, restructuring and legal expense, for full year 2021. The Company plans to increase investments and resources to drive brand awareness and accelerate its research and development (R&D) pipeline to capitalize on growth in the nicotinamide adenine dinucleotide (NAD+) market globally. Accordingly, the Company expects higher R&D expense and higher selling and marketing expense as a percentage of net sales year-over-year.

### **Investor Conference Call**

A live webcast will be held Tuesday, August 3, 2021 at 4:30 p.m. Eastern time (1:30 p.m. Pacific time) to discuss ChromaDex’s second-quarter financial results and provide a general business update.

To listen to the webcast, or to view the earnings press release and its accompanying financial exhibits, please visit the Investors Relations section of ChromaDex’s website at <http://investors.chromadex.com>. The dial-in information for this call is 1-833-979-2703 (within the U.S.) and 236-714-2223 (outside the U.S.) with Conference ID: 9972229.

The webcast will be recorded, and will be available for replay via the website through 11:59 p.m. Eastern time on August 10, 2021. The replay of the call can also be accessed by dialing 800-585-8367, using the replay ID: 9972229.

## Important Note on Forward Looking Statements:

This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities and Exchange Act of 1934. Statements that are not a description of historical facts constitute forward-looking statements and may often, but not always, be identified by the use of such words as “expects,” “anticipates,” “intends” “estimates,” “plans,” “potential,” “possible,” “probable,” “believes” “seeks,” “may,” “will,” “should,” “could” or the negative of such terms or other similar expressions. Such statements include the quotation from ChromaDex’s Chief Executive Officer, and statements related to the company’s 2021 financial outlook. More detailed information about ChromaDex and the risk factors that may affect the realization of forward-looking statements is set forth in ChromaDex’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020, ChromaDex’s Quarterly Reports on Form 10-Q and other filings submitted by ChromaDex to the SEC, copies of which may be obtained from the SEC’s website at [www.sec.gov](http://www.sec.gov). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and actual results may differ materially from those suggested by these forward-looking statements. All forward-looking statements are qualified in their entirety by this cautionary statement and ChromaDex undertakes no obligation to revise or update this release to reflect events or circumstances after the date hereof.

## About ChromaDex:

ChromaDex Corporation is a global bioscience company dedicated to healthy aging. The ChromaDex team, which includes world-renowned scientists, is pioneering research on nicotinamide adenine dinucleotide (NAD+), levels of which decline with age. ChromaDex is the innovator behind NAD+ precursor nicotinamide riboside (NR), commercialized as the flagship ingredient Niagen®. Nicotinamide riboside and other NAD+ precursors are protected by ChromaDex’s patent portfolio. ChromaDex delivers Niagen® as the sole active ingredient in its consumer product Tru Niagen® available at [www.truniagen.com](http://www.truniagen.com) and through partnerships with global retailers and distributors. Follow us on Twitter @ChromaDex and subscribe to our latest news via our website accessible at [www.chromadex.com](http://www.chromadex.com) to which ChromaDex regularly posts copies of its press releases as well as additional updates and financial information about the Company.

### ChromaDex Corporation and Subsidiaries Unaudited Condensed Consolidated Statements of Operations

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<i>(In thousands, except per share data)</i>				
Sales, net	17,6	15,28	32,382	29,63
Cost of sales	\$ 99	\$ 7	\$ 12,338	\$ 2
	6,889	6,199	12,338	12,233

Gross profit	<b>10,810</b>	9,088	<b>20,044</b>	17,399
Operating expenses:				
Sales and marketing	<b>6,232</b>	4,959	<b>12,490</b>	9,406
Research and development	<b>1,004</b>	895	<b>1,791</b>	1,704
General and administrative	<b>9,128</b>	6,921	<b>18,679</b>	15,866
	<b>16,364</b>			
Total operating expenses	<b>4</b>	12,775	<b>32,960</b>	26,976
Operating loss	<b>(5,554)</b>	(3,687 )	<b>(12,916 )</b>	(9,577 )
Interest expense, net	<b>(12 )</b>	(24 )	<b>(31 )</b>	(36 )
	<b>(5,566 )</b>	<b>(3,711 )</b>	<b>(12,947 )</b>	<b>(9,613 )</b>
Net loss	<b>\$ 8 )</b>	<b>\$ 1 )</b>	<b>\$ 7 )</b>	<b>\$ 3 )</b>
Basic and diluted loss per share attributable to common stockholders:	<b>(0.08 )</b>	\$ (0.06 )	<b>\$ (0.20 )</b>	\$ (0.16 )
Basic and diluted weighted average common shares outstanding	<b>67,986</b>	60,906	<b>66,086</b>	60,344

See Notes to Consolidated Financial Statements in Part I Item 1 of ChromaDex's Quarterly Report on Form 10-Q to be filed with Securities and Exchange Commission on August 3, 2021.

**ChromaDex Corporation and Subsidiaries**  
**Unaudited Condensed Consolidated Balance Sheets**

**December 31,**  
**June 30, 2021 2020**

*(In thousands except par values, unless otherwise indicated)*

**Assets**

Current assets:

Cash, including restricted cash of \$0.2 million for both periods	<b>\$ 38,778</b>	\$ 16,697
Trade receivables, net of allowances of \$0.1 million and \$0.2 million, respectively; Including receivables from Related Party of: \$2.2 million and \$0.9 million, respectively.	<b>5,999</b>	2,694
Inventories	<b>12,183</b>	11,683
Prepaid expenses and other assets	<b>972</b>	1,145
Total current assets	<b>57,932</b>	32,219
Leasehold improvements and equipment, net	<b>3,150</b>	3,206
Intangible assets, net	<b>961</b>	1,082
Right-of-use assets	<b>3,182</b>	1,226
Other long-term assets	<b>617</b>	625
Total assets	<b>\$ 65,842</b>	\$ 38,358

**Liabilities and Stockholders' Equity**

Current liabilities:

Accounts payable	<b>\$ 9,970</b>	\$ 9,445
Accrued expenses	<b>5,569</b>	6,133

Current maturities of operating lease obligations	<b>467</b>	589
Current maturities of finance lease obligations	<b>13</b>	31
Customer deposits	<b>210</b>	278
Total current liabilities	<b>16,229</b>	16,476
Deferred revenue	<b>4,441</b>	4,441
Operating lease obligations, less current maturities	<b>3,017</b>	997
Finance lease obligations, less current maturities	<b>13</b>	20
Total liabilities	<b>23,700</b>	21,934

#### Commitments and Contingencies

#### Equity

ChromaDex Corporation and subsidiaries stockholders' equity:

Common stock, \$0.001 par value; authorized 150,000 shares; 68,009 shares and 61,881 shares issued and outstanding at June 30, 2021 and December 31, 2020, respectively.	<b>68</b>	62
Additional paid-in capital	<b>196,848</b>	158,190
Accumulated deficit	<b>(154,772 )</b>	(141,825 )
Cumulative translation adjustments	<b>(2 )</b>	(3 )
Total stockholders' equity	<b>42,142</b>	16,424
Total liabilities and stockholders' equity	<b>\$ 65,842</b>	\$ 38,358

See Notes to Consolidated Financial Statements in Part I Item 1 of ChromaDex's Quarterly Report on Form 10-Q to be filed with Securities and Exchange Commission on August 3, 2021.

### ChromaDex Corporation and Subsidiaries Unaudited Reconciliation of Non-GAAP Financial Measures

#### Adjusted EBITDA

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
<i>(In thousands)</i>					
Net loss, as reported	(5,56 \$ 6 )	\$ (7,381)	\$ (6,097)	(4,21 \$ 5 )	(3,71 \$ 1 )
<i>Adjustments:</i>					
Interest expense, net	12	19	16	19	24
Depreciation	226	221	219	220	218
Amortization of intangibles	61	60	61	60	60
Amortization of right of use assets	128	126	115	97	95
Share-based compensation	1,616	1,284	1,778	1,574	1,711
Severance and restructuring	13	(10 )	329	224	284
Adjusted EBITDA	(3,51 \$ 0 )	\$ (5,681)	\$ (3,579)	(2,02 \$ 1 )	(1,31 \$ 9 )
Total legal expense	4,150	5,010	2,468	1,896	1,844
Adjusted EBITDA excluding total legal expense	\$ 640	\$ (671 )	\$ (1,111)	\$ (125 )	\$ 525

## **Non-GAAP Financial Information:**

ChromaDex discloses adjusted EBITDA excluding (a) interest, (b) depreciation, (c) amortization, (d) non-cash share-based compensation costs, (e) severance and restructuring expense and (f) total legal expense. ChromaDex uses this non-GAAP measure when evaluating its financial results as well as for internal resource management, planning and forecasting purposes. ChromaDex believes the presentation of its non-GAAP financial measure provides important supplemental information to management and investors and enhances the overall understanding of the company's historical and current financial operating performance. The company believes disclosure of adjusted EBITDA has substance because the excluded expenses are infrequent in nature, are variable in nature or do not represent current cash expenditures. Non-GAAP measures should not be viewed in isolation from or as a substitute for ChromaDex's financial results in accordance with GAAP.

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## **Investor Relations**

Brianna Gerber

Vice President of Finance and Investor Relations

949-419-0288 ext. 127

briannag@chromadex.com

## **Media Relations**

Alex Worsham

Vice President of Global Marketing & Communications

310-388-6706 ext. 689

alexw@chromadex.com