March 30, 2020

Cardax Reports 2019 Annual Results

- CHASE clinical trial interim review demonstrated beneficial changes in markers of cardiovascular health

- Composition of matter patent for CDX-101 filed to extend patent coverage to 2040

- ZanthoSyn® sales rebound in the second half of 2019 with stronger correlation of sell-in/sell-through patterns

- $3,360,000 raised in 2019

HONOLULU, March 30, 2020 /PRNewswire/ -- Cardax, Inc. (OTCQB:CDXI) reported its 2019 results. Highlights:

CHASE Clinical Trial. On September 23, 2019, the Companyannounced findings from the pre-specified interim review of its ongoing CHASE (**C**ardiovascular **H**ealth **A**staxanthin **S**upplement **E**valuation) clinical trial. The CHASE clinical trial is a double-blind, randomized, placebo-controlled clinical trial evaluating the effect of the Company's astaxanthin dietary supplement ZanthoSyn®, on cardiovascular health, as measured by C-Reactive Protein or "CRP" levels in subjects with documented cardiovascular risk factors. Pre-specified secondary cardiovascular and inflammatory health markers, safety parameters, exploratory endpoints, and pre-specified sub-groups are also being assessed.

The interim review included several key cardiovascular health markers: CRP, triglycerides, total cholesterol, LDL cholesterol, oxidized LDL cholesterol, and blood pressure. The results demonstrated pleiotropic effects and excellent safety, which the Company believes provide further mechanistic support for its astaxanthin pharmaceutical development program, the basis for additional patent filings, and support for the cardiovascular health benefits of ZanthoSyn.*

The CHASE clinical trial recently suspended recruitment of new subjects and study visits for existing subjects due to the coronavirus disease 2019 (COVID-19) pandemic and the related governmental "stay-at-home" orders. The Company expects to resume clinical trial operations when permissible and safe to proceed.

Intellectual Property. The Company filed additional patents in 2019 that if issued would extend its patent coverage to 2040 for the composition of matter of CDX-101, the Company's lead pharmaceutical candidate, and 2039 for certain cardiovascular uses based on the CHASE clinical trial results.

ZanthoSyn® Net revenues rebounded with $500,586 in the second half of 2019 compared to $210,363 in the first half of the year. The rebound was primarily driven by a stronger

correlation of inventory sell-in/sell-through patterns by the Company's largest customer, General Nutrition Corporation ("GNC"). *("Sell-in" is defined as wholesale orders of ZanthoSyn® by GNC. "Sell-through" is defined as retail sales of ZanthoSyn® to GNC customers.)*

Financial Results. The Company raised financing of $3,360,000 in 2019 vs. $1,244,037 (net) in 2018 using a combination of convertible notes, equity units (stock and warrants), and loans, the proceeds of which were used for general working capital and to fund research, development, and clinical programs.

Net losses increased to $5,093,037 in 2019 from $4,024,222 in 2018 primarily due to non-cash expenses related to convertible notes issued in 2019, including interest expenses and changes in derivative liability amounts. The loss from operations of $4,077,103 in 2019 was nearly unchanged from $4,022,495 in 2018.

Net revenues decreased to $710,949 in 2019 vs. $1,510,875 in 2018 primarily due to the decrease in GNC replenishment orders of ZanthoSyn® in the first half of 2019 following larger stocking orders in 2018. Inventory sell-in/sell-through patterns were more strongly correlated in the second half of 2019.

Subsequent Events. Cardax released a white paper and accompanying press release on March 20, 2020 outlining the potential role of astaxanthin in the treatment of COVID-19 and is seeking strategic collaborations to further develop astaxanthin for COVID-19, including clinical trials. A provisional patent covering this use was also filed.

The Company believes that its financing, including any public or private offerings, and revenues may be affected in 2020 by the COVID-19 pandemic, although the extent of the impact is uncertain at this time.

Cardax raised $770,000 in Q1 2020, of which $150,000 was used to pay off a convertible note due in March 2020, and the balance is being used for general working capital.

"We believe the encouraging CHASE trial interim results and our new patent filings were important accomplishments in 2019. These milestones reflect the successful execution of key parts of our strategy to create value around our pharmaceutical development programs," said David G. Watumull, Cardax CEO. "On the consumer side of the business, we were glad to see the rebound in ZanthoSyn® sales in the second half of 2019."

Please refer to the Annual Report on Form 10-K filed by the Company for additional information.

About Cardax
Cardax is a development stage biopharmaceutical company primarily focused on the development of pharmaceuticals for chronic diseases driven by inflammation. The Company also has a commercial business unit that markets ZanthoSyn®, a physician recommended astaxanthin dietary supplement for inflammatory health.* CDX-101, the Company's astaxanthin pharmaceutical candidate, is being developed for cardiovascular inflammation and dyslipidemia, with a target initial indication of severe hypertriglyceridemia. CDX-301, the Company's zeaxanthin pharmaceutical candidate, is being developed for macular degeneration, with a target initial indication of Stargardt disease. The Company's

pharmaceutical candidates are currently in pre-clinical development, including the planning of IND enabling studies. The safety and efficacy of the Company's pharmaceutical candidates have not been directly evaluated in clinical trials or confirmed by the FDA.

Media and Investors
Janice Kam
1-808-457-1400
press@cardaxpharma.com

Safe Harbor
This release may contain certain forward-looking statements regarding our prospective performance and strategies within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purposes of said safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies, and expectations of our company, are generally identified by use of words "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "seek," "strive," "try," or future or conditional verbs such as "could," "may," "should," "will," "would," or similar expressions. Our ability to predict results or the actual effects of our plans or strategies is inherently uncertain, including without limitation the effects that COVID-19 may have on our financing, sales, or any other aspect of our business, financial condition, or results of operations. Accordingly, actual results may differ materially from anticipated results. Some of the factors that could cause our actual results to differ from our expectations or beliefs include, without limitation, the risks discussed from time to time in our filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Except as required by applicable law or regulation, we undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.

*** These statements have not been evaluated by the Food and Drug Administration.**
This product is not intended to diagnose, treat, cure, or prevent any disease.

View original content to download multimedia:http://www.prnewswire.com/news-releases/cardax-reports-2019-annual-results-301031461.html

SOURCE Cardax, Inc.