April 15, 2021

Cardax Reports 2020 Results

- Net loss and operating expenses decreased vs. 2019

- ZanthoSyn® revenues decreased vs. 2019

- Company pursuing multiple funding opportunities

- CHASE study recruitment suspended due to COVID-19

- COVID-19 clinical trial grant application progresses

HONOLULU, April 15, 2021 /PRNewswire/ -- Cardax, Inc. (OTCQB:CDXI) reported its 2020 results. Highlights:

Financial Results. Net loss for 2020 decreased from $5,093,037 in 2019 to $5,055,507 in 2020. Operating expenses decreased from $4,442,659 in 2019 to $3,405,452 in 2020, primarily due to reduced professional fees, research & development, salaries & wages, and selling, general, & administrative expenses. Other expenses increased from $1,015,934 in 2019 to $1,992,871 in 2020, primarily due to non-cash debt discounts related to outstanding convertible notes.

ZanthoSyn® Sales. Cardax net revenues from ZanthoSyn®, the Company's astaxanthin dietary supplement, decreased from $710,949 in 2019 to $538,946 in 2020, resulting primarily from reduced orders by the Company's largest customer, General Nutrition Corporation ("GNC"). The Company believes the reduction in orders as well as a decrease in sell-through at GNC stores was driven by GNC's Chapter 11 bankruptcy filing in June 2020 as well as COVID-19 related impacts on GNC store sales. GNC emerged from bankruptcy in October 2020 and has resumed orders of ZanthoSyn®.

Funding Activities. Cardax raised $2,515,300 in 2020, primarily through notes and convertible notes, compared to $3,360,000 in 2019. The Company repaid outstanding notes in the amount of $579,228 in 2020. The remainder of the proceeds was used for general corporate purposes.

Funding Opportunities. The Company is seeking financing for development of CDX-101, the Company's lead pharmaceutical candidate, as well as creation of additional sales channels for ZanthoSyn®. The Company is actively engaged in discussions with multiple funding sources, but there can be no assurance that any such financing transaction will be completed on acceptable terms, or at all.

CHASE Study. The Cardiovascular Health Astaxanthin Supplement Evaluation ("CHASE") study is the Company's randomized, double-blind, placebo-controlled trial evaluating the cardiovascular health benefits of ZanthoSyn® in subjects with documented cardiovascular

risk factors. In March 2020, Cardax suspended recruitment of new subjects and study visits for existing subjects due to the COVID-19 pandemic and the related governmental "stay-at-home" orders. Recruitment and study visits remain suspended at this time.

Clinical Trial Grant Application. At the invitation of a federal government agency, Cardax submitted a grant application in July 2020 for a proposed multi-center, randomized, double-blind, placebo-controlled human clinical trial to assess the time to recovery and other endpoints in hospitalized COVID-19 patients aged 65 and older. The proposed test agent is the same form of astaxanthin utilized in ZanthoSyn® but would be studied at a higher dose as an investigational new drug.

The scientific rationale for testing astaxanthin in this indication is based on its potential to safely boost the immune system and reduce the extreme inflammatory response and oxidative stress that may lead to severe respiratory and coagulation complications in COVID-19 patients.

The clinical trial grant application was reviewed by the agency in August 2020 and an updated grant application based on this feedback was submitted in January 2021 with the next review expected in Q2 2021. The Company does not yet know if the grant will be funded or the timing or amount of a funding award, if any.

COVID-19 Impact. The Company believes that its operations, including revenues and any public or private offerings, will continue to be affected by the ongoing COVID-19 pandemic, although the extent of the impact is uncertain at this time. The Company would again like to thank its shareholders, employees, contractors, advisors, and professional service providers for their efforts during these difficult times.

"The financing environment for biopharma companies appears favorable and we are in active discussions with multiple funding sources to advance our business strategy," said David G. Watumull, Cardax CEO. "GNC's emergence from bankruptcy and the resumption of ZanthoSyn® orders are also important developments."

"We also look forward to the review of our invited COVID-19 clinical trial grant application given our belief that astaxanthin has a strong scientific basis for evaluation as an investigational new drug in a rigorous clinical trial," Mr. Watumull added.

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

About Cardax
Cardax is a biopharmaceutical company primarily focused on the development of pharmaceuticals for 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. CDX-101 and CDX-301 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.

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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 potential to be awarded any grant funding as described in this release as well as 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.

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