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Earnings Call

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Presentation

Operator

Ladies and gentlemen, thank you for standing by, and welcome to Niagen Bioscience, Inc. Fourth Quarter of 2025 Earnings Conference Call. My name is Tiffany, and I will be the conference operator today. [Operator Instructions] And as a reminder, this conference call is being recorded.

This afternoon, Niagen Bioscience issued a news release announcing the company's financial results for the fourth quarter of 2025. If you have not reviewed this information, both are available within the Investor Relations section of Niagen Bioscience website at www.niagenbioscience.com.

I would now like to turn the conference call over to Kendall Knysch, Senior Director of Publicity and Public Relations. Please go ahead, Ms. Knysch.

Kendall Knysch

Head of Media Relations & Partnerships

Thank you. Good afternoon, and welcome to Niagen Bioscience Inc.'s Fourth Quarter of 2025 Results Investor Call. With us today are Niagen Biosciences' Chief Executive Officer, Rob Fried; Chief Financial Officer, Ozan Pamir; and Senior Vice President of Scientific and Regulatory Affairs, Dr. Andrew Shao.

Today's conference call may include forward-looking statements, including statements related to the company's research and development and clinical trial plans and the timing and results of such trials, the timing of future regulatory filings, the expansion of the sale of Niagen products and ingredients in new markets, business development opportunities, future financial results, cash needs, operating performance, investor interest and business prospects and opportunities as well as anticipated results of operations.

Forward-looking statements represent only the company's estimates on the date of this conference call and are not intended to give any assurance as to actual future results. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties. Many factors could cause Niagen Biosciences actual activities or results to differ materially from the activities and results anticipated in forward-looking statements.

These risk factors include those contained in Niagen Biosciences' annual report on Form 10-K most recently filed with the SEC, including results of operations, financial condition, cash flows as well as global market and economic conditions on our business. Please note that the company assumes no obligation to update any forward-looking statements after the date of this conference call to conform with the forward-looking statements' actual results or to changes in its expectations.

In addition, certain financial information presented in this call references non-GAAP financial measures. The company's earnings presentation and earnings press release, which were issued this afternoon and are available on the company's website, present reconciliations to the appropriate GAAP measures.

Finally, this conference call is being recorded via webcast. The webcast will be available at the Investor Relations section of our website at www.niagenbioscience.com.

With that, it is now my pleasure to turn the call over to our Chief Executive Officer, Rob Fried.

Robert N. Fried

CEO & Director

Thank you, Kendall. Good afternoon, everyone, and thank you for joining us on today's investor call. We delivered another quarter of strong financial performance. In the fourth quarter, revenue was \$33.8 million, growing 16% year-over-year with net income of \$4.1 million. So for the full year of 2025, we delivered \$129.4 million in net revenue, representing 30% growth year-over-year and net income for the year of \$17.4 million. We ended the year with \$64.8 million in cash and no debt.

I'm very proud of what the Niagen Bio team accomplished in 2025. We began the year with an initial top line guidance of 18% growth and finished the year at 30%, and we dramatically exceeded expectations on the bottom line as well. But most importantly, we're well positioned to deliver a great 2026. There are some challenges. There's increased competition in this fast-growing NAD space, a space that is only hitting the tip of the spear, but we have spent many years laying a strong foundation. We have the expertise. We have the intellectual property. We have the relationships and we have the trusted brand. We're ready to build on this foundation.

The most critical element of this foundation is our science. Niagen Bioscience continues to be the undisputed global leader in NAD science. Since our last earnings call, a total of 29 studies involving nicotinamide riboside were published. 8 of these studies were clinical studies. So I've asked Dr. Andrew Shao, Senior VP of Global Scientific and Regulatory Affairs to summarize some of these studies on this call.

Of note is a study out of Finland that showed NR supplementation slowed biological aging according to several epigenetic clocks. Also a comparison study from Dr. Tzoulis in Norway between NR and NMN that showed significant superiority of NR. We're seeing some consistent trends in these studies that show fatigue to be a consistent positive functional benefit from NR, as was displayed in the recent Harvard long COVID study. Some of these studies did not show a clear benefit such as the NOPARK Parkinson's study, but still provide great learnings for future research. We can see how elevating NAD with Niagen improves people's lives. And we will continue to further our understanding of how it works, when it works and how to best deliver it.

Another important component of our foundation is Niagen Plus. Last week, we announced that the company secured a patent that covers the methods of use of NR and derivatives in intravenous and injectable formulations. There is great opportunity for Niagen Plus. We're now present in over 1,200 health clinics and will be adding doctors' offices and med spas this year.

Now those locations mostly offer Niagen IV, but we plan to launch our Niagen Plus branded at-home injection kits through our own telehealth platform during the first half of 2026. And we hope to partner with other telehealth providers to distribute our at-home Niagen Plus injection kits later in the year.

We also plan to expand our presence in the beauty, cosmetics market this year. Following the successful launch of Tru Niagen Beauty in late 2025, we've developed topical products featuring Niagen. In addition to our own Tru Niagen branded topical products, we're in discussions with large cosmetics companies for Niagen ingredient partnerships. And I hope to share more about these partnerships in the near future.

As mentioned on the previous earnings call, last September, the FDA reversed its prior determination that NMN could not be lawfully marketed as a dietary supplement. This decision by the FDA has been met with confusion within the industry as the agency did not provide a clear rationale for its seemingly arbitrary reversal. Earlier this year, we commenced litigation in federal court in Washington, D.C., challenging the FDA's reversal. We believe we have a strong case. And as a reminder, all NMN sellers in the market are at their own risk as they are all infringing on existing patents that cover the commercially available forms of NMN.

Last December, we announced the acquisition of existing patents for multiple NR salt forms, including NR maleate and NR tartrate and other NR derivatives. This consolidation of core intellectual property not only provides protection to Niagen in the marketplace, but also provides the company with enhanced flexibility and control over our portfolio to advance innovation in NAD science. And we continue to work with our NAD precursor portfolio for pharmaceutical applications in orphan indications, particularly ataxia telangiectasia. We've identified NB-4168 as our lead development small molecule candidate for AT. We intend to continue to make strategic R&D investments to further characterize NB-4168 with the long-term objective of advancing towards regulatory approval. Potential value creation pathways for this asset include a spinout transaction or an out-licensing partnership. We'll continue to update shareholders as we achieve key development milestones.

And last month, we announced the sale of the ChromaDex Reference Standards business. This divestiture further streamlines Niagen's operations, advances the company's strategy to exit non-core activities and focuses resources on NAD science, intellectual property and commercial growth. NAD+ remains at the

forefront of health and longevity discussions with continued coverage across mainstream press, health care practitioner channels and general discourse with consumers from social media platforms. NAD is not just a trend or a fad, it is a fundamental component to cellular health and overall healthy aging.

While awareness of the benefits of NAD is expanding, we believe that the category has not yet reached its tipping point. As I repeated in the past, NAD itself, the molecule NAD, in any form of administration has not proven to directly and effectively boost NAD levels. Individuals require an NAD precursor to properly boost NAD levels, and Niagen remains the gold standard for NAD precursors and remains the most trusted and clinically and scientifically validated solution to effectively raise NAD levels.

As the leader in this space, we will continue to stand by our scientific research to drive innovation and I look forward to future announcements of new ways and new products for Niagen to benefit everyone's lives.

And I would now like to hand the call over to Andrew to provide an update on the scientific research, Ozan will then run through the financial performance in greater detail, our outlook and we will then end on Q&A and closing remarks. Andrew?

Andrew Shao

Senior Vice President of Global Regulatory & Scientific Affairs

Thank you, Rob. It is my pleasure to address our investors, partners and employees and provide an update on the state of NAD science. As the leader in NAD science, Niagen Bioscience is committed to remaining the global scientific authority on NR and NAD research. I'm pleased to share some of the exciting results from newly published studies since our last update.

On our last earnings call, Bob briefly touched on the completion of a study involving individuals with long COVID conducted by Mass General Hospital. The study published in the November issue of The Lancet eClinicalMedicine, demonstrated NR supplementation resulted in significant within group improvements in executive functioning, fatigue severity, sleep quality and depressive symptoms. These findings highlight the therapeutic potential for those that are impacted by long COVID, but also reflect promising benefits of NR supplementation for general challenges such as fatigue, sleep and depression.

Regarding Parkinson's disease, as Rob mentioned in his remarks, the NOPARK study did not achieve its primary end point. We've been in close contact with the investigators from Haukeland University Hospital in Bergen, Norway, led by Dr. Charalampos Tzoulis, we, together with Dr. Tzoulis, believe when it comes to Parkinson's, the benefit of NAD augmentation with NR may be best applied prior to disease and treatment onset. In other words, as a preventative. We plan to collaborate with Dr. Tzoulis to examine the preventative effects of NR and its mechanism related to Parkinson's, through a new partnership we will announce soon. In the meantime, Dr. Tzoulis is continuing his research on the therapeutic effects of NR in Parkinson's and other neurodegenerative conditions, including ALS and MS.

In January, a clinical study published in the prestigious journal cell assess the pharmacokinetics and systemic and brain impact of oral supplementation of NAD precursors, including a head-to-head comparison of Niagen and NMN. One of the key findings was that Niagen produced approximately a twofold greater increase in blood NAD levels compared to NMN even after accounting for the molecular way difference, underscoring the superiority of Niagen. Another study released in January assessed the impact of NR supplementation and high-intensity interval exercise training on epigenetic age acceleration in human blood and skeletal muscle using a collection of different biological clocks.

Interestingly, results showed that Niagen reduced epigenetic aging while high-intensity interval training resulted in increased epigenetic age metrics. The findings suggest that NR supplementation and exercise may differentially modulate the aging at the genome and that metabolic interventions and intense physical activity may have distinct impact on muscle aging biology. Two recent preclinical publications highlighted NR's positive effect on brain health.

First, in November, a preclinical study investigated the impact of NR supplementation on cognition, neuroinflammation and microglial cell metabolism in groups of young and old mice. Results showed NR supplementation in the old mice prevented cognitive decline, improved memory, reduced

neuroinflammation and shifted microglial metabolism toward that of a young mouse. A second preclinical study published in February in the Journal Brain used both nematode and mouse Alzheimer's models to assess the upregulation and activation of an important transcription factor linked to Alzheimer's disease progression known as REST. The study found that increasing NAD levels through NR administration, increased rest expression and activity, which led to improved mitophagy and synaptic function and in the case of the nematode models, extended lifespan. Collectively, these preclinical studies help to elucidate the mechanisms behind the therapeutic effect of boosting NAD through NR in the brain.

In February, a study demonstrated that maternal supplementation improved gestation, litter weaning weight, weight gain and improved milk yield and composition among other beneficial effects in [mouse]. These findings are remarkably consistent with those first published in 2019 by Dr. Brenner, our Chief Science Adviser, who showed similar effects in rats. We eagerly await the results of an ongoing clinical study being conducted at UC Davis examining the effect of Niagen supplementation on lactation in mothers who have given premature birth.

In preparation for the launch of Niagen injection, we've just completed a clinical trial investigating the safety and efficacy of intramuscular and subcutaneous injection. Both modes of administration were demonstrated to be safe and were associated with reduced fatigue improved quality of life, trends toward improved sleep and lower oxidative stress. Another recent clinical study conducted by our partners at Restore Hyper Wellness compared Niagen IV and NAD IV in a head-to-head study to assess infusion time, tolerability, safety markers and metabolic outcomes. The study published in the Journal Frontiers in aging revealed that Niagen IV was far better tolerated and required only 1/3 of the infusion time versus NAD IV, findings consistent with our own Niagen IV versus NAD IV clinical study.

Furthermore, Niagen IV resulted in a small but statistically significant reduction in HbA1c, the biomarker of diabetes, whereas the NAD IV group showed a small but significant reduction in HDL or good cholesterol. With now two independent head-to-head studies, the results are clear. Niagen IV is far superior to NAD IV. Nonetheless, we will continue to expand the evidence base around Niagen Plus and plan to conduct larger, longer-term studies to replicate and expand upon these results.

In summary, Biogen Bioscience continues to advance NR and NAD research, and doing so with responsibility and integrity. The growing body of clinical research supports the potential therapeutic benefits of NR administration, and I look forward to potentially sharing more results in future updates.

With that, I'll pass the call over to Ozan. Ozan?

Ozan Pamir

CFO & Principal Accounting Officer

Thank you, Andrew, and thank you to our investors, partners and team members for joining us today. It is a pleasure to speak with you and to present yet another quarter of outstanding results. As Rob highlighted, 2025 was another strong year for Niagen Bioscience, as the company delivered on its latest financial outlook across all metrics. The results of the fourth quarter and the full year is a reflection of our team's dedication to delivering shareholder value by advancing strategic initiatives, and maintaining Niagen Bioscience's position as the gold standard in NAD science.

For the full year, we delivered \$129.4 million in net sales, up 30% year-over-year, which is well ahead of the 18% growth we guided to at the start of the year. Gross margin came in at 64.3%, reflecting improvements in operational efficiency. On the expense side, we continue to scale with discipline. Selling and marketing expense improved by approximately 220 basis points as a percentage of net sales year-over-year, while R&D investments increased by \$300,000.

General and administrative expense was up \$8.7 million year-over-year, primarily driven by an increase in employee-related expense and stock-based compensation of \$3.8 million, increase in consulting fees of \$1.5 million and higher royalty expense of \$2.9 million due to the absence of a \$3.5 million reversal of previously accrued royalties and license maintenance fees which occurred in the prior year.

Under operating income, we also recognized a \$2 million gain on settlement of royalty obligations in connection with our agreement with Queen's University Belfast. Net income for the year was \$17.4 million compared to \$8.6 million in fiscal year 2024, and we generated \$13.5 million of cash from operations.

Lastly, adjusted EBITDA for the year was \$20.4 million, an \$11.9 million improvement compared to fiscal year 2024. Our revenues in the fourth quarter of 2025 were \$33.8 million, a \$4.7 million or a 16% increase from the same period last year. That growth was led by Tru Niagen where revenue grew by 21% to \$27.5 million, a \$4.8 million increase. The primary driver was e-commerce, which generated \$20.2 million, up 17% or \$2.9 million.

On the ingredient side, Niagen ingredient revenue was \$5.6 million, up 5% or \$300,000 year-over-year. And within that, we delivered \$4.7 million in food grade Niagen sales along with \$900,000 in pharma-grade Niagen sales. In the fourth quarter of 2025, revenue from our B2B distribution partners totaled \$7.3 million, driven by contributions from existing and newly established strategic partnerships such as the one Rob mentioned earlier.

Although we continue to anticipate quarterly fluctuations in sales to Watsons, we expect the partnership to remain an important component of our broader distribution network as we partner closely with Watsons on strengthening Tru Niagen's brand presence in Hong Kong and expanding into additional Asia Pacific markets.

Gross margin improved to 64.1% in the fourth quarter, up 160 basis points compared to 62.5% a year ago. That expansion was driven mainly by a more favorable product mix, along with the benefit of selling through lower cost inventory.

Selling and marketing expense was 30.8% of sales in the fourth quarter compared to 29.9% in Q4 2024. This reflects our continued targeted investments to build global brand awareness while staying disciplined and focused on operational efficiency.

Research and development expense was \$1.7 million, up \$400,000 year-over-year. Scientific integrity remains the cornerstone of our company, and we continue to invest strategically to deepen the clinical evidence behind Niagen and support innovation in the NAD industry.

General and administrative expense was \$7.5 million, an increase of \$6.4 million versus last year. The primary drivers were the absence of a \$3.5 million reversal of previously accrued royalties and license maintenance fees, along with higher share-based compensation expense.

And finally, our net income for the quarter was \$4.1 million or \$0.05 per share, another profitable quarter to close out the year and a clear reflection of our continued focus on disciplined execution.

Turning to the balance sheet and cash flow. Our balance sheet continues to strengthen. On the back of this year's growth, we ended the year with \$64.8 million in cash and no debt, reinforcing the financial flexibility and stability of our business. For full year 2025, net cash provided by operations was \$13.5 million compared to \$12.1 million in the prior year. The year-over-year improvement was mostly driven by an \$8.8 million improvement in net income along with several favorable shifts in operating activities compared to the prior year period. Specifically, we saw higher accounts payable and prepaid expenses, improved collections on trade receivables, higher share-based compensation and the absence of last year's reversal of previously accrued royalties and license maintenance fees.

Those benefits were largely offset by growing inventory levels to support the scaling of our business, which were significantly depleted at the beginning of 2025. As Rob mentioned earlier, last week, we announced the sale of the ChromaDex reference standard business in a \$6 million all-cash transaction adjusted for working capital. This was a non-core legacy business that generated approximately \$3 million in 2025 and was not a profit center. This divestiture is a meaningful step for Niagen Bioscience to streamline and focus operations on advancing NAV science, which should result in efficiencies in our resources and capital allocation and a boost in our cash reserves.

Finally, I will close with our full year 2026 outlook. Detailed information on key financial metrics can be found in our earnings press release and presentation. Starting with net sales, for full year 2026, we're

projecting between 10% to 15% growth year-over-year, excluding revenue attributable to the Analytical Reference Standards & Services segment. This outlook reflects continued scaling of our e-commerce business, growth from our established partnerships and additional upside from new partnerships and sales channels.

We anticipate a slight improvement in gross margin as we continue to benefit from improvements in our supply chain and product mix.

Selling and marketing expenses are expected to increase in absolute dollars but remained stable as a percentage of net sales, which was 27.4% in 2025. This demonstrates our continued focus on strategic investments to drive brand awareness and support the launch of new channels and verticals while maintaining optimized and efficient spend in customer acquisition.

R&D expenses are also expected to increase in absolute dollars driven by incremental investments in pharmaceutical development and external and research initiatives to advance product development and innovation.

And lastly, general and administrative expenses are expected to increase by approximately \$4 million to \$5 million in absolute dollars year-over-year. This increase is primarily driven by investments in infrastructure to support scalable growth and increased share-based compensation expense.

To conclude, 2025 marked another year of disciplined execution and meaningful progress. I am proud of the focus and dedication our team showed in delivering on key initiatives, work that continues to strengthen Niagen Biosciences position as the leader in the rapidly expanding global NAD market. Their efforts reinforced our operational foundation advanced strategic priorities and positioned us for long-term success. With this momentum, we're entering 2026 with confidence as we continue executing our vision and deliver lasting value to our stakeholders.

Operator, we're now ready to take questions.

Question and Answer

Operator

[Operator Instructions] Your first question comes from the line of Jeffrey Cohen with Ladenburg Thalmann.

Jeffrey Scott Cohen

Ladenburg Thalmann & Co. Inc., Research Division

So I guess, firstly, to jump into the injections. So I think you have one SKU now for the IV bags and injections to come. What are you expecting on number of SKUs? Or would that be just one? And initially on your own telehealth platform? And then on the back half of the year, you're expecting to get on to other platforms? And talk about the audience there as well being the overlap with the current clinics?

Robert N. Fried

CEO & Director

We will initially have just one SKU. We think that the market, the audience as it were, for the product will initially be the biohacker community, the people that are especially excited about longevity interventions, people that are presently doing peptides. We think it will grow to expand to include some people who are doing presently GLP-1 agonists. We think there's a market out there for people who are interested in self-injecting for -- to stay thinner, might also be interested in self-injecting to stay younger. The initial product will be a syringe and we'd be separating the powder from the liquid. So it's a slightly complicated process. So the more sophisticated people that are more used to this process will be the early adopters. Eventually, it will be in a pure liquid form and will be a much simpler process. And even after that will be a pen that looks much more like the GLP-1 pens.

In terms of the overlap with the clinics, well, the price point is significantly different and the dosage is significantly different. The clinics are mostly giving 500 milligrams to a full gram in one session. These will be 100-milligram injections initially and people will do it a few days or 3 days per week. So we think it's slightly different audience in terms of dosage. And then in terms of price point, we expect that the injections, the shops will be less than half the price as the current -- than the IV.

Now on the other hand, the IVs in some ways, because it doesn't -- because it's not subcu, it's directly into the blood stream are even more effective. So that's how we differentiate those two products. Andrew, is there anything else you want to add to that?

Andrew Shao

Senior Vice President of Global Regulatory & Scientific Affairs

I think you covered it, Rob.

Jeffrey Scott Cohen

Ladenburg Thalmann & Co. Inc., Research Division

And then just one follow-up. Could you talk about your guidance, I guess, briefly, right, you did call out last year that your guidance started out in the high teens and literally double as the year went on. So is this kind of cautionary guidance to get started on the year subject to revisions down the road? Or is this something that you feel pretty strong about the full year?

Robert N. Fried

CEO & Director

I would say the former more than the latter. I think we've been pretty consistent over the years. We don't want to hype the company or hype the stock. We want to be conservative in our approach and circle revenue that we have a high degree of confidence in. Remember, a big part of our business also is B2B, where we supply the ingredients, and that's far less predictable than the straight e-commerce business as it were.

Operator

Your next question comes from the line of Susan Anderson with Canaccord Genuity.

Susan Kay Anderson

Canaccord Genuity Corp., Research Division

Maybe if you could kind of parcel out, I guess, what you're seeing as the growth drivers for this year between, I guess, the original in our supplement and also the IV and then also the new products that you're rolling out, such as like the beauty supplement.

Robert N. Fried

CEO & Director

In terms of growth?

Susan Kay Anderson

Canaccord Genuity Corp., Research Division

Correct. Yes. And then also just any new channel distribution you're expecting to go into?

Robert N. Fried

CEO & Director

Yes. We do -- the latter portion first. We do expect to expand the distribution channels. We will be expanding into certain selective retail channels and even by the end of the year, we might even broaden that further. We are expanding also internationally into some territories, particularly in Asia and perhaps in the EU. In terms of the growth products, of course, awareness for Niagen and Tru Niagen continues to grow. So we think there's just basic organic growth. As more and more people write about Niagen Bioscience as a company and Tru Niagen as the products and we continue to conduct these studies and go on podcasts. And there seems to be a general acceptance amongst those that do the research that we are the reliable brand, the reliable company and the experts in the space. So we do see just steady consistent growth in our -- with the existing Tru Niagen products in the existing channels. But it's difficult to know how much the cosmetics products and the IV and the injection products will grow, so we're endeavoring to give conservative assumptions there. Until we're out there and we see how the market reacts to it, we don't really know yet. But of course, the upside potential is fairly significant, we think. And we just don't really yet know how it's going to break down.

Susan Kay Anderson

Canaccord Genuity Corp., Research Division

Okay. Great. That's helpful. And then maybe you mentioned just increased competition in the space with NMN now. I guess, what do you guys -- you talked about getting out there on podcast and stuff. I guess what are you guys doing this year to kind of get the message out there to consumers, maybe getting them to switch over to your product versus a different product that they're taking right now?

Robert N. Fried

CEO & Director

Well, of course, we have the best product. I mean, the ingredient that we sell is the most effective. Our quality team is the best quality team, the way we operate the business, and we have a high degree of confidence as do most people in the industry know that the best way, safest way, the most tested way, the most informed company to elevate NAD levels is to take Niagen or Tru Niagen. We do see increased competition. NMN did get reversed by the FDA, their ruling. We think there's a good chance they're going to re-reverse that decision in the coming year. And of course, all those NMN products are infringing on patents. So the only companies you're seeing selling NMN are companies who never really cared about the FDA ruling in the first place and now don't really care much about the patent rules. But it is increased advertising that you're seeing. Most of that NMN is cannibalizing NAD itself. These are companies that were selling NAD as a molecule in a bottle, which doesn't work at all. It's not bioavailable, doesn't elevate NAD. So what we're seeing is transfers from NAD selling over to NMN zone. But our view on it is pretty

much the same as it was when NAD was growing, which is it only helps increase the market. We'd rather have 20% of \$10 billion than 50% of \$500 million. They're advertising it. Many of them get it wrong, they make false claims, but many of them get it right, and they're explaining to people that elevating NAD is good for your health, especially as you age or as you heal. And the more you research, the more you realize that the best way to manage it is with Niagen or Tru Niagen.

Yes. We think what we've seen is that when people sometimes they'll start out by taking NAD or NMN or NMNH or something that the low price version of a product that markets NAD. And if eventually they come around to read in the science or reading our market materials, they come around to Tru Niagen.

And then the first part of your question. Yes, it's -- there's a very good chance that sometime during 2026, we will launch a more aggressive awareness brands type campaign for the company. especially if we expand into certain retail outlets to increase awareness and brand familiarity. We're working on that presence.

Operator

Your next question comes from the line of Ram Selvaraju with H.C. Wainwright.

Raghuram Selvaraju

H.C. Wainwright & Co, LLC, Research Division

I was just wondering if you could comment at this point regarding what you anticipate the next steps to be in the lawsuit filed against the FDA and the associated parties regarding the influx of NMN products? And also, if you could give us a sense of what percentage of prosecution of that legal initiatives is represented in your overall legal expenses anticipated for 2026? Also, if you could please comment on how you are thinking about future evolution of your share repurchase strategy?

Robert N. Fried

CEO & Director

Ram, we don't think it's going to be a significant expense. We think that this is going to be a summary judgment case. We think both the FDA and we would prefer a summary judgment. So it's likely to go that way. They've selected a judge. They will have a chance to respond to our claim, and then we will respond to that. There will be a hearing or two. We think it will take a year, maybe slightly more than a year for a judge to make his decision. We think the case is pretty good. I think that the decision that the FDA made was hard to substantiate why they made it. We don't know what the factors were that led to that decision, but we think it was harmful to the general public. So we think there's a good chance that, that decision will be reversed once again. And no, I don't think it will have a meaningful impact on our costs or expenses for the year. What was the other one again?

Ozan Pamir

CFO & Principal Accounting Officer

What was the other question?

Raghuram Selvaraju

H.C. Wainwright & Co, LLC, Research Division

I just wanted to ask about share repurchases, what's kind of impacting the evolution of your strategy there?

Robert N. Fried

CEO & Director

Right. So as you know, we announced a \$10 million buyback. We used \$250,000 of it to date. We expect -- we will be using the rest of it under the guidelines that we set forth in that buyback provision. We would have used more of it before, but we got blocked out because of the timing of the announcement to earnings, among other material inside information. But we do expect to be using it more and buying back shares. We think it's a great investment at this price.

Raghuram Selvaraju

H.C. Wainwright & Co, LLC, Research Division

And then just very quickly, can you comment on any near-term plans you have to advance clinical exploration of NR in Parkinson's disease at this time?

Robert N. Fried

CEO & Director

Well, we're waiting for the final manuscript and discussion with Tzoulis. He's very bullish on this idea that it's a preventative before the standard care of L-Dopa and the diagnosis of Parkinson's and he has a fair amount of data to support that idea. But at this point, we're waiting to hear from him on that. Andrew, is there anything more you want to contribute to that?

Andrew Shao

Senior Vice President of Global Regulatory & Scientific Affairs

Just like you said, Rob, the manuscript be submitted for publication shortly here. And so we can't divulge any of those details. But we will be collaborating with Dr. Tzoulis, as I mentioned in my remarks, with a focus more toward looking at prevention.

Operator

Your next question comes from the line of Sean McGowan with ROTH Capital.

Sean Patrick McGowan

ROTH Capital Partners, LLC, Research Division

In terms of looking for a little bit more color on the guidance, can you give us a sense of whether the phasing of the revenue growth in '26 is expected to be materially different from what we saw last year? Is it more front half or back half? And also a little bit more color on the gross margin guidance, where would you see that gross margin uptick coming from, the slight increase? Is it -- are we going to see slight improvements in Consumer and Ingredients? Or is it going to be more focused in one or the other of those segments?

Ozan Pamir

CFO & Principal Accounting Officer

Sean, Ozan here. So with regards to the pacing of the sales, we're expecting it to be more back loaded compared to previous years. And with regards to gross margin, we expect a slight improvement, but it's not -- it's driven by supply chain efficiencies and also the changing of the product mix. We're seeing our 1,000 milligram SKU perform well, and e-commerce is also performing well.

Sean Patrick McGowan

ROTH Capital Partners, LLC, Research Division

Okay. And similarly, looking for color on the -- does your sales and marketing guidance anticipate the kind of step-up in brand marketing that you referred to earlier? Or is that -- would that be additional? I think Rob said you might see some additional promotion -- I mean, advertising around. Is that anticipated in that already?

Ozan Pamir

CFO & Principal Accounting Officer

It's not anticipated in that. It would be an addition.

Operator

That concludes our question-and-answer session. I will now turn the call back over to Lauren for closing remarks.

Lauren Rittman-Borzansky

Thank you, Tiffany. There will be a replay of this call beginning at 7:30 p.m. Eastern Time today. The replay number is 1 (800) 770-2030, and the replay ID is 8584242. Thank you, everyone, for joining us today and for your continued support of Niagen Bioscience.

Operator

Ladies and gentlemen, this concludes today's call. Thank you all for joining. You may now disconnect.

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