

# HeartBeam Reports Fourth Quarter and Full Year 2023 Financial Results

- *First Patients Enrolled in Pivotal Study Evaluating AIMIGo™ System for Synthesizing a 12-Lead ECG*
- *Ongoing Clinical and Regulatory Progress for the AIMIGo 3D VECG System*
- *Recently Received 2 New Patents for our Proprietary Technologies*
- *Management to Host Webcast and Conference Call Today At 4:30 p.m. ET*

SANTA CLARA, Calif.--(BUSINESS WIRE)-- HeartBeam, Inc. (NASDAQ: BEAT), a medical technology company focused on transforming cardiac care through the power of personalized insights, has reported its financial and operational results for the fourth quarter and full year ended December 31, 2023.

## **Fourth Quarter & Subsequent 2024 Operational Highlights**

The company made steady progress toward key clinical and regulatory milestones on its AIMIGo™ 3D VECG system.

### ***AIMIGo 510(k) submission:***

- The 510(k) submission for the AIMIGo system is currently being reviewed by the FDA.
- The initial AIMIGo 510(k) submission is focused on the credit card-sized 3D VECG device, patient application, physician portal and wireless communication among the elements. This is the cornerstone submission for HeartBeam and will be the basis of future submissions.
- The company currently anticipates clearance by the end of Q2 2024.

### ***12 Lead Synthesis Software submission:***

- HeartBeam has held two pre-submission meetings with FDA on the planned second AIMIGo 510(k) submission, which is focused on the algorithms that synthesize a 12 lead ECG from the 3D VECG signals. This application will be submitted after the initial clearance of the 3D VECG System. The emphasis of the pre-submission meetings was on the performance goals of the VALID-ECG clinical study (Clinical Validation of the AIMIGo 12-Lead ECG Synthesis Software for Arrhythmia Detection) that will demonstrate the similarity between the synthesized 12L ECG and a standard 12L ECG.
- The company enrolled the first patients in the VALID-ECG pivotal study, with enrollment expected to be completed in Q2 2024.
- Prior to initiating the VALID-ECG study, HeartBeam completed an 80-patient pilot study using the same protocol as the VALID-ECG study.

### **Other highlights:**

- Recently received two new patents on core vectorelectrocardiography (VECG) technology from the US Patent and Trademark Office, expanding intellectual property footprint to over 35 issued, allowed, and pending patents worldwide.
- Unveiled the AI program, including the addition of new leadership and advisory roles. The program is designed to deliver unprecedented personalized cardiac insights to its proprietary VECG technology. Data on the deep learning algorithm will be presented at two prestigious electrophysiology conferences in April and May of this year.
- Cash and cash equivalents totaled approximately \$16.2 million as of December 31, 2023, enabling the Company to execute on upcoming clinical and regulatory milestones. Anticipated cash runway extends into early 2025.

### **Management Commentary**

“We have continued to make steady progress on regulatory and clinical milestones for the AIMIGo 3D VECG technology platform,” said Branislav Vajdic, PhD, Chief Executive Officer and Founder of HeartBeam. “We have filed a 510(k) submission to the FDA for our AIMIGo VECG device system. When cleared, this will be a major milestone for the company, as we expect this to be the first patient-held 3D VECG to be cleared by the FDA. Additionally, this clearance is the cornerstone of our regulatory efforts as it will be the basis for future FDA submissions, including our planned second FDA application on the system’s ability to synthesize a 12L ECG. We continue to anticipate that our limited launch of AIMIGo will occur by the end of 2024.

“Based on feedback from the FDA and our clinical experts, we designed the VALID-ECG clinical study, a prospective single-arm multicenter trial with the goal to validate the AIMIGo 12L ECG Synthesis Software by comparing its results with those of a standard FDA-cleared 12L ECG using both quantitative and qualitative assessment methodologies. We recently enrolled the first patients, with a plan to enroll a total of approximately 198 adult patients. We anticipate completion of enrollment in the VALID-ECG study in Q2 2024 and submission of the second 510(k) application by Q3 2024. We also previously completed an 80-patient pilot study using the same protocol as the VALID-ECG study. Based on the pilot results, we initiated the VALID-ECG study.

“During the fourth quarter, we announced significant developments related to the use of artificial intelligence (AI) applied to our VECG technology. By leveraging AI to analyze our data-rich signals, we believe we will be able to improve diagnostic accuracy and extract unique information that today’s ambulatory ECGs are unable to detect, such as complex heart rhythms, subtle signs of deteriorating heart health and cardiac events that may have previously been missed. This presents a unique opportunity to create a comprehensive repository of data that could unlock personalized AI-driven insights to improve cardiac care. Our team includes world class AI experts in previous positions with Google, Apple and Microsoft. In addition, two abstracts on our deep learning algorithm have been accepted for presentation at scientific meetings in April and May of this year. Importantly, we continued expanding our intellectual property footprint, recently receiving two new patents on our VECG technology.”

“We ended the fourth quarter of 2023 with approximately \$16.2 million in cash and cash equivalents. We are using cash at a lower rate than anticipated, and believe we are in a

strong position as we carefully manage spending, which we believe will extend our cash runway into early 2025. We look forward to providing updates on our progress in the months ahead,” concluded Dr. Vajdic.

## **Fourth Quarter & Full Year 2023 Financial Results**

Research and development expenses for the fourth quarter of 2023 were \$2.0 million, compared to \$1.6 million for the fourth quarter of 2022. For the year ended December 31, 2023, Research and development expenses increased to \$6.8 million compared to \$5.7 million in the same period of 2022.

General and administrative expenses for the fourth quarter of 2023 were \$2.1 million compared to \$2.1 million for the fourth quarter of 2022. For the year ended December 31, 2023, G&A expense increased to \$8.5 million compared to \$7.4 million in the same period of 2022.

Net loss for the fourth quarter of 2023 was \$3.9 million, compared to a net loss of \$3.7 million for the fourth quarter of 2022, and \$14.6 million for the full year 2023 compared to \$13.0 million in the same period of 2022.

Cash and cash equivalents totaled \$16.2 million as of December 31, 2023, compared to \$3.6 million as of December 31, 2022. Net cash used in operations was \$12.1 million for the year ended December 31, 2023.

## **Fourth Quarter & Full Year 2023 Results Conference Call**

HeartBeam CEO and Founder Branislav Vajdic, PhD, President Robert Eno, Consulting CFO Richard Brounstein, and VP of Regulatory Affairs Deborah Castillo, PhD, will host the conference call, followed by a question-and-answer period. The conference call will be accompanied by a presentation, which can be viewed during the webcast or accessed via the investor relations section of the Company’s website [here](#).

To access the call, please use the following information:

<b>Date:</b>	Wednesday, March 20, 2024
<b>Time:</b>	4:30 p.m. Eastern time (1:30 p.m. Pacific time)
<b>Dial-in:</b>	1-877-704-4453
<b>International Dial-in:</b>	1-201-389-0920
<b>Conference Code:</b>	13743963
<b>Webcast:</b>	<a href="https://viaavid.webcasts.com/starthere.jsp?ei=1652944&amp;tp_key=9699aa7d39">https://viaavid.webcasts.com/starthere.jsp?ei=1652944&amp;tp_key=9699aa7d39</a>

A telephone replay will be available approximately three hours after the call and will run through June 20, 2024, by dialing 1-844-512-2921 from the U.S., or 1-412-317-6671 from international locations, and entering replay pin number: 13743963. The replay can also be viewed through the webcast link above and the presentation utilized during the call will be available in the company’s investor relations section [here](#).

## **About HeartBeam, Inc.**

HeartBeam, Inc. (NASDAQ: BEAT) is a medical technology company that is dedicated to transforming cardiac care through the power of personalized insights. The company’s proprietary vectorelectrocardiography (VECG) technology collects 3D signals of the heart’s

electrical activity and converts them into a 12-lead ECG. This platform technology is designed to be used on portable, patient-friendly devices such as a credit-card sized monitor, watch or patch. Physicians will be able to identify cardiac health trends and acute conditions and direct patients to the appropriate care – all outside of a medical facility, thus redefining how cardiac health is managed in the future. For additional information, visit [HeartBeam.com](http://HeartBeam.com).

### **Forward-Looking Statements**

All statements in this release that are not based on historical fact are "forward-looking statements." While management has based any forward-looking statements included in this release on its current expectations, the information on which such expectations were based may change. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those risks and uncertainties described in the Risk Factors and in Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our Forms 10-K, 10-Q and other reports filed with the SEC and available at [www.sec.gov](http://www.sec.gov). We urge you to consider those risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Except as otherwise required by the federal securities laws, we disclaim any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

**HEARTBEAM, INC.**  
**Balance Sheets**  
(In thousands, except share data)

	December 31,	
	2023	2022
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 16,189	\$ 3,594
Prepaid expenses and other current assets	636	445
Total Current Assets	\$ 16,825	\$ 4,039
Property and equipment, net	256	—
Other assets	50	—
Total Assets	\$ 17,131	\$ 4,039
<b>Liabilities and Stockholders' Equity</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued expenses (includes related party \$2 and \$2, respectively)	1,194	1,665
Total Liabilities	1,194	1,665
Commitments (Note 7)		
<b>Stockholders' Equity</b>		
Preferred Stock - \$0.0001 par value; 10,000,000 shares authorized; 0 shares outstanding at December 31, 2023 and 2022	—	—
Common stock - \$0.0001 par value; 100,000,000 shares authorized; 26,329,032 and 8,009,743 shares issued and outstanding at December 31, 2023 and 2022	3	1
Additional paid in capital	52,759	24,559
Accumulated deficit	(36,825)	(22,186)
Total Stockholders' Equity	\$ 15,937	\$ 2,374
Total Liabilities and Stockholders' Equity	\$ 17,131	\$ 4,039

**HEARTBEAM, INC.**  
**Statements of Operations**  
(In thousands, except share and per share data)

	December 31,	
	2023	2022
<b>Operating Expenses:</b>		
General and administrative	\$ 8,516	\$ 7,354
Research and development	6,798	5,677
Total operating expenses	15,314	13,031
Loss from operations	(15,314)	(13,031)
<b>Other income</b>		
Interest income	675	66
Other income	—	3
Total other income	675	69
Loss before provision for income taxes	(14,639)	(12,962)
Income tax provision	—	—
<b>Net Loss</b>	<b>\$ (14,639)</b>	<b>\$ (12,962)</b>
Net loss per share, basic and diluted	\$ (0.72)	\$ (1.59)
Weighted average common shares outstanding, basic and diluted	20,333,280	8,168,516

**HEARTBEAM, INC.**  
**Statements of Cash Flows**  
(In thousands)

	December 31,	
	2023	2022
<b>Cash Flows From Operating Activities</b>		
Net loss	\$ (14,639)	\$ (12,962)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation expense	3,208	1,120
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(191)	361
Accounts payable, accrued expenses and other current liabilities	(471)	1,533
<b>Net cash used in operating activities</b>	<b>(12,093)</b>	<b>(9,948)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(256)	—
<b>Net cash used in investing activities</b>	<b>(256)</b>	<b>—</b>
<b>Cash Flows From Financing Activities</b>		
Proceeds from sale of equity, net of issuance costs	24,764	348
Proceeds from exercise of stock options	214	2
Proceeds from exercise of warrants	16	—
<b>Net cash provided by financing activities</b>	<b>24,994</b>	<b>350</b>
<b>Net increase (decrease) in cash and restricted cash</b>	<b>12,645</b>	<b>(9,598)</b>
<b>Cash, cash equivalents and restricted cash - beginning of the year</b>	<b>3,594</b>	<b>13,192</b>
<b>Cash, cash equivalents and restricted cash - at end of the year</b>	<b>\$ 16,239</b>	<b>\$ 3,594</b>
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Taxes paid	\$ —	\$ —
Interest paid	—	—
<b>Supplemental Disclosures of Non-cash Flow Information:</b>		
Issuance of common stock and warrants to settle accrued expenses	\$ —	\$ 456
<b>Reconciliation of cash, cash equivalents and restricted cash:</b>		
Cash and cash equivalents	\$ 16,189	\$ 3,594
Restricted cash (included in other assets)	\$ 50	\$ —
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 16,239</b>	<b>\$ 3,594</b>

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