

November 14, 2024

Perimeter Medical Imaging AI Reports Third Quarter 2024 Financial Results and Provides Corporate Update

Conference Call/Webcast Today at 5 pm ET

TORONTO and DALLAS, Nov. 14, 2024 /PRNewswire/ - Perimeter Medical Imaging AI, Inc. (TSXV: PINK) (OTC: PYNKF) ("Perimeter" or the "Company"), a commercial-stage medical technology company, today reported financial results for its third quarter ended September 30, 2024 and provided a corporate update.



Business Highlights

- The Company continues to gain positive commercial market traction with its first U.S. Food and Drug Administration ("FDA")-cleared product, Perimeter S-Series OCT. It has already achieved eight (8) new S-Series OCT system placements year-to-date, compared to a total of three (3) for all of 2023, and Q3-2024 revenues grew 142% over Q3-2023. In addition, the Company is advancing the development of its next-generation Perimeter B-Series OCT system, which combines proprietary AI technology with OCT, toward potential commercialization.
- In the 2024 third quarter, Perimeter also recognized revenue for the first time from its sale of service contracts. The Company has entered into three (3)-year Equipment Service Plan ("ESP") warranty programs with several S-Series OCT customers, which provide for annual preventative maintenance of the OCT equipment. The total value of ESP warranty programs will be recognized over their terms as services are rendered.
- In September 2024, Perimeter announced the first closing of its non-brokered private placement (the "Offering") where the Company issued 23,470,560 common shares for gross proceeds of approximately \$9,857,635 Canadian dollars. Subsequent to the end of the third quarter, Perimeter announced the second and final closing of the Offering where the company issued 4,846,501 common shares at a price of \$0.42 per common share, for gross proceeds of \$2,035,530. In total, the Company has issued 28,317,061 common shares for aggregate gross proceeds of \$11,893,166 under the Offering.
- In October 2024, Perimeter announced the completion of patient enrollment in the ongoing pivotal clinical trial evaluating the use of its next-generation B-Series OCT system, which combines proprietary artificial intelligence ("AI") technology with optical coherence tomography ("OCT"), during breast-conserving surgeries. If successful, the trial is expected to support the Company's submission to the FDA for authorization to market the Perimeter B-Series OCT in the United States.

"We are very much looking forward to sharing the primary endpoint results of the pivotal clinical trial evaluating our proprietary B-Series OCT with ImgAssist AI in breast-conserving surgeries," commented Adrian Mendes, Perimeter's Chief Executive Officer. "We anticipate announcing the top-line results shortly. Accordingly, this evening's investor conference call comes at an opportune time as we frame the importance of this key potential inflection point for the growth of our business."

Third Quarter 2024 Financial Results

Unless specified otherwise, all amounts in this press release are expressed in U.S. dollars and are presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Company reported third quarter 2024 revenues of approximately \$208,000, which consisted of the sale of consumables and system leases, as well as from the sale of ESP warranty programs. Third quarter 2024 revenues increased 142% over Q3-2023. Revenue growth was driven by continued commercial adoption of Perimeter S-Series OCT, both in terms of existing system utilization and installed base growth.

Operating expenses for the three months ended September 30, 2024 were approximately \$4.5 million, essentially unchanged from the same period in 2023.

Third quarter 2024 net loss was approximately \$4.6 million, or \$0.07 per common share, compared to a net loss of approximately \$345,000, or \$0.01 per common share, in the three months ended September 30, 2023. The increase in net loss was primarily the result of a change in two non-cash expenses: net finance expense resulting from the revaluation of the warrant liability and net foreign exchange loss.

Cash used in operating activities in the nine months ended September 30, 2024, was approximately \$11.6 million, compared to approximately \$10.6 million in the comparable period in 2023.

As of September 30, 2024, cash and cash equivalents were approximately \$9.5 million. This amount does not include any of the of the approximately \$1.5 million (C\$2.0 million) in gross proceeds from the second and final closing of the Offering, nor a Cancer Prevention and Research Institute of Texas (CPRIT) grant receivable of approximately \$1.9 million, which is related to the reimbursement of pivotal clinical trial project costs, as of the end of the 2024 third quarter.

For detailed financial results, please refer to Perimeter's filings on [SEDAR+](#) and the [Company's website](#).

Conference Call

The Company will host a conference call and live audio webcast today at 5:00 pm Eastern Time to discuss its second quarter 2024 results and provide a corporate update. To participate in the call, please dial 1-800-717-1738 or 1-646-307-1865. The conference call will also be broadcast live online through a [listen-only webcast](#), which will be posted on the Investors section of the [Company's website](#) and archived for approximately 90 days.

About Perimeter Medical Imaging AI, Inc.

Based in Toronto, Canada and Dallas, Texas, [Perimeter Medical Imaging AI](#) (TSX-V: PINK) (OTC: PYNKF) is a medical technology company driven to transform cancer surgery with ultra-high-resolution, real-time, advanced imaging tools to address areas of high unmet medical need. Available across the U.S., our FDA-cleared Perimeter S-Series OCT system provides real-time, cross-sectional visualization of excised tissues at the cellular level. The breakthrough-device-designated investigational Perimeter B-Series OCT with ImgAssist AI represents our next-generation artificial intelligence technology that is currently being evaluated in a pivotal clinical trial, with support from a grant of up to US\$7.4 million awarded by the Cancer Prevention and Research Institute of Texas. The company's ticker symbol "PINK" is a reference to the pink ribbons used during Breast Cancer Awareness Month.

Perimeter B-Series OCT is limited by U.S. law to investigational use and not available for sale in the United States. Perimeter S-Series OCT has 510(k) clearance under a general indication and has not been evaluated by the U.S. FDA specifically for use in breast tissue, breast cancer, other types of cancer, margin evaluation, and reducing re-excision rates. The safety and effectiveness of these uses has not been established. For more information, please visit www.perimetermed.com/disclosures.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains statements that constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. In this news release, words such as "may," "would," "could," "will," "likely," "believe," "expect," "anticipate," "intend," "plan," "estimate," and similar words and the negative form thereof are used to identify forward-looking statements. Forward-looking information may relate to management's future outlook and anticipated events or results and may include statements or information regarding the future financial position, business strategy and strategic goals, competitive conditions, research and development activities, projected costs and capital expenditures, research and clinical testing outcomes, taxes and plans and objectives of, or involving, Perimeter. Without limitation, information regarding the potential benefits of Perimeter S-Series OCT and Perimeter B-Series OCT, the expected benefits of Perimeter's updated version of its ImgAssist AI, and Perimeter's expectations regarding the outcomes of the clinical trial are forward-looking information. Forward-looking statements should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, any particular result will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur.

Forward-looking information is based on information available at the time and/or management's good-faith belief with respect to future events and are subject to known or unknown risks, uncertainties, assumptions, and other unpredictable factors, many of which are beyond Perimeter's control. Such forward-looking statements reflect Perimeter's current view with respect to future events, but are inherently subject to significant medical, scientific, business, economic, competitive, political, and social uncertainties and contingencies. In making forward-looking statements, Perimeter may make various material assumptions, including but not limited to (i) the accuracy of Perimeter's financial projections; (ii) obtaining positive results from trials; (iii) obtaining necessary regulatory approvals; and (iv) general

business, market, and economic conditions. Further risks, uncertainties and assumptions include, but are not limited to, those applicable to Perimeter and described in Perimeter's Management Discussion and Analysis for the year ended December 31, 2023, which is available on Perimeter's SEDAR+ profile at <https://www.sedarplus.ca>, and could cause actual events or results to differ materially from those projected in any forward-looking statements. Perimeter does not intend, nor does Perimeter undertake any obligation, to update or revise any forward-looking information contained in this news release to reflect subsequent information, events, or circumstances or otherwise, except if required by applicable laws.

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