

Perimeter Medical Imaging AI Reports Second Quarter 2023 Financial Results and Provides Corporate Update

Conference Call/Webcast Today at 5 pm ET

TORONTO and DALLAS, Aug. 29, 2023 /CNW/ - Perimeter Medical Imaging AI, Inc. (TSXV: PINK) (OTC: PYNKF) (FSE: 4PC) ("Perimeter" or the "Company") – a commercial-stage medical technology company – today reported financial results for its second quarter ended June 30, 2023 and provided a corporate update.

Key Highlights

- Completed a [leadership transition](#) with appointment of new CEO and Board member, and expanded its leadership team with appointment of CFO and Chief Innovation Officer
- Received regulatory approval to implement a substantially enhanced AI algorithm in the ongoing pivotal clinical trial under the existing study protocol
- Initiated additional clinical trial sites at [Baptist MD Anderson Cancer Center](#) and Mayo Clinic in Florida
- Expanded its customer base with commercial installations of Perimeter's flagship S-Series OCT in the states of [Utah](#) and [Georgia](#)

Adrian Mendes, Perimeter's Chief Executive Officer stated, "I am pleased to report a number of significant developments within the business since joining Perimeter as its CEO this quarter. Concurrent with my appointment, Dr. Josh Vose joined our Board of Directors and has provided invaluable insights into our clinical development program. Importantly, we received approval from the FDA to introduce an enhanced AI algorithm in the ongoing clinical trial under the existing study protocol. As a result, all clinical trial sites, including the newest trial site at Mayo Clinic in Florida, will use the updated AI as patients continue to enroll in the study. We are currently engaged in ongoing discussions with the FDA to reach alignment on subject enrollment and secondary reporting within the clinical trial, and we intend to provide an update on guidance and next steps when this regulatory feedback is received.

Mr. Mendes continued, "I believe the introduction of this improved AI is a pivotal milestone for the company and the best path forward, as it will contribute to more accurate image classifications, as well as fewer false positives and negatives, with the goal of ultimately compiling a robust data package that supports the commercialization of Perimeter B-Series OCT with ImgAssist AI. The combination of advanced AI technology with OCT truly represents the next-generation of innovations coming out of Perimeter that could potentially

change the standard of care in breast conservation surgery, and it was a key element that attracted me – as well as world-class leaders such as Anantha Kancherla, Former Head of AI Platform at Meta – to the company."

Mr. Mendes added, "We continue to grow our roster of highly respected surgeons and key opinion leaders, who are championing our flagship Perimeter S-Series OCT and establishing the foundational 'reference sites' for Perimeter's transformational technologies. Of note, we continue to generate new sales leads and commercial demos, with recent expansion into the states of Utah and Georgia. In addition, I am pleased to report that Sara Brien will become Perimeter's Chief Financial Officer, effective September 1, 2023. We are grateful for Russell Wagner's service as our interim CFO, and he and Sara will work together to ensure a smooth transition on this front. I am also pleased to confirm Andrew Berkeley, one of Perimeter's co-founders, will transition his role to Chief Innovation Officer, which reflects Andrew's deep technical and clinical knowledge and our commitment to continue to develop game-changing technologies by applying engineering advancements and innovation across all areas of the business."

Business Updates

- Perimeter completed the first commercial placement of its flagship Perimeter S-Series OCT system in the state of Utah, and, subsequent to quarter-end, completed its first commercial placement in the state of Georgia.
- Perimeter provided an update on its ongoing multi-center, randomized two-arm pivotal clinical trial led by Principal Investigator, Dr. Alastair Thompson at the Baylor College of Medicine in Houston. The study is evaluating the use of Perimeter B-Series OCT combined with its proprietary ImgAssist AI software during breast conservation surgery.
 - Perimeter received approval from the FDA to introduce an enhanced AI algorithm in the ongoing clinical trial under the existing study protocol. As a result, all clinical trial sites will use the updated AI as patients continue to enroll in the ongoing study.
 - The new enhanced AI takes advantage of additional training data and Perimeter's latest AI advancements that demonstrate improved sensitivity, specificity, precision, and recall. It is expected that this updated version of ImgAssist AI will contribute to more accurate classification, as well as fewer false positives and negatives.
- To further support patient enrollment, Perimeter initiated an additional clinical trial site at Baptist MD Anderson Cancer Center in Jacksonville, FL, and, subsequent to quarter end, initiated another clinical trial site at Mayo Clinic in Florida.
- Perimeter is currently engaged in ongoing discussions with the FDA to reach alignment on subject enrollment and secondary reporting, which is expected over the next couple of weeks. Updated guidance on study completion will be provided following receipt of FDA feedback.

- Perimeter expanded its leadership team by adding Dr. Josh Vose to Perimeter's Board of Directors. The recent leadership transition also included the appointment of Adrian Mendes as Chief Executive Officer and the transition of Andrew Berkeley (company co-founder) to Chief Innovation Officer, in support of the company's strategic focus on product innovation. In addition, Sara Brien will be appointed Chief Financial Officer (effective September 1, 2023) subject to customary regulatory approvals.
 - Ms. Brien is an accomplished finance leader with over 20 years of experience across a variety of healthcare verticals including pharmaceuticals, diagnostics, MedTech and HealthTech. She holds a Certified Management Accountant (CMA) designation, and graduated with honors from the University of Waterloo in Ontario, Canada, with a Bachelor of Science in Kinesiology and a Masters of Management Science with a focus on operations. Recently, she was a Sloan Fellow at the London Business School, where she completed a Masters in Leadership and Strategy program.

Summary of Second Quarter 2023 Financial Results

All of the amounts are expressed in U.S. dollars unless otherwise indicated and are presented in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The Company changed its presentation currency from Canadian dollars to United States dollars in 2022. The change in presentation currency was made to improve investors' ability to compare the Company's financial results with other publicly traded businesses in the industry. In making the change to a US dollar presentation currency, the Company followed the guidance in IAS 21, The Effects of Changes in Foreign Exchange Rates and has applied the change retrospectively to all prior periods as if the new presentation currency had always been the Company's presentation currency.

Operating expenses for the three months ended June 30, 2023 were \$3,353,060 compared to \$4,963,622 during the same period in 2022.

For the three months ended June 30, 2023, the net loss was \$4,904,919 compared to \$286,163 during the same period in 2022.

For the six months ended June 30, 2023, cash used in operating activities was \$7,180,611 compared to \$7,883,265 for the same period in 2022.

As June 30, 2023, cash and cash equivalents were \$20,889,719.

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

Conference Call

The Company will host a conference call and live audio webcast today, Tuesday, August 29, 2023, at 5:00 pm Eastern Time to discuss its second quarter 2023 results and to provide a corporate update. To participate in the call, please dial 1-877-704-4453, or 1-201-389-0920 for international callers, and provide conference ID number 13740570. 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. The webcast will be archived on the Company's investor relations webpage for at least 90 days. A telephonic playback of the conference call will be available for 14 days after the conference call by calling 1-844-512-2921 or 1-412-317-6671 and referencing conference ID 13740570. The above listed dates and times are subject to change.

About Perimeter Medical Imaging AI, Inc.

Based in Toronto, Canada and Dallas, Texas, [Perimeter Medical Imaging AI](#) (TSX-V: PINK) (OTC: PYNKF) (FSE: 4PC) 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.

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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 the expected details regarding Perimeter's ongoing clinical trials, 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, 2022, 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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