

August 10, 2023



# HeartBeam Reports Second Quarter 2023 Financial Results

*Further Strengthens Board of Directors and IP Position, Publishes First Peer-Reviewed Article*

*Management to Host Webcast and Conference Call Today At 4:30 p.m. ET*

SANTA CLARA, Calif.--(BUSINESS WIRE)-- **HeartBeam, Inc.** (NASDAQ: BEAT), a cardiac technology company that has developed the first and only credit card-size 3D-vector electrocardiogram (VECG) platform for patient use at home, allowing for the creation of rich data for AI, has reported its financial and operational results for the second quarter ended June 30, 2023.

## Second Quarter and Subsequent 2023 Operational Highlights

- Closed a secondary offering of \$25.0 million and Registered Direct Offering of \$1.5 million in May 2023 for gross proceeds totaling \$26.5 million to enable the Company to execute on upcoming clinical and regulatory milestones, and extend cash runway
- Announced the publication, in Journal of American College of Cardiology: Advances, of a foundational study demonstrating the ability of HeartBeam's VECG technology platform to detect the presence of coronary artery occlusions
- Announced three additions to the Board of Directors:
  - Michael Jaff, DO, a renowned vascular physician and researcher bringing a wealth of clinical and industry experience
  - Ken Nelson, a 20-year digital health, medical device, and remote patient monitoring executive and innovator
  - Mark Strome, with over 40 years of experience in the investment management and securities industry
- Appointed experienced biomedical engineer and cardiology regulatory professional, Deborah Castillo, PhD, as Vice President of Regulatory Affairs
- Announced the United States Patent and Trademark Office granted an automated cardiac detection patent for the HeartBeam AIMIGo System, underscoring the company's Intellectual Property leadership position in the field of VECG
- Submitted a 510(k) application to the U.S. Food and Drug Administration (FDA) for Version 1 of its HeartBeam AIMIGo™ System

## Management Commentary

"The second quarter of 2023 was highlighted by continued progress and validation of our technologies, the publication of our first, and foundational, study demonstrating the ability of our VECG platform, and several key additions to the team," said Branislav Vajdic, PhD, Chief Executive Officer and Founder of HeartBeam. "Our strategic focus is to enable timely delivery of our ambulatory VECG products, which are our key future value drivers."

“We recently announced the publication in a top-rated journal of the first peer-reviewed study based on our novel VECG technology. This is excellent validation of the technology. The study demonstrates the potential for an easy-to-use patient-held device to be employed in the detection of heart attacks at home. By combining the novel VECG approach with a system that incorporates a patient’s baseline signal, our technology was shown to detect coronary occlusions with an accuracy similar or better to that of cardiologists evaluating a 12-lead electrocardiogram (12L ECG).

“We significantly strengthened our Board with the appointment of respected industry executives Michael Jaff, DO, Ken Nelson and Mark Strome, bringing the number of HeartBeam board members to eight. Michael is Chief Medical Officer and Vice President of Clinical Affairs, Technology and Innovation of the Peripheral Interventions division at Boston Scientific Corporation, bringing an extraordinary level of expertise to the board. Over the past 10 years, Ken has led commercial efforts for disruptive technologies in the digital health, wearables, and cardiac remote patient monitoring industries for three of the top four market share players in cardiac digital health and remote patient monitoring. Mark is an experienced investor and business executive who will help us expand the breadth and depth of our reach as a Company, positioning us to create additional value for our shareholders. We further strengthened our organization with the recent appointment of Deborah Castillo, PhD, as Vice President of Regulatory Affairs. Deborah is an experienced biomedical engineer with over a decade of professional experience as a cardiac regulatory specialist in strategy, submissions, and regulatory review and we are very pleased to welcome her to our team.

“We recently closed \$26.5 million in common stock-only financings to fund operations into late 2024. Proceeds are being used to fund development and regulatory work for the HeartBeam AIMIGo VECG device and to ready the product for limited market release during the second half of 2024. The product and regulatory efforts include first obtaining an FDA 510(k) clearance for the HeartBeam AIMIGo VECG device. We submitted this application to the FDA in May. This will be followed by a second FDA application on the system’s ability to synthesize a 12L ECG.

“We look forward to providing updates on our progress in the months ahead,” concluded Dr. Vajdic.

## **Second Quarter 2023 Financial Results**

Research and development expenses for the second quarter of 2023 were \$1.5 million, compared to \$1.7 million for the second quarter of 2022.

General and administrative expenses for the second quarter of 2023 were \$1.8 million compared to \$1.8 million for the second quarter of 2022.

Net loss for the second quarter of 2023 was \$3.2 million, compared to a net loss of \$3.5 million for the second quarter of 2022.

Cash, cash equivalents and short-term investments totaled approximately \$21.3 million as of June 30, 2023, compared to \$3.6 million of cash and cash equivalents at December 31, 2022. In May 2023, the Company completed the sale of Common Stock with net proceeds of approximately \$24.3 million.

## Second Quarter 2023 Results Conference Call

HeartBeam CEO and Founder Branislav Vajdic, PhD, President Robert Eno, and CFO Richard Brounstein 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:

**Date:** Thursday August 10, 2023  
**Time:** 4:30 p.m. Eastern time (1:30 p.m. Pacific time)  
**Dial-in:** 1-877-704-4453  
**International Dial-in:** 1-201-389-0920  
**Conference Code:** 13739569  
**Webcast:** [https://viaavid.webcasts.com/starthere.jsp?ei=1622204&tp\\_key=86e9e2b301](https://viaavid.webcasts.com/starthere.jsp?ei=1622204&tp_key=86e9e2b301)

A telephone replay will be available approximately two hours after the call and will run through November 10, 2023, by dialing 1-844-512-2921 from the U.S., or 1-412-317-6671 from international locations, and entering replay pin number: 13739569. 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 cardiac technology company that has developed the first and only 3D-vector ECG platform intended for patient use at home. By applying a suite of proprietary algorithms to simplify vector electrocardiography (VECG), the HeartBeam platform enables patients and their clinicians to assess their cardiac symptoms quickly and easily, so care can be expedited, if required. HeartBeam AIMiGo™ is the first and only credit card-sized 12-lead output ECG device coupled with a smart phone app and cloud-based diagnostic software system to facilitate remote evaluation of cardiac symptoms. By collecting 3D signals of the heart's electrical activity, HeartBeam AIMiGo has the potential to provide unparalleled data for the development of AI algorithms. HeartBeam AIMiGo has not yet been cleared by the US Food and Drug Administration (FDA) for marketing in the USA or other geographies. For more information, visit [HeartBeam.com](https://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 in our Forms 10-K, 10-Q and other reports filed with the SEC and available at [www.sec.gov](https://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.**  
**Condensed Balance Sheets (Unaudited)**  
(In thousands, except share data)

	June 30, 2023	December 31, 2022
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 17,401	\$ 3,594
Short-term investments	3,939	—
Prepaid expenses and other assets	292	445
Total Assets	<u>\$ 21,632</u>	<u>\$ 4,039</u>
<b>Liabilities and Stockholders' Equity</b>		
Current Liabilities:		
Accounts payable and accrued expenses (includes related party \$1 and \$2 respectively)	570	1,665
Total Liabilities	<u>570</u>	<u>1,665</u>
Commitments		
Stockholders' Equity		
Preferred stock - \$0.0001 par value; 10,000,000 authorized; 0 shares outstanding at June 30, 2023 and December 31, 2022	—	—
Common stock - \$0.0001 par value; 100,000,000 shares authorized; 25,990,516 and 8,009,743 shares issued and outstanding at June 30, 2023 and December 31, 2022	3	1
Additional paid in capital	50,535	24,559
Accumulated deficit	(29,476)	(22,186)
Total Stockholders' Equity	<u>\$ 21,062</u>	<u>\$ 2,374</u>
Total Liabilities and Stockholders' Equity	<u>\$ 21,632</u>	<u>\$ 4,039</u>

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

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
<b>Operating Expenses:</b>				
General and administrative	\$ 1,828	\$ 1,793	\$ 4,303	\$ 3,208
Research and development	1,484	1,742	3,165	2,475
Total operating expenses	<u>3,312</u>	<u>3,535</u>	<u>7,468</u>	<u>5,683</u>
Loss from operations	<u>(3,312)</u>	<u>(3,535)</u>	<u>(7,468)</u>	<u>(5,683)</u>
<b>Other Income</b>				
Interest income	158	10	178	12
Total other income	<u>158</u>	<u>10</u>	<u>178</u>	<u>12</u>
Loss before provision for income taxes	\$ (3,154)	\$ (3,525)	\$ (7,290)	\$ (5,671)
Income tax provision	\$ —	\$ —	\$ —	\$ —
<b>Net Loss</b>	<u>\$ (3,154)</u>	<u>\$ (3,525)</u>	<u>\$ (7,290)</u>	<u>\$ (5,671)</u>
Net loss per share, basic and diluted	<u>\$ (0.16)</u>	<u>\$ (0.43)</u>	<u>\$ (0.52)</u>	<u>\$ (0.70)</u>
Weighted average common shares outstanding, basic and diluted	<u>19,690,251</u>	<u>8,145,967</u>	<u>13,910,365</u>	<u>8,092,237</u>

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

	<b>Six months ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash Flows From Operating Activities</b>		
Net loss	\$ (7,290)	\$ (5,671)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation expense	1,095	423
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	152	342
Accounts payable and accrued expenses	(1,094)	638
<b>Net cash used in operating activities</b>	<b>(7,137)</b>	<b>(4,268)</b>
<b>Cash Flows From Investing Activities</b>		
Purchase of short-term investments	(3,939)	—
<b>Net cash used in investing activities</b>	<b>(3,939)</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	103	2
Proceeds from exercise of warrants	16	—
<b>Net cash provided by financing activities</b>	<b>24,883</b>	<b>350</b>
<b>Net increase (decrease) in cash</b>	<b>13,807</b>	<b>(3,918)</b>
<b>Cash and Cash Equivalents – Beginning of period</b>	<b>3,594</b>	<b>13,192</b>
<b>Cash and Cash Equivalents – Ending of period</b>	<b>\$ 17,401</b>	<b>\$ 9,274</b>
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Taxes paid	\$ —	\$ —
<b>Supplemental Disclosures of Non-cash Financing Activities:</b>		
Issuance of common stock and warrants to settle accrued expenses	\$ —	\$ 456

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