CardiacSense
Watching Over You

CardiacSense Ltd – August 2021 report

1. The watch

1.1. As reported, demo watches were shipped to our distributors in all the countries that we have agreements. These watches are being used for local registration in each territory. The distributors also get familiarized with the watch. We are getting first and positive feedbacks from them: they are performing measurements with the watch, connecting to the mobile application and uploading data to our cloud. We aim to get first orders after registration is completed.

1.2. Watch manufacturing is challenging 😊 ☹. In the past month we received first commercial watches for inhouse tests. There are changes made and we estimate that updated commercial watches will be available in the coming month.

2. Clinical trials:

2.1. The 4 clinical trials we reported in our previous reports are continuing, and we are collecting medical data with our watch. As a result, our algorithms are being improved

2.2. Oxygen saturation - SpO2

This trial was completed in USA successfully. This report is going to be submitted to CE and FDA in the coming months.

2.3. Usability test – this test is not a clinical test but is mandatory for the FDA and CE submission. This trial is expected to begin next month. After we complete it, we will prepare the submission to the FDA and CE.

3. R&D:

3.1. We continue our intense R&D work of new capabilities in parallel to stabilizing the watch, mobile and cloud capabilities to be release with the first commercial watches.

3.2. A long-time effort to develop a breakthrough technology starts to yield fruits
We expect this technology to be part of our new watch.

4. IP:

4.1. A new PCT application was submitted last month.

4.2. A new application is being written on the new technology developed.

5. Finance:

5.1. During the past month there were several talks with underwrites and institutional toward an IPO in Tel Aviv Stock Exchange.

5.2. The feedbacks that we got was that our expectations (that were elevated after the successful SpO2 and respiratory trials) are higher than what the market can accept. This is logical as the Tel Aviv exchange doesn't have the tools to get an accurate estimate of our capabilities.

5.3. The messages we get are: "show us sales and FDA approval and you will get higher valuations than what you are asking now".

5.4. Therefore, we have started a new round of $5-10M

5.5. Following this round, we will consider going public in either Tel-Aviv, AIM or NASDAQ.