

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 16, 2023 (May 11, 2023)**

LogicMark, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-36616

(Commission File Number)

46-0678374

(IRS Employer
Identification No.)

**2801 Diode Lane
Louisville, KY 40299**

(Address of principal executive offices)

40299

(Zip Code)

Registrant's telephone number, including area code: **(502) 442-7911**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	LGMK	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 11, 2023, LogicMark, Inc., a Delaware corporation (the “Company”), issued a press release announcing its financial and operational results for the quarter ended March 31, 2023, recent business highlights, and an investor webcast that occurred on May 11, 2023 to discuss the results and update shareholders on general corporate developments. The press release and the transcript of the webcast are attached as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K (this “Form 8-K”) and are incorporated herein by reference.

The information contained in this Form 8-K provided under Items 2.02 and 7.01 and Exhibits 99.1 and 99.2 attached hereto are furnished to, but shall not be deemed filed with, the U.S. Securities and Exchange Commission or incorporated by reference into the Company’s filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 7.01 Regulation FD Disclosure.

Reference is made to the disclosure in Item 2.02 of this Form 8-K, which disclosure is incorporated herein by reference.

Forward-Looking Statements

Exhibits 99.1 and 99.2 attached hereto contain, and may implicate, forward-looking statements regarding the Company, and include cautionary statements identifying important factors that could cause actual results to differ materially from those anticipated.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release, dated May 11, 2023.
99.2	Transcript related to the LogicMark, Inc. webcast held on May 11, 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 16, 2023

LogicMark, Inc.

By: /s/ Mark Archer

Name: Mark Archer

Title: Chief Financial Officer



LogicMark, Inc. Announces Strong Quarterly Operating Results

May 11, 2023

LOUISVILLE, Ky., May 11, 2023 (GLOBE NEWSWIRE) -- LogicMark, Inc. (Nasdaq: LGMK), a provider of personal emergency response systems (PERS), health communications devices, and technology for the growing care economy, announces financial and operating results for the first quarter ended March 31, 2023.

Recent Highlights:

- Revenue for the first quarter was \$2.8 million, up 31% from the prior quarter.
- Gross profit in the first quarter was \$1.9 million, up 41% from the prior quarter.
- Gross margin in the first quarter was 66.3%, up almost 600 bps from 60.4% in the year-ago quarter.
- In January 2023, completed a registered public offering of common stock, raising \$5.2 million in gross proceeds.
- Launched LogicMark store on Amazon, expanding B2C sales channel.
- Partnered with US Monitoring to offer 24/7 monitoring services.
- Conducted a special meeting of stockholders in February 2023 with shareholders approving all proposals, including adoption of LogicMark's 2023 stock incentive plan, reincorporation of the Company from Delaware to Nevada and reverse stock split proposals.
- In April 2023, executed a 1-for-20 reverse stock split of the Company's outstanding shares of Common Stock and Series C Redeemable Preferred Stock, subsequently regaining compliance with Nasdaq listing requirements.
- Cash balance on March 31, 2023 was \$9.8 million, up from \$7.0 million at December 31, 2022.

Chia-Lin Simmons, LogicMark's Chief Executive Officer, commented, "Our recent launch of the LogicMark store on Amazon's platform represents a pivotal expansion of our B2C footprint, establishing yet another channel upon which to grow sales, especially in light of our upcoming product launch activities slated for second half of 2023. Amazon, as the largest online retailer in the country, presents an enormous opportunity for LogicMark to expand its reach. We are pleased to see a steady stream of sales emerging from this new channel which just launched mid-April and look forward to expanding the store offerings with upcoming product launches."

Coinciding with this expansion is our exciting new 24/7 monitoring service partnership with US Monitoring. This represents the launch of our new subscription revenue model and opportunities to enhance the services margins for LogicMark which has, until now, been a pure hardware company. US Monitoring, a U.S.-based company, provides national wholesale monitoring services.

First Quarter 2023 Financial Results

Revenue for the quarter ended March 31, 2023 was \$2.8 million, up 31% from the prior quarter but down 23% from the year-ago period. The year over year decline was the result of one-time sales of 4G units replacing 3G units no longer supported by the national cellular network carriers that took place in the March 31, 2022 quarter.

Gross profit in the first quarter was \$1.9 million, up 41% from the prior quarter but down 15% from the year-ago period. The decline in gross profit compared to the March 31st quarter of 2022 was the result of lower sales, partially offset by higher margins.

Gross margin in the first quarter was 66.3%, up almost 600 bps from 60.4% in the year-ago quarter. The improvement in gross margins was the result of improvements in supply chain management, including a return to transpacific shipping versus air freight from our Asia based contract manufacturers.

Total operating expense in the first quarter 2023 was \$3.7 million, flat with the prior quarter and up \$0.3 million in the prior year period. The increase over the year-ago period was due primarily to higher personnel costs and the costs associated with the special meeting of shareholders.

Net loss attributable to common shareholders for the first quarter was \$1.9 million, versus a net loss of \$2.4 million in the prior quarter and a net loss of \$1.4 million in the year-ago period.

Net loss per share improved to a loss of \$1.92 in the first quarter versus a net loss of \$2.89 per share in the prior year quarter. The improvement is the result of a higher number of shares outstanding due to the capital raise in January.

Cash balance as of March 31, 2023 was \$9.8 million versus \$7.0 million at December 31, 2022.

Investor Call and SEC Filings

Management will host a conference call at 1:30 PM (PDT) / 4:30 PM (EDT) today, to review financial results and provide a corporate update. Following management's remarks there will be a formal question and answer session.

Participants wishing to dial into the conference call must register here to obtain their dial in and pin number: <https://register.vevent.com/register/BIId641e4fd5f2d4a63b16943590d8aef2b>

To listen to the live webcast please visit the LogicMark Investor Relations website [here](#), or participants may join using the following link:

<https://edge.media-server.com/mmc/p/dubee6qh>

The associated press release, SEC filings, and webcast replay will also be accessible on the Company's [investor relations website](#).

About LogicMark

LogicMark, Inc. (Nasdaq: LGMK) provides personal emergency response systems (PERS), health communications devices and technologies to create a Connected Care Platform. The Company's devices give people the ability to receive care at home and confidence to age in place. LogicMark revolutionized the PERS industry by incorporating two-way voice communication technology directly into its medical alert pendant and providing this life-saving technology at a price point everyday consumers can afford. The Company's PERS technologies are sold through the United States Veterans Health Administration and dealers/distributors. LogicMark has been awarded a contract by the U.S. General Services Administration that enables the Company to distribute its products to federal, state, and local governments.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect management's current expectations, as of the date of this press release, and involve certain risks and uncertainties. Forward-looking statements include statements herein with respect to the successful execution of the Company's business strategy. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors. Such risks and uncertainties include, among other things, our ability to establish and maintain the proprietary nature of our technology through the patent process, as well as our ability to possibly license from others patents and patent applications necessary to develop products; the availability of financing; the Company's ability to implement its long range business plan for various applications of its technology, including the anticipated product launches of AsterX+1 and Freedom Alert+; the Company's ability to enter into agreements with any necessary marketing and/or distribution partners; the impact of competition, the obtaining and maintenance of any necessary regulatory clearances applicable to applications of the Company's technology; the Company's ability to maintain its Nasdaq listing for its common stock; and management of growth and other risks and uncertainties that may be detailed from time to time in the Company's reports filed with the SEC.

Investor Relations Contact:

CORE IR
Investor@logicmark.com

Financial tables to follow:

LogicMark, Inc.
CONDENSED BALANCE SHEETS
FOR THE QUARTERS ENDED MARCH 31, 2023, AND DECEMBER 31, 2022

	<u>March 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 9,781,799	\$ 6,977,114
Restricted cash	59,988	59,988
Accounts receivable, net	50,679	402,595
Inventory	1,134,497	1,745,211
Prepaid expenses and other current assets	292,319	349,097
Total Current Assets	<u>11,319,282</u>	<u>9,534,005</u>
Property and equipment, net	252,855	255,578
Right-of-use assets, net	164,554	182,363
Product development costs, net of amortization of \$15,029	1,253,749	1,010,662
Goodwill	10,958,662	10,958,662
Other intangible assets, net of amortization of \$4,900,886 and \$4,710,437, respectively	3,509,405	3,699,854
Total Assets	<u>\$ 27,458,507</u>	<u>\$ 25,641,124</u>
Liabilities, Series C Redeemable Preferred Stock and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 521,283	\$ 673,052
Accrued expenses	750,532	1,740,490
Total Current Liabilities	<u>1,271,815</u>	<u>2,413,542</u>
Other long-term liabilities	424,195	440,263
Total Liabilities	<u>1,696,010</u>	<u>2,853,805</u>
Commitments and Contingencies (Note 8)		
Series C Redeemable Preferred Stock		
Series C redeemable preferred stock, par value \$0.0001 per share: 2,000 shares designated; 10 shares issued and outstanding as of March 31, 2023 and December 31, 2022	1,807,300	1,807,300
Stockholders' Equity		
Preferred stock, par value \$0.0001 per share: 10,000,000 shares authorized Series F preferred stock, par value \$0.0001 per share: 1,333,333 shares designated; 106,333 and 173,333 shares issued and outstanding as of March 31, 2023 and December 31, 2022, respectively, aggregate liquidation preference of \$319,000 as of March 31, 2023 and \$520,000 as of December 31, 2022	319,000	20,000
Common stock, par value \$0.0001 per share: 100,000,000 shares authorized; 1,220,308 and 479,669 issued and outstanding as of March 31, 2023 and December 31, 2022, respectively	123	48
Additional paid-in capital	111,079,795	106,070,253
Accumulated deficit	(87,443,721)	(85,610,282)
Total Stockholders' Equity	<u>23,955,197</u>	<u>20,980,019</u>
Total Liabilities, Series C Redeemable Preferred Stock and Stockholders' Equity	<u>\$ 27,458,507</u>	<u>\$ 25,641,124</u>

LogicMark, Inc.
CONDENSED STATEMENTS OF OPERATIONS
FOR THE QUARTERS ENDED MARCH 31, 2023, AND 2022

	For the Three Months Ended March 31,	
	2023	2022
Revenues	\$ 2,809,717	\$ 3,650,689
Costs of goods sold	947,169	1,447,305
Gross Profit	1,862,548	2,203,384
Operating Expenses		
Direct operating cost	262,800	474,442
Advertising costs	48,116	-
Selling and marketing	465,536	189,207
Research and development	313,887	262,484
General and administrative	2,413,760	2,335,949
Other expense	28,318	30,084
Depreciation and amortization	215,998	194,363
Total Operating Expenses	3,748,415	3,486,529
Operating Loss	(1,885,867)	(1,283,145)
Other Income		
Interest income	52,428	-
Total Other Income	52,428	-
Loss before Income Taxes	(1,833,439)	(1,283,145)
Income tax expense	-	-
Net Loss	(1,833,439)	(1,283,145)
Preferred stock dividends	(75,000)	(88,000)
Net Loss Attributable to Common Stockholders	\$ (1,908,439)	\$ (1,371,145)
Net Loss Attributable to Common Stockholders Per Share - Basic and Diluted	\$ (1.92)	\$ (2.89)
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	996,080	474,099



Source: LogicMark, Inc.

LogicMark(Q1 2023 Results)**May 11, 2023****Corporate Speakers:**

- Chia-Lin Simmons; LogicMark, Inc.; President, Chief Executive Officer, Secretary & Director
- Mark Archer; LogicMark, Inc. - Chief Financial Officer

Participants:

- Louie Toma; Core IR; Managing Director

PRESENTATION

Operator^ Good day, and thank you for standing by. Welcome to LogicMark's First Quarter 2023 Financial Results and Corporate Update Conference Call. (Operator Instructions)

Please be advised that today's conference is being recorded.

I will now hand it over to Louie Toma from Core IR, the company's Investor Relations firm. Please go ahead.

Louie Toma^ Good afternoon, and thank you for participating in today's conference call. Joining me from LogicMark's leadership team are Chia-Lin Simmons, Chief Executive Officer; and Mark Archer, Chief Financial Officer.

During this call, management will be making forward-looking statements, including statements that address LogicMark's expectations for future performance or operational results and anticipated product launches. Forward-looking statements involve risks and other factors that may cause actual results to differ materially from those statements. For more information about these risks, please refer to the risk factors described in LogicMark's most recently filed annual report on Form 10-K and subsequent periodic reports filed with the SEC and LogicMark's press release that accompanies this call, particularly the cautionary statements in it.

The content of this call contains time-sensitive information that is accurate only as of today, May 11, 2023. Except as required by law, LogicMark disclaims any obligation to publicly update or revise any information to reflect events or circumstances that occur after this call.

It is now my pleasure to turn the call over to the company's CEO, Chia-Lin Simmons.

Chia-Lin Simmons^ Thank you, Louie. Welcome, everyone, and thanks for joining us. 2023 is off to a very productive start. We have one of our best quarters in terms of gross margin. We have successfully completed a capital raise and have made meaningful progress in the development of our new products. I'm very happy to also share that we opened a new sales channel that will significantly expand our direct-to-consumer business. I'm also excited that we established a new partnership with US Monitoring, one of the leading providers of monitoring services can begin offering that service on our LifeSentry product.

In January, we raised \$5.2 million in gross proceeds from a register common stock offering, resulting in a cash position of \$10 million at quarter end. Having available funds to invest in our product development and sales efforts is a critical part of our execution strategy. Our current cash position will enable us to complete our current products in development, and spend appropriate money to drive demand in the market.

In mid-April, we launched the LogicMark Amazon store, which currently has most of our devices as well as various accessories. Amazon, as you know, is one of the largest online retailers in the U.S. The addition of this channel significantly expands the direct-to-consumer channel, providing an enormous amount of -- enormous opportunity to sell our products, both existing annual. Since this launch, we have seen promising early results with a steady stream of sales. Like all stores, we're working on fine-tuning our offers, our product listing and how our product shows up on Amazon search, et cetera.

In addition to this new sales channel, I'm excited to announce that LogicMark is partnering with US Monitoring to launch a 24/7 monitor service. US Monitoring is a U.S.-based company that provides monitoring through a team of certified trained operators who are committed to providing the highest measure of quality and customer service. Through this partnership, LogicMark will be able to provide reliable monitoring to ensure ultimate protection and peace of mind.

LifeSentry is the first practice put on the monitoring service. This launch is the first time that LogicMark will be providing subscription services to customers, taking us from being a hardware company into being a technology company that provides not just hardware but also services to the consumer. Subscription services moving forward will provide a source of recurring revenue, and as we grow the segment of our business should provide us with an opportunity to grow our margins as well. We are looking forward to bringing more subscription services as well as new devices to consumers as we move forward.

We are excited about our recent launches and have other new products under development. Speed and bandwidth improvements are being incorporated into our new products as they are critical factors in responding to alerts, minimalizing risk of adverse results for those results. We are also focused on improving our technology to make device alerts more accurate through AI and now -- and other technologies we are building and filing patents on.

Our goal is to minimize false alarms, which caused issues with emergency services and unfortunately, motivates users to turn off false detection on their devices. We're also working towards a goal of providing more predictive technology and making our products more of a health communication device that is more than just reactive false. We believe our new devices will lead the PERS market in advanced AI and machine learning technology. We look forward to sharing the new launches with you very soon.

There are 3 factors are expected to drive accelerating growth in the care economy. First, the percentage of population that is entering elder years is increasing because of demographics. This will result in more people needing help as they age. Second, there's an increasing trend of older people preferring to age at home as an alternative to nursing homes and similar types of facilities. Third, prior to, during COVID and after COVID there has been a shortage of professional caretakers to help our loved ones. There is a real and increasing need for our type of solutions. Our devices will enable loved ones to age at home and to do so in a safe way and provide peace of mind to caretakers.

With our new direct-to-consumer sales channel, with the largest online retailer in the country, a new source of high-margin recurring revenue through our new monitoring service offerings, new innovative products coming to market and enough cash to execute on our strategy, we are confident and excited about our future. We're coming to market at an opportune time with solutions that are best in class at a time when they are desperately needed, the company is well positioned for success.

I'll now pause and ask Mark Archer to discuss our first quarter 2023 financial results, and then I'll return to provide some closing remarks.

Mark Archer^ Thank you, Chia-Lin. Here are the financial results for the first quarter ended March 31, 2023.

Revenue for the quarter was \$2.8 million, down 23% from the year ago quarter. Last year, we had a significant amount of onetime sales of our 4G compatible PERS units, replacing older 3G units that were no longer supported by the national cellular carriers as they upgraded their cell towers to 5G.

Our revenues for the first quarter of last year were up 50%, much of which we attribute to these onetime replacements. So adjusting for these replacement sales, we believe our sales for this just-completed quarter were up double digits.

Gross profit in the first quarter was \$1.9 million, down 15% from the year ago period. The decline in gross profit compared to the March quarter 2022 was a result of lower sales partially offset by higher margins. Gross margin in this first quarter was 66.3%, up almost 600 bps from 60.4% in the year ago quarter. The improvement in gross margin was a result of improvements in supply chain management, including a return to transpacific shipping versus airfreight from our Asian-based contract manufacturers.

Total operating expense in the first quarter of 2023 was \$3.7 million, flat with last quarter and up slightly from the prior year period. The increase over the year-ago period was due primarily to higher personnel costs. Net loss attributable to common shareholders for the first quarter was \$1.9 million versus a net loss of \$1.4 million in the quarter ago period. But net loss per share improved to a loss of \$1.92 in this year's first quarter versus a net loss of \$2.89 per share in the prior year quarter. This improvement is a result of the higher number of shares outstanding due to the capital raise we completed on January 25 of this year. Cash balance at the end of March 2023 was \$9.8 million versus \$7.0 million at December 31, 2022. Chia-Lin?

Chia-Lin Simmons^ Thank you, Mark. 2023 is going to be an exciting year for LogicMark. We have been busy putting all the pieces in place to put us on a path to drive growth and execute on our strategy. We have new exciting products coming to market. We launched a new channel that has the potential to reach an enormous audience, and we have a strong marketing team to execute in growing sales. We've built a new and experienced sales team with backgrounds in VA and B2B health channels that is actively calling on customers.

We're at a critical period where the demographic shift will drive strong market demand for the foreseeable future, and we have the cash to execute on our strategy. We took pride in being able to offer innovative solutions that enable loved ones to age safely in their own home and ensure that they're being properly monitored and appropriately cared for.

We're not here to be another provider of solutions but a market-leading provider who leads by innovation. At this time, I will open the call to questions. Operator?

QUESTIONS AND ANSWERS

Operator^ (Operator Instructions)

I am showing no further questions. I will now turn the call over to Chia-Lin Simmons for her final remarks.

Chia-Lin Simmons^ I want to thank everyone for joining us today, and we look forward to having you join us on our next quarter earnings call. If you have any questions concerning this presentation, please reach out to our IR company. Thank you so much, and we'll see you next quarter.

Operator^ Thank you for your participation in today's conference. This concludes the program. You may now disconnect.