

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): **August 12, 2022 (August 11, 2022)**

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.)

**LogicMark, Inc.
2801 Diode Lane
Louisville, KY 40299**

(Address of principal executive offices) (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))

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.

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 |

Item 2.02 Results of Operations and Financial Condition.

On August 11, 2022, LogicMark, Inc., a Delaware corporation (the “Company”), issued a press release announcing its financial and operational results for the quarter ended June 30, 2022 and an investor webcast that occurred on August 11, 2022 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 August 11, 2022. |
| 99.2 | Transcript related to the LogicMark, Inc. webcast held on August 11, 2022. |
| 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: August 12, 2022

LogicMark, Inc.

By: /s/ Mark Archer

Name: Mark Archer

Title: Chief Financial Officer

**LogicMark, Inc. Announces Second Quarter 2022
Financial and Operational Results**

Louisville, KY, August 11, 2022 – 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 second quarter ended June 30, 2022.

Highlights Include:

- Revenue growth of 21% in Q2 and 34% YTD
- Launched Direct-to-Consumer sales channel in July 2022
- Enhanced website and e-commerce functionality to enable direct purchases
- Investing in sales team to drive strong revenue growth
- Strong balance sheet with \$11.1 million in cash and no debt at June 30, 2022

Chia-Lin Simmons, LogicMark’s Chief Executive Officer, commented, “In the second quarter, we continued our momentum with year-over-year revenue growth over 20% and YTD approaching 35%. LogicMark continues its exciting transformation into a technology company focused on building solutions for the new care economy, driven by our proprietary remote care and activity monitoring solutions that leverage our core business and position us to deliver new products and monitored services. In July, we officially launched our Direct-to-Consumer sales channel through our new e-commerce website.

“I’m very pleased to report that we continue to deliver on promises we’ve made to shareholders to improve our financial condition and corporate governance while, managing costs, and expanding our intellectual property portfolio. LogicMark continues to lay a solid foundation to build compelling solutions. We are on track with expanding our product and service offerings which we expect will diversify revenue generation and continue to drive steady growth. We hope this will increase our margins and further position us as a leader in the new care economy. We look forward to providing further updates on the exciting developments in the coming quarters,” concluded Ms. Simmons.

Q2 2022 Financial Results

Revenue for the second quarter ended June 30, 2022, was \$3.4 million, up 21% over the year-ago period. Revenue growth was driven by improved sales to VA hospitals and clinics, and from replacement sales of 4G Guardian Alert 911 Plus devices to customers holding the older version being impacted by 3G sunsetting. The impact of this replacement program was largely completed by the end of the second quarter.

Gross profit for the second quarter increased 17% over the year-ago period. The increase in gross profit was primarily driven by higher sales. Gross margin for the second quarter was 59% versus 61% in the second quarter of 2021. The decline was due to a shift in product mix toward the lower margin Guardian Alert 911 Plus units as well as higher shipping costs.

Direct operating costs in the second quarter were \$337,000, increasing 32% over the year-ago period, driven by the Company’s business decision to provide free replacements for 3G sunsetting units still under warranty. Selling and marketing increased to \$275,000, up \$185,000 from the second quarter of 2021 as a result of higher sales commissions, recruiting expense for additional sales personnel and increased spending on investor relations, public relations and social media support. Research and development expenses declined to \$205,000 versus \$279,000 in the prior year. General and administrative expenses were \$2.1 million in the second quarter of 2022, up from \$1.1 million in the year-ago period. The increase in general and administrative was due to adding resources to support revenue growth, new product development and finance and administrative infrastructure related expenses.

Net loss applicable to Common shareholders in the second quarter was \$1.2 million, or \$0.13 per share versus a net loss of \$1.2 million or \$0.22 per share in the prior-year period.

Cash balance as of June 30, 2022 was \$11.1 million versus \$12.0 million at December 31, 2021.

Investor Call and SEC Filings

On August 11, 2022, at 1:30 pm Pacific Time, or 4:30 pm Eastern Time, management will host a conference call and live webcast to discuss the Company's financial and operations results for the second quarter ended June 30, 2022 and provide a corporate update. A question-and-answer session will follow management's remarks.

All participants wishing to dial into the conference call must register to obtain a conference dial in number and their unique conference ID by following the link: <https://registrations.events/direct/ID60124>

To listen to the live webcast please visit the LogicMark Investor Relations website here, or at <https://edge.media-server.com/mmc/p/z2eyk375>. A webcast replay will be available through August 11, 2022, at the same link. The associated press release, SEC filings, and webcast replay will also be accessible on the Company's investor relations website.

About LogicMark, Inc.

LogicMark, Inc. (Nasdaq: LGMK) provides personal emergency response systems (PERS), health communications devices and IoT 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 that 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.

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 and expectations regarding its growth, market, products and services. 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; 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.

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Investor Relations Contact:
CORE IR
Investor@logicmark.com

Financial tables to follow:

LogicMark, Inc.
CONDENSED BALANCE SHEETS

| | <u>June 30,</u> <u>2022</u> | <u>December 31,</u> <u>2021</u> |
|--|--------------------------------|------------------------------------|
| Assets | | |
| Current Assets | | |
| Cash | \$ 11,144,085 | \$ 12,044,415 |
| Restricted cash | 59,988 | 210,131 |
| Accounts receivable, net | 258,509 | 98,749 |
| Inventory, net | 622,893 | 1,237,280 |
| Prepaid expenses and other current assets | 773,509 | 849,190 |
| Total Current Assets | <u>12,858,984</u> | <u>14,439,765</u> |
| Property and equipment: | | |
| Equipment | 412,135 | 410,444 |
| Furniture and fixtures | 35,761 | 35,761 |
| Website and other | 171,217 | 9,427 |
| | <u>619,113</u> | <u>455,632</u> |
| Accumulated depreciation | (446,975) | (455,632) |
| Property and equipment, net | 172,138 | - |
| Right-of-use assets, net | 216,345 | 248,309 |
| Product development costs | 269,268 | - |
| Goodwill | 10,958,662 | 10,958,662 |
| Other intangible assets, net of amortization of \$4,516,204 and \$4,127,920, respectively | 4,093,171 | 4,476,647 |
| | <u>4,093,171</u> | <u>4,476,647</u> |
| Total Assets | <u>\$ 28,568,568</u> | <u>\$ 30,123,383</u> |
| Liabilities, Redeemable Series C Preferred Stock and Stockholders' Equity | | |
| Current Liabilities | | |
| Accounts payable | \$ 788,511 | \$ 492,431 |
| Accrued expenses | 862,223 | 849,285 |
| Total Current Liabilities | <u>1,650,734</u> | <u>1,341,716</u> |
| Other long-term liabilities | 349,006 | 385,196 |
| Total Liabilities | <u>1,999,740</u> | <u>1,726,912</u> |
| Commitments and Contingencies (Note 8) | | |
| Redeemable Series C Preferred Stock | | |
| Redeemable Series C Preferred Stock, par value \$0.0001 per share: 2,000 shares designated; 200 shares issued and outstanding as of June 30, 2022 and December 31, 2021 | 1,807,300 | 1,807,300 |
| | <u>1,807,300</u> | <u>1,807,300</u> |
| 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; 173,333 shares issued and outstanding as of June 30, 2022, aggregate liquidation preference of \$520,000 as of June 30, 2022, and December 31, 2021 | 520,000 | 520,000 |
| Common Stock, par value \$0.0001 per share: 100,000,000 shares authorized; 9,608,937 and 9,163,039 issued and outstanding as of June 30, 2022 and December 31, 2021 | 961 | 917 |
| Additional paid-in capital | 105,318,990 | 104,725,115 |
| Accumulated deficit | (81,078,423) | (78,656,861) |
| | <u>24,761,528</u> | <u>26,589,171</u> |
| Total Stockholders' Equity | <u>24,761,528</u> | <u>26,589,171</u> |
| Total Liabilities, Redeemable Series C Preferred Stock and Stockholders' Equity | <u>\$ 28,568,568</u> | <u>\$ 30,123,383</u> |

LogicMark, Inc.
CONDENSED STATEMENTS OF OPERATIONS

| | Three Months Ended | | Six Months Ended | |
|---|--------------------|----------------|------------------|----------------|
| | June 30, | | June 30, | |
| | 2022 | 2021 (1) | 2022 | 2021 (1) |
| Revenues | \$ 3,367,692 | \$ 2,782,575 | \$ 7,018,380 | \$ 5,221,256 |
| Costs of goods sold | 1,364,586 | 1,074,878 | 2,811,891 | 2,064,265 |
| Gross Profit | 2,003,106 | 1,707,697 | 4,206,489 | 3,156,991 |
| Operating Expenses | | | | |
| Direct operating cost | 336,544 | 255,859 | 810,987 | 500,528 |
| Selling and marketing | 275,011 | 89,781 | 464,216 | 169,904 |
| Research and development | 204,592 | 279,450 | 467,077 | 593,344 |
| General and administrative | 2,115,700 | 1,078,258 | 4,451,647 | 2,457,327 |
| Other expense | 2,000 | 14,697 | 32,084 | 25,268 |
| Depreciation and amortization | 194,691 | 201,324 | 389,054 | 405,181 |
| Total Operating Expenses | 3,128,538 | 1,919,369 | 6,615,065 | 4,151,552 |
| Operating Loss | (1,125,432) | (211,672) | (2,408,576) | (994,561) |
| Other Income and (Expense) | | | | |
| Interest income (expense) | 13,159 | (389,541) | 13,159 | (1,250,789) |
| Forgiveness of Paycheck Protection Program loan and accrued interest | - | 45,466 | - | 349,176 |
| Warrant modification expense | - | - | - | (2,881,729) |
| Total Other Expense, Net | 13,159 | (344,075) | 13,159 | (3,783,342) |
| Loss before Income Taxes | (1,112,273) | (555,747) | (2,395,417) | (4,777,903) |
| Income tax (expense) benefit | - | - | - | - |
| Net Loss | (1,112,273) | (555,747) | (2,395,417) | (4,777,903) |
| Preferred stock dividends | (88,144) | (615,000) | (176,144) | (2,170,801) |
| Net Loss Applicable to Common Stockholders | \$ (1,200,417) | \$ (1,170,747) | \$ (2,571,561) | \$ (6,948,704) |
| Net Loss Per Share - Basic and Diluted | \$ (0.13) | \$ (0.22) | \$ (0.27) | \$ (1.37) |
| Weighted Average Number of Common Shares Outstanding - Basic and Diluted | 9,594,746 | 5,331,190 | 9,538,666 | 5,076,636 |

(1) Expenses in 2021 have been reclassified to conform to the 2022 presentation format.

AUGUST 11, 2022 / 8:30PM GMT, Q2 2022 LogicMark Inc Earnings Call

REFINITIV STREETEVENTS EDITED TRANSCRIPT

Q2 2022 LogicMark Inc Earnings Call

EVENT DATE/TIME: AUGUST 11, 2022 / 8:30PM GMT

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CORPORATE PARTICIPANTS

Chia-Lin Simmons *LogicMark, Inc. - President, CEO, Secretary & Director*
Mark J. Archer *LogicMark, Inc. - CFO*

CONFERENCE CALL PARTICIPANTS

Unidentified Analyst -
Louie Toma -

PRESENTATION

Operator

Good day. My name is Chantel, and I'll be your conference operator today. At this time, I would like to welcome everyone to the LogicMark second quarter financial results And corporate update conference call. (Operator Instructions)

I would now like to turn the call over to Louie Toma from CORE IR, the company's Investor Relations firm.

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. These 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. Content on this call contains sensitive tentative information that is accurate only as of today, August 11, 2022.

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 *LogicMark, Inc. - President, CEO, Secretary & Director*

Thank you, Louie. Welcome, everyone, and thanks for joining us. The second quarter was another success as we grew our revenues by 21% over the prior year quarter while continuing to execute on our strategy of building solutions that address the growing care economy. Our relationship with the Veterans Health Administration remains solid, contributing to our healthy sales growth. As an approved GSA vendor, we've had the opportunity to generate additional governmental-related business at the federal, state and local agency level, increasing our sales opportunity to drive future revenue growth.

In July, we launched a new direct-to-consumer sales channel through our newly designed website where consumers can buy products directly from LogicMark. This launch opens up the new D2C sales channel that I have talked about in past calls, and expand our market opportunity.

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Currently, the website includes several products for sale, including our Guardian alerts, Guardian Alert 911, Freedom Alert models as well as various related accessories. We will be adding new products as they become available. This new channel will enable us to establish deeper connections with our end customers by being directly involved in product sales. This direct relationship will provide the opportunity to sell additional products and accessories, and should positively impact future revenue growth and profits.

Recently, we added 2 senior sales professionals, and upgraded our sales leadership, beefing up our investments in this important area. As we establish our product road map, having a solid sales infrastructure will be critical in successfully getting these products to market. This investment will establish a foundation to support strong revenue growth over time. Given the current market dynamics, we are in a position to capitalize on some very strong market trends.

Here are a few. We're currently in the midst of a silver tsunami with 10,000 baby boomers turning 65 daily, the demand for technology that supports the growing care economy is increasingly -- increasing rapidly. The expected CAGR of this total aging in place market is 13%. In the total care economy, that is about \$24 billion. Research has shown that 90% of people that are over 50 want to age in peace, setting the stage for strong demand for years to come. Our mission is to protect the personal experience of living life to the fullest.

At LogicMark, we don't believe that aging is a (inaudible). We believe aging is a gift to be enjoyed and relished. Our job is to remove the worry of aging independently for everyone involved by providing a direct connection to the loved ones, and the help that they need. We're excited about this opportunity and continue to work hard to provide new innovation, innovative solutions that address the care economy. We look forward to updating you with new announcements as we progress with these initiatives. Since joining the company in June of last year, my mission has been to position LogicMark for success. We have set and shared our objectives, and have established a track record of successfully achieving those goals. One, my first goal was to improve the financial condition of the company and execute to drive substantial revenue growth; two, we have established a new direct-to-consumer channel to drive additional sales opportunities, and have begun to build a new sales team; three, we have improved corporate governance and cost management; fourth, we have expanded our intellectual property portfolio and also added experienced personnel to our management team and our Board of Directors. These accomplishments highlight that we are successfully executing on our strategy, building credibility with our stakeholders and laying a solid foundation to launch new products.

We are excited about the progress that we have made to date that have just started to scratch the surface. I'll now pause and ask Mark Archer to discuss our second quarter financial results, and then I'll return to provide some closing remarks.

Mark J. Archer *LogicMark, Inc. - CFO*

Well, thank you, Chia-Lin. Here are the financial results for the second quarter ended June 30, 2022. Revenue was \$3.4 million, up 21% over the year ago period driven by improved sales to VA hospitals and clinics and from replacement sales of our 4G Guardian Alert 911+ device due to sunsetting of our previous 3G model. We believe these replacement sales opportunities were mostly finished at the end of this quarter.

Gross profit was \$2 million, up 17% from the same quarter last year. Gross margin was 59% compared to 61% in the same quarter last year. The lower gross margin this quarter was a result of a product mix shift to the lower-margin Guardian Alert 911+ unit as well as higher shipping costs, which we are addressing this quarter.

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Operating expenses were \$3.1 million compared to \$1.9 million in the same quarter last year. The increase in operating expenses was driven by the investment in sales personnel, higher bonus and sales commissions, increased marketing costs and the addition of resources to the organization to drive new product development as well as investing in our finance and administrative infrastructure.

Operating loss was \$1.1 million this quarter versus an operating loss of \$200,000 in the year ago quarter. That variance a result of the higher operating expenses. Net loss attributable to common shareholders was \$1.2 million, flat with last year's quarter net loss of \$1.2 million. Net loss per share for the quarter was \$0.13 versus \$0.22 in the same quarter last year. At quarter end, the company held \$1.1 million in cash versus \$12 million at the end of December of last year, and the company has no debt.

Chia-Lin Simmons *LogicMark, Inc. - President, CEO, Secretary & Director*

Thanks, Mark. As we wrap up the call, I want to leave you with a couple of key thoughts. As this trend to the elders segment continued to represent an increasing proportion of the total population, the \$24 billion care economy will continue to expand, creating an opportunity for innovative tech companies to provide creative solutions to people who desire to age at home. LogicMark is increasingly becoming positioned to be a leader in this exciting market with our new IP and sales strategies. Our track record highlights our ability to follow through on our objectives and our ability to execute and succeed in penetrating this market, adding value to our stakeholders.

At this time, I will open the call to questions. Operator?

QUESTIONS AND ANSWERS

Operator

(Operator Instructions)

Our first question comes from [Ariana Bernstein] with Alliance Global.

Unidentified Analyst -

This is Ariana on for Brian. Could you share the expected time line for new product releases, and describe some of those new products, specifically when will some of your innovative new products, including the monitor services, be commercially available for sale?

Chia-Lin Simmons *LogicMark, Inc. - President, CEO, Secretary & Director*

Sure. Great question. Thank you, [Ariana]. We are going -- you're going to see the first of connected products launching into our portfolio by the end of Q3 this year. And so -- and some of the first hardware designed -- newly designed harbor products probably by the end of Q1 of next year. So as we've mentioned in the past, we will continue to sort of stay within and continue to sell what has been best-selling products in our portfolio, which is our connected products. We believe firmly that there are fixed income as well as other low-income segments -- senior segments that really love and desire our products. I mean these products last 6 to 12 in a charge. They connect you directly to 911. That said, we are looking at our monitor products. And again, the first of these products, you'll see us potentially launch as early as Q3 of this year as well.

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So when we talk about building newer innovative products from a hardware perspective, we really are focused on, first, building reference technology products into the purse space. And so in Q1, you'll see us looking at what does it mean to actually build an amazing purse product, wearable product. They don't have to be -- what looks like a race openers or around your neck. We believe that they should be something that those who are aging, the boomers, would want to wear on their bodies, and they actually should also utilize in advance -- first of all, advanced sort of work around machine learning on fall detection as well. And so you'll see some of those products roll out for our connected product that is launching in Q3. It will be a WiFi product that is -- that will be -- we will be using to replace our in-home products. And it will be the first to basically connect and bring data into the cloud so that we can actually continue to build on our ML technology.

Unidentified Analyst -

Okay. Great. And then can you talk about how the supply chain challenges, if at all, are impacting manufacturing and pricing of existing and new products?

Chia-Lin Simmons LogicMark, Inc. - President, CEO, Secretary & Director

Yes. Absolutely. I think that's a really great question. As we continue on to the second -- or actually the third year of COVID, we are continuing to see supply chain being impacted, overall, for every company that basically are in consumer electronics or utilize any chips, which is, in essence, just about every company from consumer products like ours to automakers and so forth. And so we are seeing component parts, quite candidly, skyrocket. We are definitively seeing slowdowns in sort of the supply chain to getting the products that we are looking for to our warehouses and to our manufacturing.

That said, we are very fortunate to be a small and nimble company. As we've mentioned in the past, we are not Apple, good or bad. And so we don't have to purchase 1 million IC chips out of time, right? Our ICs -- we're not buying at that volume. So our small-sized has given us the flexibility to go into the spot market and purchase those items and be on a sort of look out the prices sort of flux within the sort of spot marketplace so that we can actually capture them when they're at a low and then warehouse them for our needs.

And so we are -- it is impacting us to a certain degree that we had been, prior to the supply chain problem, taking on a little bit less inventory because we were able to capture some of those supplies in the supply chain a little bit easier. So you'll see us basically take on a little bit more inventory, purchasing ahead before we need to basically utilize some of these assets so that we can actually have them in hand. As -- again, the market face pricing is fluctuating, so we want to buy at a low, and we will hold those products so that we can have them for manufacturing. And so we're also seeing, as we mentioned in this particular call, shipping costs challenges. And so we are fixing those issues as well and looking out ways to dynamically look at the best shipping partner we can work with so that we can actually get products out to the hands of our customers as quickly as possible for a lower cost to us as possible. So we are seeing impact, no question about it, like every company in every industry.

But again, we're fortunate to be nimble and fast-moving as start-up with a ticker symbol. And so we've been able to sort of ride some of those issues. We are, however, very conscientious of some of the cost and the demands of the supply chain. So you will see us potentially looking at rolling out increases in the cost of our products.

Unidentified Analyst -

Okay. And my last question is, given the economic downturn, have you begun to see or expect to see any changes in demand for your products?

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Chia-Lin Simmons *LogicMark, Inc. - President, CEO, Secretary & Director*

Yes. I think that's a really great question. I think that when we look at demands for needs, we probably would end up (technical difficulty) 1 in 4 Americans, 65 (inaudible) doesn't change and or hasn't changed. And so we don't see a slowdown in demand of our product. In fact, we will see, as we've mentioned in sort of discussion of the market forces that we will see sort of continued increase in demand for our products because aging waits for no man. And so everybody continues to age and the need for security and safety remains (inaudible) [economic condition looks like]. I hope that answers your question.

Unidentified Analyst -

Yes.

Operator

(Operator Instructions)

I'll now turn the call back over to Chia-Lin for closing remarks.

Mark J. Archer *LogicMark, Inc. - CFO*

I think we may have lost Chia-Lin. She was on a cell phone today, and concerned about losing the signal. So on her behalf, I'd like to thank all of you who dialed in to listen to our call today, and we look forward to continuing to provide updates on our progress at the appropriate times. Thank you all very much.

Operator

This concludes today's conference call. You may now disconnect.

DISCLAIMER

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