

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): **November 14, 2022 (November 10, 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))

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 November 10, 2022, LogicMark, Inc., a Delaware corporation (the “Company”), issued a press release announcing its financial and operational results for the quarter ended September 30, 2022, recent business highlights and an investor webcast that occurred on November 10, 2022 discussing such results and updating 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 November 10, 2022.
99.2	Transcript related to the LogicMark, Inc. webcast held on November 10, 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: November 14, 2022

LogicMark, Inc.

By: /s/ Mark Archer

Name: Mark Archer

Title: Chief Financial Officer

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

Louisville, KY, November 10, 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 third quarter ended September 30, 2022.

Highlights Include:

- Revenue growth of 15% in Q3 and 28% YTD
- Gross profit increased by 51% in Q3 and 38% YTD
- Gross margin was 62% in Q3, up from 47% in the same prior year period and 60% YTD from 56% in the same prior year period.
- Appointed Garrett Hunter as Senior Vice President of Marketing
- Appointed John Federico as Senior Director, Product
- Launched Direct-to-Consumer sales channel and enhanced corporate website and e-commerce functionality enabling direct purchases
- Strong balance sheet with \$9.3 million in cash and no debt as of September 30, 2022

The company continues to make substantial progress in the third quarter across multiple initiatives in product development, operations and governance, sales and marketing and intellectual property expansion while delivering another quarter of solid revenue growth with higher gross profits and improved gross margins. The team added two key members in both product development and marketing with John Federico joining us as Senior Director, Product and Garrett Hunter joining us as our Senior Vice President of Marketing.

Chia-Lin Simmons, LogicMark’s Chief Executive Officer, commented, “We are very excited about John and Garrett joining the team, especially in our anticipation of two new product launches – our mobile app AsterX+1 and the Freedom Alert+, which we look forward to providing further updates on during this quarter and into the new year.”

“Our R&D and product development teams are hard at work, and we believe the results they are producing will be transformational for LogicMark as we grow our foothold and expand our market share in this growing care economy. We have also made great strides in expanding our intellectual property portfolio with the filing of additional patents for our innovations and solutions including filing a provisional patent for Incentive Misalignment Detection And Remediation Device which we filed September 30, 2022, the final filings for System And Method For Fall Detection Using Multiple Sensors, Including Barometric Or Atmospheric Pressure Sensors filed on October 24, 2022 and final filings for Preference-Driven Advertising Systems And Methods, which is a continuation with new material filed Nov 1, 2022.”

"We are steadfast in our commitment to delivering on the promises we've made to our shareholders to transform LogicMark through improved financial performance, operational excellence and what we believe are market leading solutions that will diversify our revenue generation and continue to drive enhanced shareholder value. We look forward to providing further updates on our exciting developments in the coming quarters," concluded Ms. Simmons.

Q3 2022 Financial Results

Revenue for the third quarter ended September 30, 2022, was \$2.8 million, up 15% over the year-ago period. Revenue increases were driven by improvements in sales to VA hospitals and clinics.

Gross profit was \$1.7 million for the three months ended September 30, 2022, up 51% compared to the same period ended September 30, 2021. Gross margin increased from 47% in the quarter ended September 30, 2021, to 62% for the quarter ended September 30, 2022.

Direct operating costs in the third quarter were \$345,972, increasing 51% over the year-ago period, driven by higher sales and the initiation of online advertising to support the July 2022 launch of the Company's new direct to consumer eCommerce Website. Selling and marketing expenses in the third quarter of 2022 increased to \$332,696, from \$75,389 from the same period in the prior year due to the addition of new personnel and higher sales commissions paid on the increase in sales. Increased marketing costs for the third quarter 2022 were due to the addition of new personnel as well as the addition of investor relations, public relations and social media support organizations. Research and development expenses increased to \$374,842 in the third quarter of 2022 from \$136,891 in the same period in the prior year due to new product development activity. General and administrative expenses were \$2.6 million in the third quarter of 2022, up from \$1 million in the year-ago period. The increase in general and administrative was due to higher insurance costs, higher consultant fees, increased spending in the accounting and finance area, and higher costs related to being a public company.

Net loss attributable to common shareholders in the third quarter was \$2.2 million, or \$0.23 per share versus a net loss of \$724,005 or \$0.12 per share in the prior-year period.

Cash balance as of September 30, 2022, was \$9.3 million versus \$12.0 million at December 31, 2021.

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 may dial in using the USA & Canada Toll-Free (800) 715-9871 or Toll - (646) 307-1963 and advise the Operator of either the Conference ID 1557140 or the Conference Name.

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/i35aektb>.

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.

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Investor Relations Contact:
CORE IR
Investor@logicmark.com

Financial tables to follow:

LogicMark, Inc.
CONDENSED BALANCE SHEETS

Assets	September 30, 2022	December 31, 2021
Current Assets		
Cash and cash equivalents	\$9,328,504	\$12,044,415
Restricted cash	59,988	210,131
Accounts receivable, net	416,852	98,749
Inventory, net	1,077,160	1,237,280
Prepaid expenses and other current assets	889,413	849,190
Total Current Assets	11,771,917	14,439,765
Property and equipment:		
Equipment	414,671	410,444
Furniture and fixtures	35,761	35,761
Website and other	259,646	9,427
	710,078	455,632
Accumulated depreciation	(463,376)	(455,632)
Property and equipment, net	246,702	-
Right-of-use assets, net	199,619	248,309
Product development costs	481,768	-
Goodwill	10,958,662	10,958,662
Other intangible assets, net of amortization of \$4,710,437 and \$4,127,920, respectively	3,900,138	4,476,647
Total Assets	\$27,558,806	\$30,123,383
Liabilities, Series C Redeemable Preferred Stock and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$1,330,780	\$492,431
Accrued expenses	1,049,754	849,285
Total Current Liabilities	2,380,534	1,341,716
Other long-term liabilities	331,351	385,196
Total Liabilities	2,711,885	1,726,912
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; 200 shares issued and outstanding as of September 30, 2022 and December 31, 2021	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; 173,333 shares issued and outstanding as of September 30, 2022, aggregate liquidation preference of \$520,000 as of September 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 September 30, 2022 and December 31, 2021	961	917
Additional paid-in capital	105,697,391	104,725,115
Accumulated deficit	(83,178,731)	(78,656,861)
Total Stockholders' Equity	23,039,621	26,589,171
Total Liabilities, Series C Redeemable Preferred Stock and Stockholders' Equity	\$27,558,806	\$30,123,383

LogicMark, Inc.
CONDENSED STATEMENTS OF OPERATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021 (1)	2022	2021 (1)
Revenues	\$2,751,570	\$2,383,029	\$9,769,951	\$7,604,287
Costs of goods sold	1,047,204	1,255,445	3,860,176	3,319,710
Gross Profit	1,704,366	1,127,584	5,909,775	4,284,577
Operating Expenses				
Direct operating cost	345,972	228,512	1,156,959	729,038
Selling and marketing	332,698	75,389	796,916	245,292
Research and development	374,842	136,891	841,917	730,236
General and administrative	2,575,105	969,264	7,025,674	3,426,596
Other expense	3,222	20,588	35,306	45,856
Depreciation and amortization	210,632	193,823	599,686	599,004
Total Operating Expenses	3,842,471	1,624,467	10,456,458	5,776,022
Operating Loss	(2,138,105)	(496,883)	(4,546,683)	(1,491,445)
Other Income and (Expense)				
Interest income (expense)	44,587	(144,821)	57,747	(1,395,611)
Forgiveness of Paycheck Protection Program loan and accrued interest	-	-	-	349,176
Warrant modification expense	-	-	-	(2,881,729)
Total Other Income (Expense), Net	44,587	(144,821)	57,747	(3,928,164)
Loss before Income Taxes	(2,093,518)	(641,704)	(4,488,936)	(5,419,609)
Income tax (expense) benefit	-	-	-	-
Net Loss	(2,093,518)	(641,704)	(4,488,936)	(5,419,609)
Preferred stock dividends	(81,790)	(82,301)	(257,934)	(2,253,102)
Net Loss Attributable to Common Stockholders	(2,175,308)	(724,005)	(4,746,870)	(7,672,711)
Net Loss Per Share - Basic and Diluted	(\$0.23)	(\$0.12)	(\$0.50)	(\$1.43)
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	9,608,937	5,969,312	9,562,347	5,377,465

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

REFINITIV STREETEVENTS

EDITED TRANSCRIPT

LGMK.OQ - Q3 2022 LogicMark Inc Earnings Call

EVENT DATE/TIME: NOVEMBER 10, 2022 / 9:30PM GMT

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REFINITIV 

CONFERENCE CALL PARTICIPANTS

>>Louie Toma

>>Chia-Lin Simmons - CEO

>>Mark Archer - CFO

TRANSCRIPT

PRESENTATION

Operator

(technical difficulty)

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 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, November 10, 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 turn the call over to the company's CEO, Chia-Lin Simmons.

>>Chia-Lin Simmons - CEO

Thank you, Louie. Welcome, everyone, and thanks for joining us. I am pleased to report that we have achieved another strong quarter of solid revenue growth of 15% in Q3 and 28% year-to-date with higher gross profits and improved gross margins as we continue to execute across our initiatives in product development, operations, intellectual property expansion, sales and marketing.

Notably, revenue increases were driven by improvements in sales to VA hospitals and clinics. You may recall, we are an approved GSA vendor and can generate additional government-related business at the federal, state and local agency levels. This serves LogicMark well as we roll out our new products and services in the coming quarters, and position us to grow our market share as a leading provider of PERS solutions and services in the expanding care economy.

LogicMark continues its exciting transformation into a purpose-driven technology company, focused on building solutions for the growing care economy. We have embarked on a journey to invigorate LogicMark with the talent and resources we required to position the company for consistent growth.

In July, we launched our direct-to-consumer sales channel and enhanced our corporate website as an e-commerce portal, enabling direct purchases. This exciting new channel enables us to achieve stronger connections with our end customers, allowing us to be more involved in the sales process. This drives our ability to cross-sell value-added products and accessories, positively impacting our revenue growth and margins.

Currently, the website includes several products for sale, including our Guardian Alert and Freedom Alert models as well as various related accessories. With the development of new products and services, we will leverage these capabilities, diversify our sales mix and revenue streams.

We also continue investing in our product and marketing infrastructure, with the addition of 2 key team members, John Federico, joining us as Senior Director, Product; and Garrett Hunter, joining us as our Senior Vice President of Marketing.

Our R&D and product development teams are hard at work. We believe the results they are producing will be transformational as we grow our foothold and expand our market share. We are very excited about our anticipated new product launches, beginning with our first software app, the AsterX+1, next month.

AsterX+1 is a new mobile app and the first in LogicMark's AstreX's ecosystem of smart connected personal emergency response systems, first. Key features include, one button connection to emergency services, your friends and families or both. (inaudible) that not only protects your account, but stops your call for help from being canceled by anyone but you.

Our scheduling systems in to your online calendar that automatically alert your emergency contact if you don't check in after a scheduled appointment. This feature is unique to AsterX+1. It makes it faster and easier to set up your scheduled checkings and automatic emergency contacts. The ability to (inaudible) calendar to the app is an example of the company's customer-centric design approach to technology, something that has been historically lacking in the PERS market.

Our mission at LogicMark is to protect the personal experience of living life to the fullest. We plan to follow the release of AsterX+1 with our first WiFi-enabled product, the Freedom Alert+, shortly in a month after.

We've also made great strides in expanding our intellectual property, the filing of additional patents for our inhibitions and solutions. We filed 2 final patent applications focused on various uses of devices in Q3, including wearables such as PERS, covering many wellness and related functions.

Additionally, we will be filing a final application from our April 2022 provisional application covering the use of sensors and devices in a wider context of the deployment in Q4. We filed a provisional application on September 30 that includes various techniques that can ensure the quality of wellness care systems and delivery, and we'll be filing a further provisional in November 2022 that incorporates various machine learning and AI techniques and systems in support of wellness in multiparty interactions.

We are steadfast in our commitment to delivering on the promises that we've made to our shareholders to transform LogicMark through improved financial performance, operational excellence, and what we believe a market-leading solution that helps diversify our revenue generation and continue to enhance shareholder value.

I'm heartened by our progress since joining the company in June of last year, and (inaudible) in my passionate commitment to position LogicMark for success. I'm more confident as we continue to proceed towards accomplishing our objectives as we establish a longer track record of success.

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

>>Mark Archer - CFO

Thank you, Chia-Lin. Here are the financial results for the third quarter ended September 30, 2022. Revenue for the third quarter was \$2.8 million, up 15% over the year ago period. Revenue increases were driven by improvements in sales to VA hospitals and clinics.

Gross profit was \$1.7 million for the 3 months ended September 30, 2022, up 51% compared to the same period last year. Gross margin increased from 47% to 62% for this quarter ended September 30, 2022, compared to the same period last year.

Direct operating costs in the third quarter were \$346,000, increasing 51% over the year ago period, driven by higher sales and the initiation of online advertising to support the July 2022 launch of the company's new direct-to-consumer e-commerce website. Selling expenses in the third quarter increased to \$333,000, up from \$75,000 from the same period in the prior year due to the addition of new personnel and higher sales commissions paid on the increase in sales.

Increased marketing costs for the third quarter were due to the addition of new personnel as well as the addition of Investor Relations, public relations and social media support organizations. Research and development spending increased to \$375,000 in the third quarter of 2022 from \$137,000 in the same period last year, as a direct result of all of our new product development activity.

And general and administrative expense was 20 -- I'm sorry, \$2.6 million in the third quarter of 2022, up from \$1 million in the year ago period. The increase in G&A costs was due to higher insurance costs, higher consultant fees, increased spending in the accounting and finance area and higher costs related to being a public company, specifically the costs associated with the proxy solicitation process for our just completed August Annual General Meeting.

Net loss applicable to common shareholders in the third quarter was \$2.2 million or \$0.23 per share versus \$724,000 or \$0.12 per share in the prior year period. We closed the quarter on September 30 with \$9.3 million of cash in the bank versus \$12 million at the end of last year.

I'll now turn the call back over to Chia-Lin for some final comments.

>>Chia-Lin Simmons - CEO

Thanks, Mark. As we wrap up the call, I want to leave you with a couple of key thoughts. As I mentioned in our last call, we are currently in the midst of a severe tsunami. The 10,000 baby boomers 65 daily and the demand for technology that supports the growing care economy continues to increase rapidly.

The expected CAGR of the total aging in place market is 13%. In a total care economy, that is about 24 billion. Research assume that 90% of people that are over 50 want to age in place, setting the stage for strong demand for years to come. We are working hard to innovate solutions that enable loved ones to safely live in their home, while ensuring that they are being properly monitored and appropriately cared for.

We, at LogicMark, are beyond excited about these opportunities and continue to work tirelessly to provide new innovative solutions to address this evolving care economy. We look forward to updating you with new announcements as we progress with these initiatives.

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

Operator

(Operator Instructions) I have no questions in queue. I will turn the call back over to Chia-Lin Simmons for closing remarks.

>>Chia-Lin Simmons - CEO

I want to thank all of you who participated in our call today. I look forward to continuing to provide updates on our progress at the appropriate time. Thank you so much.

Operator

This concludes today's conference call. Thank you for your participation. You may now disconnect.

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