



ASX ANNOUNCEMENT

16 November 2022

## **CardieX Acquires Core Assets from Wearable Sensor Startup Blumio, Inc**

### **Highlights**

- **CardieX's comprehensive suite of heart health solutions to be enhanced by Blumio's next-generation cardiovascular wearable sensor algorithms and data analytics tools**
- **Appointment of Blumio co-founder, Catherine Liao, as Chief Strategy Officer and Head of Product & Operations, Steve Braaten, as Operations Director to CardieX's US subsidiary;**
- **Acquisition of all Blumio assets under an Asset Purchase Agreement with US\$15,100 payable immediately and US\$150,000 in CardieX Ordinary Shares or ADR's, subject to service based performance criteria in two tranches in 2023 and 2024**
- **Strategic purchase of intellectual property that will enhance CardieX's "Arty™ Heart Health Analytics Platform"**
- **Assists Arty™ to proactively monitor, alert, and provide actionable health insights from CardieX CardieX's CONNEQT Pulse and CONNEQT Band devices**

[CardieX Limited](#) (ASX: CDX) (CardieX, the Company) has today announced that it has acquired all of the assets of Blumio, Inc (Blumio), a Silicon Valley based developer of advanced algorithms and technology for cardiovascular sensors, signifying the Company's continued investment in cardiovascular health monitoring technologies.

Blumio's technology has the potential to significantly increase clinical performance for CardieX's ecosystem of heart health monitoring solutions, with the core assets and intellectual property of Blumio being in developing wearable sensor technologies that can capture a cardiovascular signal without necessitating the use of pulse pressure.

The acquisition under an Asset Purchase Agreement follows a 3-year collaboration between Blumio and CardieX during which time the companies have already demonstrated Blumio's sensor technology to be compatible with ATCOR's patented SphygmoCor® arterial health technology.

## ***Background to Acquisition of Blumio's Assets***

Since making an initial investment in 2018 with Blumio and furthering a sharing of intellectual property under the terms of a successful collaboration and development agreement (see ASX announcement 12 December 2018), CardieX and Blumio demonstrated and announced the results of validation trials that demonstrated an initial capability of Blumio's wearable sensor being able to use CardieX owned ATCOR's pulse wave analysis ("PWA") to provide a meaningful Central Blood Pressure ("cBP") estimation.

This was the first time that ATCOR's technology has been applied in a wearable blood pressure sensor and provided a validation for CardieX's wearable and direct to consumer health strategy that has since been the focus in launching its CONNEQT Pulse and CONNEQT Band devices.

Blumio has also developed a suite of data analytics and visualization tools used to uncover insights in clinical data that significantly contribute to CardieX's current wearable development efforts. These tools will enhance CardieX's "Arty™ Heart Health Analytics Platform" to proactively monitor, alert, and provide actionable health insights from CardieX's CONNEQT Pulse and CONNEQT Band devices – thereby enabling physicians and patients alike to make more informed healthcare decisions.

As the largest convertible note investor and having validated a successful strategic partnership, CardieX offered to acquire the assets of Blumio, in exchange for a return to other Blumio investors (excluding CardieX) who will receive the consideration (as defined below) on a pro-rata basis.

## ***Acquisition of Blumio's Assets***

CardieX has entered into an Asset Purchase Agreement ("APA") to acquire the assets of Blumio subject to the terms as summarized below:

- **CardieX to purchase the 'Acquired Assets' of Blumio, as defined by the APA:**
  - All tangible personal property, without limitation, used in connection with and all intellectual property, including associated goodwill, and other intellectual property rights as may arise from owning that property;
  - This includes:
    - Customer leads and electronic mail database
    - All IT hardware and software for processing and analysis of Research Data
    - Research Data, and two (2) registered patents which relate to cardiovascular health monitoring and signal processing optimization
    - Three (3) wearable sensor development kits
    - Blumio.com domain name
- **Purchase Price:**
  - US\$15,100 in cash consideration payable on execution of the APA
  - US\$150,000 (~AU\$224,000) in CardieX Ordinary Shares ('being Ordinary Shares

or the equivalent value of American Depositary Interests (ADR's)'), to be issued, subject to service based performance criteria, to Blumio or their nominee at their direction, payable subject to the following terms:

- 50% on 15 June 2023 at the closing price of CardieX Ordinary Shares or ADR's;
- 50% on 15 March 2024 at the closing price of CardieX Ordinary Shares or ADR's;
- **Employment of Key Founders:** CardieX has agreed to the employment of Blumio's Co-founder and CEO Catherine Liao, and former Head of Operations Steven Braaten;
- **Termination:** there is no termination or term of the agreement, the Cash Component of the Purchase Price is payable on signing of the agreement, and the Ordinary Shares are payable as outlined above.

***Employment of Key Blumio Executives:***

Commensurate with the acquisition, Blumio CEO and Co-founder Catherine Liao joins CardieX's US subsidiary as Chief Strategy Officer, with Blumio's former Head of Product & Operations Steve Braaten joining CardieX's US subsidiary as Operations Director.

Neither employee is considered by CardieX Limited to be a Key Management Personnel as defined by *the Corporations Act 2001* or the ASX Listing Rules.

**Commenting on the acquisition CardieX Group CEO, Craig Cooper stated:**

*"Blumio brings a suite of capabilities in wearable sensor development, signal processing, and big data analytics expertise that will benefit both of our ATCOR and CONNEQT brands, especially in relation to the ongoing development activities surrounding our CONNEQT Band.*

*This acquisition is a natural extension of our core solutions that provide a comprehensive ecosystem of unique health and wellness features focused on heart health.*

*I'm also personally thrilled to have Catherine and Steve join our team. I've been working closely with Catherine for over 3-years as a result of our development collaboration and have seen first-hand the vision and strategic input she can bring to CardieX."*

**Further commenting on the acquisition, former Blumio CEO Catherine Liao stated:**

*"I'm personally very excited to join the CardieX group of companies. We've come a long way with our development activities at Blumio and the time was right to bring that knowledge and technology into a company that shares our strong cultural alignment and focus on creating disruptive health solutions."*

**- ENDS -**

***Approved by the Board of Directors and Released by Jarrod White, Director.***

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**About CardieX:**

CardieX is a global health technology company that focuses on hypertension, cardiovascular disease, and other arterial health disorders. The company's ATCOR division is the world leader in specialist medical devices for measuring arterial stiffness and central blood pressure waveforms based on its unique FDA-cleared and patented SphygmoCor® technology. Under the CONNEQT brand, the company develops wearables, digital solutions, and devices for remote patient monitoring, decentralized clinical trials, and home health. CardieX is listed on the Australian Stock Exchange (ASX:CDX).

**About Blumio:**

Founded in 2015, Blumio is a Silicon Valley-based sensor technology startup that focused on developing wearable sensors and cardiovascular health algorithms, including blood pressure (BP) estimation that is not reliant on an inflatable cuff. Blumio's novel radio frequency (RF) technology gathers a validated pulse pressure waveform that enables at-home, all-day, and all-night cardiovascular health data collection to help physicians and patients make informed healthcare decisions related to various health disorders, from hypertension to maternal health.