

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 8, 2023

electroCore, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-38538
(Commission File Number)

20-3454976
(I.R.S. Employer
Identification Number)

200 Forge Way, Suite 205
Rockaway, NJ 07866
(Address of principal executive offices and zip code)

(973) 290-0097
(Registrant's telephone number, including area code)

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:

- 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:

<u>Title of each class</u>	<u>Trading symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, Par Value \$0.001 Per Share	ECOR	NASDAQ Capital Market

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 8, 2023, electroCore, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended September 30, 2023. A copy of the press release is furnished herewith as Exhibit 99.1 and incorporated by reference.

Except for information relating to Adjusted EBITDA net loss from operations and its reconciliation to generally accepted accounting principles (GAAP), the information contained in this Item 2.02 and Item 9.01 in this Current Report on Form 8-K, including the accompanying Exhibit 99.1 hereto, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filings, unless expressly incorporated by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
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99.1	Press release dated November 8, 2023.
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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.

November 8, 2023

electroCore, Inc.

/s/ Brian M. Posner

Brian M. Posner
Chief Financial Officer

electroCore Announces Third Quarter 2023 Financial Results

Record third quarter 2023 net sales of \$4.5 million, an increase of approximately 128% over third quarter 2022

Company increases revenue guidance for full year 2023 to \$15.0 million - \$15.5 million

Company to host a conference call and webcast today, November 8, 2023 at 4:30 PM EST

ROCKAWAY, NJ, November 08, 2023 (GLOBE NEWSWIRE) – electroCore, Inc. (Nasdaq: ECOR), a commercial-stage bioelectronic medicine company and wellness company, today announced third quarter 2023 financial results and provided an operational update.

Third Quarter 2023 and Recent Highlights

- Record revenue of \$4.5 million, an increase of approximately 128% over third quarter 2022
- Raised net proceeds of approximately \$7.5 million in a registered direct public offering and concurrent private placement to institutional and accredited investors, and a separate private placement to officers and directors.
- Raising revenue guidance for full year 2023 to \$ 15.0 million - \$15.5 million.

Third Quarter 2023 Financial Results

For the quarter ended September 30, 2023, electroCore reported net sales of \$4.5 million compared to \$2.0 million during the same period of 2022, which represents an approximately 128% increase over the prior year. The increase of \$2.5 million is primarily due to increasing prescription revenue for our gammaCore device in the Department of Veteran Affairs and Department of Defense, an increase in prescription revenue for our gammaCore device from outside the United States, and continued revenue from the sales of our Truvaga and TAC-STIM wellness products.

(in thousands) Channel	Three months ended September 30,		% Change	Nine months ended September 30,		% Change
	2023	2022		2023	2022	
Rx gammaCore – Department of Veteran Affairs and Department of Defense	\$ 2,737	\$ 1,167	135%	\$ 6,523	\$ 3,597	81%
Rx gammaCore – U.S. Commercial	439	392	12%	1,310	1,133	16%
Outside the United States	464	417	11%	1,298	1,189	9%
Truvaga	267	—	—	704	—	—
TAC-STIM	601	—	—	1,000	—	—
Other	—	—	—	4	113	-96%
	<u>\$ 4,508</u>	<u>\$ 1,976</u>	<u>128%</u>	<u>\$ 10,839</u>	<u>\$ 6,032</u>	<u>80%</u>

Gross profit for the third quarter of 2023 was \$3.8 million as compared to \$1.7 million for the third quarter of 2022. Gross margin for the third quarter of 2023 was 85% as compared to 87% in the third quarter of 2022.

Total operating expenses in the third quarter of 2023 were approximately \$8.0 million as compared to \$7.3 million in the third quarter of 2022.

Research and development expense in the third quarter of 2023 was \$1.2 million as compared to \$1.6 million in the third quarter of 2022. This decrease in research and development expense was due to a decrease in compensation associated with cost cutting measures offset by investments in product development for the next generation of the Company's non-invasive nerve stimulators.

Selling, general and administrative expense in the third quarter of 2023 was \$6.7 million as compared to \$5.7 million in the third quarter of 2022. This increase was primarily due to greater variable selling and marketing costs consistent with the increase in net sales.

GAAP net loss in the third quarter of 2023 was \$4.0 million compared to the \$5.5 million net loss in the third quarter of 2022.

Adjusted EBITDA net loss in the third quarter of 2023 was \$3.0 million as compared to a net loss of \$4.8 million in the third quarter of 2022.

The Company defines adjusted EBITDA net loss as GAAP net loss, adjusted to exclude non-operating gains/losses, depreciation and amortization, stock-based compensation expense, severance and other related charges, inventory reserve charges, severance and other related charges, legal fees associated with stockholders' litigation, and benefit from income taxes. A reconciliation of GAAP net loss to non-GAAP adjusted EBITDA net loss has been provided in the financial statement tables included in the press release.

Cash, cash equivalents and restricted cash at September 30, 2023 totaled approximately \$13.7 million, as compared to approximately \$18.0 million as of December 31, 2022. In July 2023, the Company raised net proceeds of approximately \$7.5 million through a registered direct offering and concurrent private placements priced "at the market" under Nasdaq rules.

Full Year 2023 Outlook

The Company is increasing its revenue guidance for the year ending December 31, 2023 to be \$15.0 million - \$15.5 million, as compared to its previous guidance of \$14.0 million - \$15.0 million.

Webcast and Conference Call Information

electroCore's management team will host a conference call today, November 8, 2023, beginning at 4:30 PM EST.

Investors interested in listening to the conference call, or webcast may dial 877-407-8835 for domestic callers or 201-689-8779 for international callers, using Conference ID: 13739200, or by connecting to the Web: [electroCore Earnings Webcast](#). An archived webcast of the event will be available on the "Investors" section of the company's website at: www.electrocore.com.

About electroCore, Inc.

electroCore, Inc. is a commercial stage bioelectronic medicine and wellness company dedicated to improving health through its non-invasive vagus nerve stimulation ("nVNS") technology platform. Our focus is the commercialization of medical devices for the management and treatment of certain medical conditions and consumer product offerings utilizing nVNS to promote general wellbeing and human performance in the United States and select overseas markets.

Forward-Looking Statements

This press release and other written and oral statements made by representatives of electroCore may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include, but are not limited to, statements about expectations for revenue for 2023 and beyond, electroCore's business prospects and clinical and product development plans; its pipeline or potential markets for its technologies; the timing, outcome and impact of regulatory, clinical and commercial developments; business prospects around its Truvaga wellness and TAC-STIM human performance offerings and other new products and markets, and other statements that are not historical in nature, particularly those that utilize terminology such as "anticipates," "will," "expects," "believes," "intends," and other words of similar meaning, derivations of such words and the use of future dates. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the ability to raise the additional funding needed to continue to pursue electroCore's business and product development plans, the inherent uncertainties associated with developing new products or technologies, the ability to commercialize gammaCore™, TAC-STIM™, and Truvaga™, the potential impact and effects of COVID-19 on the business of electroCore, electroCore's results of operations and financial performance, inflation and currency fluctuations, and any expectations electroCore may have with respect thereto, competition in the industry in which electroCore operates and overall economic and market conditions. Any forward-looking statements are made as of the date of this press release, and electroCore assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in the forward-looking statements, except as required by law. Investors should consult all of the information set forth herein and should also refer to the risk factor disclosure set forth in the reports and other documents electroCore files with the SEC available at www.sec.gov.

Contact:

ECOR Investor Relations
(973) 302-9253
investors@electrocore.com

electroCore, Inc.
Condensed Consolidated Statements of Operations
(unaudited)
(in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
Net sales	\$ 4,508	\$ 1,976	\$ 10,839	\$ 6,032
Cost of goods sold	661	258	1,704	976
Gross profit	3,847	1,718	9,135	5,056
Operating expenses				
Research and development	1,249	1,617	4,213	3,892
Selling, general and administrative	6,724	5,657	20,233	18,121
Total operating expenses	7,973	7,274	24,446	22,013
Loss from operations	(4,126)	(5,556)	(15,311)	(16,957)
Other (income) expense				
Interest and other income	(94)	(103)	(298)	(145)
Other expense	—	—	—	5
Total other (income) expense	(94)	(103)	(298)	(140)
Loss before income taxes	(4,032)	(5,453)	(15,013)	(16,817)
Benefit from income taxes	—	—	211	445
Net loss	\$ (4,032)	\$ (5,453)	\$ (14,802)	\$ (16,372)
Net loss per share of common stock - Basic and Diluted	\$ (0.68)	\$ (1.20)	\$ (2.87)	\$ (3.45)
Weighted average common shares outstanding - Basic and Diluted	5,945	4,544	5,149	4,746

electroCore, Inc.
Condensed Consolidated Balance Sheet Information
(unaudited)
(in thousands)

	September 30,	December 31,
	2023	2022
Cash and cash equivalents	\$ 13,460	\$ 17,712
Restricted cash	\$ 250	\$ 250
Total assets	\$ 20,108	\$ 24,756
Current liabilities	\$ 8,508	\$ 7,045
Total liabilities	\$ 9,068	\$ 7,670
Total equity	\$ 11,040	\$ 17,086

(Unaudited) Use of Non-GAAP Financial Measure

The Company is presenting adjusted EBITDA net loss because it believes this measure is a useful indicator of its operating performance. electroCore management uses this non-GAAP measure principally as a measure of the company's core operating performance and believes that this measure is useful to investors because it is frequently used by the financial community, investors, and other interested parties to evaluate companies in the company's industry. The Company also believes that this measure is useful to its management and investors as a measure of comparative operating performance from period to period. Additionally, the company believes its use of non-GAAP adjusted EBITDA net loss from operations facilitates management's internal comparisons to historical operating results by factoring out potential differences caused by gains and charges not related to its regular, ongoing business, including, without limitation, non-cash charges and certain large and unpredictable charges such as restructuring expenses.

The Company defines adjusted EBITDA net loss as GAAP net loss, adjusted to exclude non-operating gains/losses, depreciation and amortization, stock-based compensation expense, severance and other related charges, inventory reserve charges, legal fees associated with stockholders' litigation, and benefit from income taxes.

Following is a reconciliation of GAAP net loss to non-GAAP adjusted EBITDA net loss (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2023	2022	2023	2022
GAAP net loss	\$ (4,032)	\$ (5,453)	\$ (14,802)	\$ (16,372)
Depreciation and amortization	291	153	735	400
Stock-based compensation	543	566	1,298	2,095
Inventory reserve charge	193	—	258	—
Severance and other related charges	113	—	445	—
Legal fees associated with stockholders' litigation	7	17	42	149
Interest and other (income) expense	(94)	(103)	(298)	(140)
Benefit from income taxes	—	—	(211)	(445)
Adjusted EBITDA net loss	\$ (2,979)	\$ (4,820)	\$ (12,533)	\$ (14,313)

The Company's use of a non-GAAP measure has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of its results as reported under GAAP. Some of these limitations are: the non-GAAP measure does not reflect interest or tax payments that may represent a reduction in cash available; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and the non-GAAP measure does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements; the non-GAAP measure does not reflect the potentially dilutive impact of equity-based compensation; and the non-GAAP measure does not reflect changes in, or cash requirements for, working capital needs; other companies, including companies in electroCore's industry, may calculate adjusted EBITDA net loss differently, which reduces its usefulness as a comparative measure.

Because of these and other limitations, you should consider the non-GAAP measure together with other GAAP-based financial performance measures, including various cash flow metrics, net loss, and other GAAP results. A reconciliation of GAAP net loss to non-GAAP adjusted EBITDA net loss has been provided in the preceding financial statements table of this press release.