

In Q3 of 2023, Healionics completed enrollment and continued to follow patients in our current *STARgraft* human study, began raising a new funding round, and received recognition at a major investment conference.

Financial Snapshot

9/30/2023 Cash Balance: \$1,582k

Income in Q3:

Interest income + iSTAR royalty payment: \$29k

Operating Expenses in Q3: \$684k

STARgraft Update

Our *STARgraft* vascular graft (synthetic blood vessel) is intended to provide a safer and more reliable means to access the bloodstream for dialysis in patients with kidney failure.

We have fully enrolled our current human study (described at [ClinicalTrials.gov](https://clinicaltrials.gov)) and are seeing excellent results to date. Among the 12 *STARgraft* patients implanted with the current device preparation technique, there have been no device-related infections, and the devices have maintained 100% patency without the need for any interventions. Median duration of active implants is now 8 months. These results compare favorably with competing on-market grafts, which historically have 35% rate of occlusion failure and 8% rate of infection by this timepoint.

During the enrollment phase, we had discovered an issue with the surgeon technique for preparing the device for implant. We subsequently revised the technique instructions to ensure adequate pre-hydration of the *STAR* layer, leading to the excellent results now being observed.

We are continuing periodic patient follow-up exams and aim to file a 510(k) for FDA clearance in early 2024.

Financing Round

We opened a \$3M preferred equity round in August, led by [Keiretsu Capital](#), to support our efforts to reach FDA clearance and market launch. To date, we have received commitments for \$3.4M and have scheduled a first closing for mid-October. We are still accepting investment so, if you are an existing investor and accredited, please contact me if you wish to participate and have not received closing documents, or if you have questions or would like more information.

Company Recognition

In August, Healionics was honored to be selected as the “[Most Valued Company](#)” by attending investors at Keiretsu Forum’s Investor Capital Expo.

Best regards,

Mike Connolly

CEO

[Healionics Corporation](#)