

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended **June 30, 2025**

Transition Report pursuant to 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File Number: **001-38543**

OptimizeRx Corporation

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

26-1265381

(IRS Employer
Identification No.)

260 Charles Street, Suite 302

Waltham, MA 02453

(Address of principal executive offices)

248-651-6568

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001	OPRX	Nasdaq Capital Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

- | | |
|---|---|
| <input type="checkbox"/> Large accelerated filer | <input type="checkbox"/> Accelerated filer |
| <input checked="" type="checkbox"/> Non-accelerated filer | <input checked="" type="checkbox"/> Smaller reporting company |
| | <input type="checkbox"/> 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 18,565,033 common shares as of July 25, 2025.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Our condensed consolidated financial statements included in this Form 10-Q are as follows:

2	Condensed Consolidated Balance Sheets as of June 30, 2025 (unaudited) and December 31, 2024;
3	Condensed Consolidated Statements of Operations for the Three and Six Months Ended June 30, 2025 and 2024 (unaudited);
4	Condensed Consolidated Statements of Changes in Stockholders' Equity for the Three and Six Months Ended June 30, 2025 and 2024 (unaudited);
6	Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2025 and 2024 (unaudited);
7	Notes to Condensed Consolidated Financial Statements (unaudited).

OPTIMIZERX CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

ASSETS	June 30, 2025 (unaudited)	December 31, 2024
Current assets		
Cash and cash equivalents	\$ 16,585	\$ 13,380
Accounts receivable, net of allowance for credit losses of \$260 and \$335 at June 30, 2025 and December 31, 2024, respectively	33,512	38,212
Taxes receivable	646	—
Prepaid expenses and other assets	3,337	2,379
Total current assets	54,080	53,971
Property and equipment, net	134	150
Other assets		
Goodwill	70,869	70,869
Patent rights, net	5,181	5,517
Technology assets, net	7,677	8,180
Tradename and customer relationships, net	30,634	31,819
Operating lease right of use assets	528	366
Security deposits and other assets	162	296
Total other assets	115,051	117,047
TOTAL ASSETS	\$ 169,265	\$ 171,168
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current portion of long-term debt	\$ 3,300	\$ 2,000
Accounts payable	1,982	2,156
Accrued expenses	12,491	8,486
Revenue share payable	2,591	5,053
Taxes payable	—	318
Current portion of lease liabilities	209	168
Deferred revenue	484	473
Total current liabilities	21,057	18,654
Non-current liabilities		
Long-term debt, net	25,127	30,816
Lease liabilities, net of current portion	339	209
Deferred tax liabilities, net	3,458	4,491
Total liabilities	49,981	54,170
Commitments and contingencies (See Note 12)		
Stockholders' equity		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized, none issued and outstanding at June 30, 2025 and December 31, 2024	—	—
Common stock, \$0.001 par value, 166,666,667 shares authorized, 20,297,388 and 20,194,697 shares issued at June 30, 2025 and December 31, 2024, respectively	20	20
Treasury stock, \$0.001 par value, 1,741,397 shares held at June 30, 2025 and December 31, 2024	(2)	(2)
Additional paid-in-capital	204,301	201,348
Accumulated deficit	(85,035)	(84,368)
Total stockholders' equity	119,284	116,998
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 169,265	\$ 171,168

The accompanying notes are an integral part of these condensed consolidated financial statements.

OPTIMIZERX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share data, unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Net revenue	\$ 29,195	\$ 18,812	\$ 51,123	\$ 38,502
Cost of revenues, exclusive of depreciation and amortization presented separately below	10,560	7,108	19,144	14,595
Gross profit	<u>18,635</u>	<u>11,704</u>	<u>31,979</u>	<u>23,907</u>
Operating expenses				
General and administrative expenses	14,372	14,380	28,736	30,545
Depreciation and amortization	1,074	1,073	2,168	2,140
Total operating expenses	<u>15,446</u>	<u>15,453</u>	<u>30,904</u>	<u>32,685</u>
Income (loss) from operations	3,189	(3,749)	1,075	(8,778)
Other income (expense)				
Interest expense	(1,603)	(1,528)	(2,899)	(3,074)
Other income	37	75	76	75
Interest income	90	106	177	125
Total other expense, net	<u>(1,476)</u>	<u>(1,347)</u>	<u>(2,646)</u>	<u>(2,874)</u>
Income (loss) before provision for income taxes	1,713	(5,096)	(1,571)	(11,652)
Income tax benefit (expense)	(181)	1,088	904	744
Net income (loss)	<u>\$ 1,532</u>	<u>\$ (4,008)</u>	<u>\$ (667)</u>	<u>\$ (10,908)</u>
Weighted average number of shares outstanding – basic	<u>18,510,834</u>	<u>18,257,879</u>	<u>18,490,931</u>	<u>18,213,992</u>
Weighted average number of shares outstanding – diluted	<u>19,015,496</u>	<u>18,257,879</u>	<u>18,490,931</u>	<u>18,213,992</u>
Income (loss) per share – basic	<u>\$ 0.08</u>	<u>\$ (0.22)</u>	<u>\$ (0.04)</u>	<u>\$ (0.60)</u>
Income (loss) per share – diluted	<u>\$ 0.08</u>	<u>\$ (0.22)</u>	<u>\$ (0.04)</u>	<u>\$ (0.60)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

OPTIMIZERX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025
(in thousands, except share data, unaudited)

	Common Stock		Treasury Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance January 1, 2025	20,194,697	\$ 20	(1,741,397)	\$ (2)	\$ 201,348	\$ (84,368)	\$ 116,998
Stock based compensation expense							
Options	—	—	—	—	579	—	579
Restricted stock	—	—	—	—	979	—	979
Issuance of common stock							
For restricted stock units vested	39,489	—	—	—	(87)	—	(87)
Net loss	—	—	—	—	—	(2,199)	(2,199)
Balance March 31, 2025	<u>20,234,186</u>	<u>\$ 20</u>	<u>(1,741,397)</u>	<u>\$ (2)</u>	<u>\$ 202,819</u>	<u>\$ (86,567)</u>	<u>\$ 116,270</u>
Stock based compensation expense							
Options	—	—	—	—	573	—	573
Restricted stock	—	—	—	—	915	—	915
Issuance of common stock							
For restricted stock units vested	63,202	—	—	—	(6)	—	(6)
Net income	—	—	—	—	—	1,532	1,532
Balance June 30, 2025	<u>20,297,388</u>	<u>\$ 20</u>	<u>(1,741,397)</u>	<u>\$ (2)</u>	<u>\$ 204,301</u>	<u>\$ (85,035)</u>	<u>\$ 119,284</u>

OPTIMIZERX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024
(in thousands, except share data, unaudited)

	Common Stock		Treasury Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balance January 1, 2024	19,899,679	\$ 20	(1,741,397)	\$ (2)	\$ 190,793	\$ (64,258)	\$ 126,553
Stock based compensation expense							
Options	—	—	—	—	1,353	—	1,353
Restricted stock	—	—	—	—	1,671	—	1,671
Issuance of common stock							
For restricted stock units vested	22,200	—	—	—	(140)	—	(140)
Net loss	—	—	—	—	—	(6,900)	(6,900)
Balance March 31, 2024	<u>19,921,879</u>	<u>\$ 20</u>	<u>(1,741,397)</u>	<u>\$ (2)</u>	<u>193,677</u>	<u>\$ (71,158)</u>	<u>122,537</u>
Stock based compensation expense							
Options	—	—	—	—	1,149	—	1,149
Restricted stock	—	—	—	—	1,753	—	1,753
Issuance of common stock							
For restricted stock units vested	140,028	—	—	—	(415)	—	(415)
Net loss	—	—	—	—	—	(4,008)	(4,008)
Balance June 30, 2024	<u>20,061,907</u>	<u>\$ 20</u>	<u>(1,741,397)</u>	<u>\$ (2)</u>	<u>196,164</u>	<u>\$ (75,166)</u>	<u>121,016</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

OPTIMIZERX CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, unaudited)

	For the Six Months Ended June 30,	
	2025	2024
OPERATING ACTIVITIES:		
Net loss	\$ (667)	\$ (10,908)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	2,168	2,140
Stock-based compensation	3,046	5,926
Bad debt expense	—	132
Amortization of debt issuance costs	611	365
Changes in:		
Accounts receivable	4,700	11,600
Prepaid expenses and other assets	(958)	(1,457)
Accounts payable	(174)	752
Revenue share payable	(2,462)	(3,412)
Accrued expenses and other liabilities	4,138	(2,264)
Operating lease liabilities	9	—
Deferred tax liabilities	(1,033)	—
Taxes receivable and payable	(964)	(855)
Deferred revenue	11	881
NET CASH PROVIDED BY OPERATING ACTIVITIES	8,425	2,900
INVESTING ACTIVITIES:		
Purchase of property and equipment	(37)	(77)
Capitalized software development costs	(91)	(161)
NET CASH USED IN INVESTING ACTIVITIES	(128)	(238)
FINANCING ACTIVITIES:		
Cash paid for employee withholding taxes related to the vesting of restricted stock units	(92)	(555)
Repayment of long-term debt	(5,000)	(1,000)
NET CASH USED IN FINANCING ACTIVITIES	(5,092)	(1,555)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,205	1,107
CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD	13,380	13,852
CASH AND CASH EQUIVALENTS - END OF PERIOD	\$ 16,585	\$ 14,959
SUPPLEMENTAL CASH FLOW INFORMATION:		
Cash paid for interest	\$ 2,288	\$ 2,710
Cash paid for income taxes	\$ 1,087	\$ 110

The accompanying notes are an integral part of these condensed consolidated financial statements.

OPTIMIZERX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, excepts share and per share data, unaudited)

NOTE 1 – NATURE OF BUSINESS AND BASIS OF PRESENTATION

The accompanying condensed consolidated financial statements include OptimizeRx Corporation and its wholly owned subsidiaries (collectively, the “Company”, “we”, “our”, or “us”).

We are a digital healthcare technology company that connects over two million HCPs and millions of their patients through an intelligent technology platform embedded within a proprietary omnichannel network. OptimizeRx helps life science organizations engage and support their customers through our combined HCP and DTC marketing strategies.

The condensed consolidated financial statements for the three and six months ended June 30, 2025 and 2024 have been prepared by us without audit pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (“SEC”). In the opinion of management, all adjustments necessary to present fairly our financial position at June 30, 2025, and our results of operations, changes in stockholders’ equity for the three and six months ended June 30, 2025 and 2024, and cash flows for the six months ended June 30, 2025 and 2024, have been made. Those adjustments consist of normal and recurring adjustments. The condensed consolidated balance sheet as of December 31, 2024, has been derived from the audited consolidated balance sheet as of that date. We operate a single reporting segment and, accordingly, use our consolidated net income as our measure of profit and loss and it is not presented separately here.

Certain information and note disclosures, including a detailed discussion about the Company’s significant accounting policies, normally included in our annual consolidated financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with a reading of the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed with the SEC on March 20, 2025 (“Form 10-K”).

The results of operations for the three and six months ended June 30, 2025, are not necessarily indicative of the results to be expected for the full year.

Segment Reporting

We operate in one reportable segment and use consolidated net income as our measure of segment profit and loss. Overall, our business involves connecting life science companies to patients and providers. We have a common customer base of life sciences customers geographically located in the U.S. for all of our solutions, which primarily focus on all communications between our life sciences customers and with healthcare providers or patients. We do not prepare separate internal income statements by solution as our focus is on selling enterprise arrangements covering multiple solutions that span the entire patient journey with a specific brand.

Our chief operating decision maker (“CODM”) is our Chief Executive Officer (“CEO”). The CODM allocates resources and assesses performance of the business and other activities at the operating segment level. The CODM assesses performance for the operating segment and decides how to allocate resources based on net income (loss) that is also reported on the Condensed Consolidated Statement of Operations as consolidated net income (loss). The measure of segment assets is reported on the Condensed Consolidated Balance Sheets as total assets.

The CODM uses consolidated net income (loss) to evaluate income generated in deciding whether to reinvest profits into the segment or to use such profits for other purposes, such as for acquisitions or share repurchases. Consolidated net income (loss) is used to monitor budget versus actual results. The CODM also uses consolidated net income (loss) in competitive analyses by benchmarking to the Company’s competitors. The competitive analysis along with the monitoring of budget versus actual results are used in assessing performance of the segment, and in establishing management and variable compensation. The CODM also regularly reviews the Condensed Consolidated Statement of Operations for segment expenses, of which the significant expenses are related to cost of revenues, exclusive of depreciation and amortization, and operating expenses. Since we operate as one reportable segment, all required segment financial information is found in the condensed consolidated financial statements.

OPTIMIZERX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, excepts share and per share data, unaudited)

NOTE 1 – NATURE OF BUSINESS AND BASIS OF PRESENTATION (CONTINUED)

Fair Value of Financial Instruments

Fair value is defined as the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity. In addition, the fair value of liabilities should include consideration of non-performance risk including our own credit risk.

In addition to defining fair value, the disclosure requirements around fair value establish a fair value hierarchy for valuation inputs, which is expanded. The hierarchy prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels, which is determined by the lowest level input that is significant to the fair value measurement in its entirety. These levels are:

Level 1 – Inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 – Inputs are based upon significant observable inputs other than quoted prices included in Level 1, such as quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Inputs are generally unobservable and typically reflect management’s estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques. The Company’s stock options and warrants are valued using Level 3 inputs.

The Company's carrying amounts of financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, and other current liabilities, approximate their fair values due to their short maturities.

NOTE 2 – NEW ACCOUNTING PRONOUNCEMENTS

In December 2023, the FASB issued ASU No. 2023-09 (“ASU 2023-09”), Income Taxes (Topic 740): Improvements to Income Tax Disclosures. ASU 2023-09 addresses investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. This update also includes certain other amendments to improve the effectiveness of income tax disclosures. The provisions of ASU 2023-09 are effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of adopting ASU 2023-09.

In November 2024, the FASB issued ASU 2024-03 (“ASU 2024-03”), Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40). ASU 2024-03 requires that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The prescribed categories include purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion. This authoritative guidance is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the effect of this new guidance on its consolidated financial statements.

NOTE 3 – CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Cash equivalents include items almost as liquid as cash comprised of investments in AAA rated money market funds that invest in first-tier only securities, which primarily include domestic commercial paper and securities issued or guaranteed by the U.S. government or its agencies. We account for marketable equity securities in accordance with ASC 321-10, “Investments - Equity Securities”, as the shares have a readily determinable fair value quoted on the national stock exchange and are classified within Level 1 of the fair value hierarchy. At June 30, 2025 and December 31, 2024, we have recorded \$8,481 and \$8,300, respectively, of money market funds at approximate fair value.

OPTIMIZERX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, excepts share and per share data, unaudited)

NOTE 4 – CAPITALIZED SOFTWARE COSTS

The Company capitalizes certain development costs incurred in connection with software development for internal-use software platforms used in operations and for providing services to our customers. Costs incurred in the preliminary stages of development are expensed as incurred. Once software has reached the development stage, internal and external costs, if direct, are capitalized until the software is substantially complete and ready for its intended use. Capitalization ceases upon completion of all substantial testing. The Company also capitalizes costs related to specific upgrades and enhancements when it is probable the expenditures will result in additional functionality. Capitalized internal use software development costs are included in intangible assets and are amortized on a straight-line basis over the estimated useful life of the software platforms and are included in depreciation and amortization within operating expenses in the condensed consolidated statements of operations. Amortization of capitalized internal use software expense for the three and six months ended June 30, 2025 and 2024 was \$73 and \$164 and \$71 and \$141, respectively. The Company accumulates capitalizable costs related to current projects in a construction in process (“CIP”) software account, the balance of which was \$411 and \$320 at June 30, 2025 and December 31, 2024, respectively.

NOTE 5 – LONG-TERM DEBT

Long-term debt, net comprised of the following at June 30, 2025 and December 31, 2024:

	June 30, 2025	December 31, 2024
Term loan, due in 2027	\$ 29,290	\$ 34,290
Less: current portion of long-term debt	(3,300)	(2,000)
Less: unamortized issuance costs	(863)	(1,474)
Long-term debt, net	<u>\$ 25,127</u>	<u>\$ 30,816</u>

On October 11, 2023, the Company entered into a Financing Agreement (the “Financing Agreement”) which provided for a term loan (the “Term Loan”) of \$40 million, the net proceeds of which were used to partially finance the Medicx Health transaction. In connection with the Term Loan the Company incurred issuance costs of approximately \$2,270, which were capitalized and are being amortized to interest expense over the life of the Term Loan. Amortization of debt issuance costs for the three and six months ended June 30, 2025 and 2024 was \$437 and \$611 and \$182 and \$365, respectively.

The Company’s obligations under the Term Loan are secured by all of the Company’s and its subsidiaries’ assets (including a pledge of all of the capital stock and equity interests of its subsidiaries).

The Term Loan is repayable in quarterly installments on the last business day of each fiscal quarter, beginning December 31, 2023, in an amount equivalent to 1.25% of the original principal amount. The outstanding unpaid principal amount and all accrued but unpaid interest thereon, shall be due and payable on the earlier of (i) the fourth anniversary of the closing date of the Term Loan or (ii) the date on which the Term Loan is declared due and payable pursuant to the terms of the Financing Agreement.

The Company may prepay, subject to an Applicable Premium, 3% if the prepayment is made on a date that is up to and including the first anniversary of closing, 2%, if the prepayment is made up to and including the second anniversary, 1% if the prepayment is made up to and including the third anniversary and zero thereafter, all or a portion of the Term Loan and, under certain circumstances, including certain asset disposals and the raising of indebtedness not permitted under the Term Loan is required to make mandatory prepayments of the principal balance. If the prepayment occurs within 12 months of the date of the loan, the Company is also required to pay lost interest from the prepayment date to one year from the loan funding date.

In addition, the Company is required to make a mandatory prepayment on March 31, of each year, commencing with 2025, equivalent to Excess Cash Flow multiplied by a percentage factor of 25%, if the leverage ratio is 3.60 to 1.00 or less, 50% if the leverage ratio is greater than 3.60 to 1.00 or less than or equal; to 4.10 to 1.00 and 75%, if the leverage ratio is greater than 4.10 to 1.00. Excess Cash Flow is defined in the Financing Agreement as Consolidated EBITDA for the previous fiscal year less scheduled principal and interest payments, capital expenditure, cash taxes and any cash expenses/gains

OPTIMIZERX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, excepts share and per share data, unaudited)

NOTE 5 - LONG-TERM DEBT (CONTINUED)

added back to net income in the calculation of Consolidated EBITDA, adjusted for any increase/decrease in working capital during the fiscal year.

During the three and six months ended June 30, 2025 and 2024, the Company made total principal repayments of \$4.5 million and \$5.0 million and \$0.5 million and \$1.0 million, respectively.

At the Company's option the Term Loan, or any portion thereof bears interest at either:

- a. The greater of (a) 4.00% per annum, (b) the Federal Funds Rate plus 0.50% per annum, (c) the one month Secured Overnight Financing Rate ("SOFR"), plus an adjustment of 26.161 basis point and 1.00% per annum, and (d) the rate last quoted by The Wall Street Journal as the "Prime Rate", plus an Applicable Margin of 7.5%; or
- b. Three-month SOFR plus an adjustment of 26.161 basis points and an Applicable Margin of 8.5%

As of June 30, 2025, the Term Loan bears interest at 13.1%, with an effective interest rate of 19.6% for the three months ended June 30, 2025 and an effective interest rate of 17.3% for the six months ended June 30, 2025, including the impact of the amortization of debt issuance costs.

The Term Loan requires the Company to maintain certain maximum leverage ratios and Liquidity (as defined in the Financing Agreement), of at least \$5.0 million.

The Company was in compliance with its financial covenants as of June 30, 2025.

The Term Loan contains customary events of default, which include, (subject to, in certain circumstances to grace and cure periods), non-payment of principal and interest, non-compliance with certain covenants, commencement of bankruptcy proceedings and a change in control.

Payments due on the Term Loan in each of the next three years subsequent to June 30, 2025, are as follows:

As of June 30, 2025

2025 (remainder)	\$	1,000
2026		2,000
2027		26,290
	\$— \$	<u>29,290</u>

NOTE 6 – LEASES

We had operating leases with terms greater than 12 months for office space in four multi-tenant facilities, which are recorded as Operating lease right-of-use assets and Operating lease liabilities.

For the three and six months ended June 30, 2025 and 2024, the Company's lease cost consists of the following components, each of which is included in operating expenses within the Company's condensed consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Operating lease cost	\$ 60	\$ 62	\$ 122	\$ 124
Short-term lease cost	—	—	—	1
Total lease cost	<u>\$ 60</u>	<u>\$ 62</u>	<u>\$ 122</u>	<u>\$ 125</u>

OPTIMIZERX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, excepts share and per share data, unaudited)

NOTE 6 – LEASES (CONTINUED)

The table below presents the future minimum lease payments to be made under operating leases in each of the remainder of the current and next three fiscal years:

As of June 30, 2025

2025 (remainder)	\$	115
2026		213
2027		169
2028		106
Total	—	603
Less: discount	—	55
Total lease liabilities	\$— \$	548

The weighted average remaining lease term at June 30, 2025 for the operating leases is 2.81 years, and the weighted average discount rate used in calculating the operating lease asset and liability is 6.91%. Cash paid for amounts included in the measurement of lease liabilities was \$100 and \$109 for the six months ended June 30, 2025 and 2024, respectively. For the six months ended June 30, 2025 and 2024, payments on lease obligations were \$114 and \$127, respectively, and amortization on the right of use assets was \$122 and \$113, respectively.

NOTE 7 – STOCKHOLDERS' EQUITY

Preferred Stock

The Company had 10,000,000 shares of preferred stock, \$0.001 par value per share, authorized as of June 30, 2025. No shares were issued or outstanding in either 2025 or 2024.

Common Stock

The Company had 166,666,667 shares of common stock, \$0.001 par value per share, authorized as of June 30, 2025. There were 18,555,991 and 18,453,300 shares of common stock outstanding, net of shares held in treasury of 1,741,397 and 1,741,397 at June 30, 2025 and December 31, 2024, respectively.

During each of the quarters ended March 31, 2025 and June 30, 2025, the Company issued no shares of our common stock and received no proceeds in connection with the exercise of options under our 2013 Incentive Plan (the "2013 Plan") and our 2021 Equity Incentive Plan ("2021 Plan"). The Company issued 39,489 and 63,202 shares of common stock, respectively, in the quarters ended March 31, 2025 and June 30, 2025, in connection with the vesting of restricted stock units under our 2013 Plan and our 2021 Plan. Some of the participants utilized a net withhold settlement method, in which shares were surrendered to cover payroll withholding taxes. Of the shares issued to participants during the six months ended June 30, 2025, 14,552 shares, valued at \$93, were surrendered and subsequently cancelled.

During the quarters ended March 31, 2024 and June 30, 2024, the Company issued no shares of our common stock and received no proceeds in connection with the exercise of options under our 2013 Plan and our 2021 Plan. The Company issued 22,200 and 140,028 shares of common stock, respectively, in the quarters ended March 31, 2024 and June 30, 2024, in connection with the vesting of restricted stock units under our 2013 Plan and our 2021 Plan. Some of the participants utilized a net withhold settlement method, in which shares were surrendered to cover payroll withholding taxes. Of the shares issued to participants during the six months ended June 30, 2024, 48,281 shares, valued at \$555, were surrendered in connection with the net withhold settlement method, and were subsequently cancelled.

Treasury Stock

During the quarter ended March 31, 2023, the Company's Board of Directors (the "Board") authorized a share repurchase program, under which the Company could repurchase up to \$15.0 million of its outstanding common stock. This stock repurchase authorization expired on March 12, 2024.

OPTIMIZERX CORPORATION
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 7 – STOCKHOLDERS’ EQUITY (CONTINUED)

During the three and six months ended June 30, 2025 and 2024, the Company did not repurchase any of its outstanding shares of common stock.

NOTE 8 – STOCK BASED COMPENSATION

The Company sponsors two stock-based incentive compensation plans.

In June 2013, the Board approved and adopted, and the Company’s stockholders approved, the OptimizeRx Corporation 2013 Incentive Plan, which was subsequently amended and approved in 2016, 2018, 2019, and 2020 (the “2013 Incentive Plan”). The 2013 Incentive Plan, as amended, authorized the issuance of 3,000,000 shares of Company common stock. In connection with the adoption of a new incentive plan in 2021, the Company froze the 2013 Incentive Plan. A total of 184,345 shares of common stock underlying options and 4,000 shares of common stock underlying restricted stock unit awards were outstanding under the 2013 Incentive Plan at June 30, 2025. At June 30, 2025, there were no shares available for grant under the 2013 Incentive Plan.

In 2021, the Board approved and adopted the OptimizeRx Corporation 2021 Equity Incentive Plan (the “2021 Incentive Plan”). The 2021 Incentive Plan was approved by stockholders in August 2021. On June 5, 2024, at the 2024 Annual Meeting of Stockholders, the Company’s stockholders approved an amendment to the 2021 Incentive Plan to increase the number of shares of common stock available for awards under the 2021 Incentive Plan by 1,950,000 shares for a total of 4,450,000 shares. A total of 1,598,154 shares of common stock underlying options and 667,482 shares of common stock underlying restricted stock unit awards were outstanding under the 2021 Incentive Plan at June 30, 2025. At June 30, 2025, 1,587,977 shares were available for grant under the 2021 Incentive Plan.

Stock Options

The compensation expense that has been charged against income related to options for the three and six months ended June 30, 2025 and 2024 was \$573 and \$1,152 and \$1,149 and \$2,502, respectively. There is \$3,027 of remaining expense related to unvested options to be recognized in the future over a weighted average period of 2.13 years. The total intrinsic value of outstanding options at June 30, 2025 was \$6,446. The fair value of these instruments was calculated using the Black-Scholes option pricing model.

From time to time, the Company grants performance based stock options, the expense for which will be recorded over time once the achievement of the performance is deemed probable. There was \$8 and \$16 in expense related to these options recorded during the three and six months ended June 30, 2025, respectively. There was \$8 in expense related to these options for the three and six months ended June 30, 2024. The fair value of these instruments was calculated using the Black-Scholes option pricing model.

Restricted Stock Units

The Company recorded \$915 and \$1,894 and \$1,753 and \$3,424 in compensation expense related to restricted stock units for the three and six months ended June 30, 2025 and 2024, respectively. A total of \$4,547 remains to be recognized at June 30, 2025 over a weighted average period of 1.78 years. The fair value of these instruments is based on the closing price of our common stock as reported on the Nasdaq Capital Market on the date of grant.

From time to time, the Company grants performance based restricted stock units, the expense for which will be recorded over time once the achievement of the performance is deemed probable. There was \$8 and \$16 in expense related to these restricted stock units recorded during the three and six months ended June 30, 2025, respectively. There was \$8 in expense related to these restricted stock units recorded for the three and six months ended June 30, 2024. The fair value of these instruments was calculated using the Black-Scholes option pricing model. The fair value of these instruments is based on the closing price of our common stock as reported on the Nasdaq Capital Market on the date of grant.

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NOTE 8 – STOCK BASED COMPENSATION (CONTINUED)

Non-employee Directors Compensation

The director's compensation program calls for the grant of restricted stock units with a one year vesting period. There was \$163 and \$336 and \$203 and \$402 included in the compensation expense discussed above related to director's compensation for the three and six months ended June 30, 2025 and 2024, respectively.

Equity Award Modification

On April 16, 2023, the Compensation Committee approved a grant to the Company's then CEO of 86,685 restricted stock units and 161,698 stock options with a grant date fair value of \$2,500 to vest over a three year period. Concurrently, the then CEO forfeited his October 2021 grant of 182,398 market-based restricted stock units. The forfeiture and accompanying grant were considered an equity modification according to ASC 718, Compensation-Stock Compensation ("ASC 718"). The additional compensation value created by the termination and issuance of new equity awarded, as measured using a Monte Carlo simulation, was approximately \$1,900 in total. Under ASC 718 this results in a non-cash expense in current and future periods to be recognized over a three-year period. These expense values are reflected and included in the option and restricted stock expense values discussed above. At December 31, 2024, the remaining expense of \$1,556 related to the October 2021 grant of market-based restricted stock units was accelerated upon the departure of the CEO. The expense for unvested stock-options and restricted stock units related to the April 2023 grant was reversed upon their forfeiture at the departure of the CEO.

NOTE 9 – REVENUES

Under ASC Topic 606, Revenue from Contracts with Customers, recognition of revenue requires evidence of a contract, probable collection of proceeds, and completion of substantially all performance obligations. We use a 5-step model to recognize revenue. These steps are: identify the contract with a customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract, and recognize revenue when or as the performance obligations are satisfied.

Revenues are primarily generated from content delivery activities in which the Company delivers financial, clinical, or brand messaging through a distribution network of ePrescribers and electronic health record technology providers (channel partners), directly to consumers, or from reselling services that complement the business. This content delivery for a customer is referred to as a program. Unless otherwise specified, revenue is recognized based on the selling price to customers. The Company also generates revenue through data subscriptions. Data subscriptions can be contracted on a stand-alone basis or as a complement to content delivery. Additional services include set up, and reporting. We consider these services to be complimentary to the primary performance obligation and recognized through performance of delivery of content or data.

We have certain contracts which are satisfied at a point in time, primarily for consulting projects or NPI data target lists. For such contracts, we recognize revenue upon delivery of the related data, study or report.

The Company's contracts are generally all less than one year and the primary performance obligation is delivery of messages, or our forms of content, but the contract may contain additional services. The net contract balance for contracts in progress at June 30, 2025 and December 31, 2024, was \$41,013 and \$4,288, respectively. The outstanding performance obligations are expected to be satisfied during the year ending December 31, 2025.

In certain circumstances, the Company will offer sales rebates to customers based on spend volume. Rebates are typically contracted based on a quarterly or annual spend amount based on a volume threshold or tiered model. At the beginning of the year, the rebate percentage is estimated based on input from the sales team and analysis of prior year sales. Thereafter, the open contract balance for the customer is assessed quarterly to ensure the estimated rebate percentage being used for the rebate accrual remains reasonable. The estimated amount of variable consideration will be included in the transaction price only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. For the year ended

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NOTE 9 – REVENUES (CONTINUED)

December 31, 2024 and during the first six months of 2025, there were two contracts with customers that included a rebate clause.

As the content is distributed through the platform and network of channel partners (a transaction), these transactions are recorded, and revenue is recognized over time as the distributions occur. Revenue for transactions can be realized based on a price per message, a price per redemption, as a flat fee occurring over a period of time, or upon completion of the program, depending on the client contract. The Company recognizes setup fees that are required for integrating client offerings and campaigns into the rule-based content delivery system and network over the life of the initial program, based either on time, or units delivered, depending upon which is most appropriate in the specific contract. Should a program be cancelled before completion, the balance of set up revenue is recognized at the time of cancellation, as set up fees are nonrefundable. Additionally, the Company also recognizes revenue for providing program performance reporting and maintenance. This reporting revenue is recognized over time as the messages are delivered. Program design, which is the design of the content delivery program, and related consulting services are recognized as services are performed.

In some instances, we license certain of our software applications in arrangements that do not include other performance obligations. In those instances, we record license revenue when the software is delivered for use to the licensee. In instances where our contracts included Software as a Service, the revenue is recognized over the subscription period as services are delivered to the customer.

In some instances, the Company also resells messaging solutions that are available through channel partners that are complementary to the HCP marketing business and customer base. These partner specific solutions are frequently similar to our own solutions and revenue recognition for these programs is the same as described above. In instances where the Company sells solutions on a commission basis, net revenue is recognized based on the commission-based revenue split that the Company receives. In instances where the Company resells these messaging solutions and has all financial risk and significant operation input and risk, the Company records the revenue based on the gross amount sold and the amount paid to the channel partner as a cost of sales. The amount of revenue recognized as an agent on a net basis was \$6,325 and \$5,602 for the six months ended June 30, 2025 and 2024, respectively.

The Company has several signed contracts with customers for the distribution of messaging, or other services, which include payment in advance. The payments are not recorded as revenue until the revenue is earned under its revenue recognition policy. Deferred revenue was \$484 and \$473 as of June 30, 2025 and December 31, 2024, respectively. The contracts are all short term in nature and all revenue is expected to be recognized within 12 months, or less. The following is a summary of activity for the deferred revenue account for the six months ended June 30, 2025 and 2024, respectively:

	2025	2024
Balance January 1	\$ 473	\$ 172
Revenue recognized	(2,989)	(3,229)
Amount collected	3,027	3,961
Balance March 31	\$ 511	\$ 904
Revenue recognized	(5,416)	(1,853)
Amount collected	5,389	2,002
Balance June 30	\$ 484	\$ 1,053

Disaggregation of Revenue

Consistent with ASC Topic 606, we have disaggregated our revenue by timing of revenue recognition. The majority of our revenue is recognized over time as solutions are provided. A small portion of our revenue related to program development,

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NOTE 9 – REVENUES (CONTINUED)

solution architect design, and other solutions is recognized at a point in time upon delivery to customers. A break down is set forth in the table below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue recognized over time	\$ 29,168	\$ 17,769	\$ 50,950	\$ 34,694
Revenue recognized at a point in time	27	1,043	173	3,808
Total Revenue	\$ 29,195	\$ 18,812	\$ 51,123	\$ 38,502

Accounts receivable are reported at realizable value, net of allowances for credit losses, which is estimated and recorded in the period the related revenue is recorded. The Company does not seek collateral to secure its accounts receivable and amounts billed are generally due within a short period of time based on terms and conditions normal for our industry. The Company has a standardized approach to estimate and review the collectability of its receivables based on a number of factors, including the period they have been outstanding. Historical collection and payer reimbursement experience is an integral part of the estimation process related to allowances for credit losses. In addition, the Company regularly assesses the state of its billing operations in order to identify issues, which may impact the collectability of these receivables or reserve estimates. If current or expected future economic trends, events, or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past-due receivable balances are written off when the Company's collection efforts have been exhausted.

The following is a summary of changes in the allowance for credit losses for the six months ended June 30,:

	2025	2024
Balance at January 1,	\$ 335	\$ 239
Provision for credit losses	—	132
Write-offs	—	—
Balance at March 31,	\$ 335	\$ 371
Provision for credit losses	—	—
Write-offs	(75)	—
Balance at June 30,	\$ 260	\$ 371

From time to time, we may record revenue based on our revenue recognition policies in advance of being able to invoice the customer, or we may invoice the customer prior to being able to recognize the revenue. Included in accounts receivable are unbilled amounts of \$3,483 and \$3,241 at June 30, 2025 and December 31, 2024, respectively. Amounts billed in advance of revenue recognition are presented as deferred revenue on the condensed consolidated balance sheets.

NOTE 10 – RELATED PARTY TRANSACTIONS

Related party transactions include transactions between the Company and its stockholders, management, or affiliates. The following transactions were in the normal course of operations and were measured and recorded at the exchange amount, which is the amount of consideration established and agreed to by the parties.

During the year ended December 31, 2010, the Company acquired the technical contributions and assignment of all exclusive rights to and for a key patent in process at the time from a former CEO, in exchange for a total payment in shares of common stock and options valued at \$930 at the time of the acquisition and recorded the patent at that cost. That patent remains in Patents Rights on the condensed consolidated balance sheet as of June 30, 2025 and December 31, 2024.

Jim Lang, one of our Board Members, is the CEO of Eversana, a leading global provider of services to the life sciences industry. Eversana is similar to other customers from which we generate revenue, such as agencies or resellers. During the

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NOTE 10 – RELATED PARTY TRANSACTIONS (CONTINUED)

three and six months ended June 30, 2025 and 2024, we have recognized \$243 and \$485 and none and \$72, respectively, in revenue from contracts engaged with Eversana. These contracts were sourced by Eversana on behalf of life science customers of theirs. The contracts are at market rates and were generated in the normal course of business.

NOTE 11 – INCOME (LOSS) PER SHARE

Basic earnings per share (“EPS”) is computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period.

The number of shares related to options and restricted stock units included in diluted EPS is based on the “Treasury Stock Method” prescribed in ASC 260-10, *Earnings per Share*. This method assumes the theoretical repurchase of shares using proceeds of the respective stock options exercised, and for restricted stock units, the amount of compensation cost attributed to future services which have not yet been recognized, and the amount of current and deferred tax benefit, if any, that would be credited to additional paid in capital upon the vesting of the restricted stock units, at a price equal to the issuer’s average stock price during the related earnings period. Accordingly, the number of shares that could be included in the calculation of EPS in respect of the stock options and restricted stock units is dependent on this average stock price and will increase as the average stock price increases.

The following table sets forth the computation of basic and diluted net loss per share.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator				
Net income (loss)	\$ 1,532	\$ (4,008)	\$ (667)	\$ (10,908)
Denominator				
Weighted average shares outstanding used in computing net loss per share				
Basic	18,510,834	18,257,879	18,490,931	18,213,992
Effect of dilutive stock options, warrants, and stock grants	504,662	—	—	—
Diluted	19,015,496	18,257,879	18,490,931	18,213,992
Net income (loss) per share				
Basic	\$ 0.08	\$ (0.22)	\$ (0.04)	\$ (0.60)
Diluted	\$ 0.08	\$ (0.22)	\$ (0.04)	\$ (0.60)

The number of common shares potentially issuable upon the exercise of certain options and the vesting of certain restricted stock units that were excluded from the diluted loss per common share calculation are reflected in the table below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Weighted average number of shares for the periods ended				
Options	223,284	7,233	96,190	6,618
Unvested restricted stock unit awards	281,378	93,431	12,785	81,514
Total	504,662	100,664	108,975	88,132

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NOTE 12 – COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, the Company may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are currently not a party to any material legal or administrative proceedings, and we are not aware of any pending or threatened material legal or administrative proceedings against us.

Commitments

From time to time, the Company enters into arrangements with partners to acquire minimum amounts of media, data or messaging capabilities. As of June 30, 2025, the Company had commitments for future minimum payments of \$13,071 that will be reflected in cost of revenues during the years from 2025 through 2029. Minimum payments are due in the remainder of 2025 and fiscal 2026 and 2027 in the amounts of \$7,613, \$3,833 and \$1,625, respectively.

NOTE 13 – INCOME TAXES

The Company reported a provision for income taxes of \$181 and a benefit from income taxes of \$904, respectively, for the three and six months ended June 30, 2025, representing an effective tax rate of 10.6% and 57.5%, respectively. The effective tax rate for the three and six months ended June 30, 2025 reflects the impact of certain permanent items and discrete items for the quarter related to projected decreases in our valuation allowance and to stock based compensation. There was no provision for or benefit from taxes in the three and six months ended June 30, 2025 in the jurisdictions of Croatia and Israel, as the Company carried a full valuation allowance against our net deferred tax assets due to our history of losses.

The Company reported a benefit from income taxes of \$1,088 and \$744 for the three and six months ended June 30, 2024, representing an effective tax rate of 21.4% and 6.4%. The effective tax rate for the three and six months ended June 30, 2024 reflects the impact of certain permanent items, projected increases in our valuation allowance during the year and discrete items for the quarter related to stock based compensation.

The Company recognizes deferred tax assets to the extent it believes these assets are more-likely-than-not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing temporary differences, projected future taxable income, tax planning strategies and recent results of operations. On the basis of this evaluation, as of the quarter ended March 31, 2025, the valuation allowance has been reduced to \$2,900 to recognize only the portion of the deferred tax asset that is more likely than not to be realized. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable income during the carryforward period are reduced or increased or if objective negative evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence such as our projections for growth.

As discussed in our annual report on Form 10-K for the year ended December 31, 2024, we had net operating loss carry-forwards for federal income tax purposes of approximately \$11,600 as of December 31, 2024.

NOTE 14 – SUBSEQUENT EVENTS

Subsequent to the end of the second quarter of 2025, on July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was signed into law, extending key provisions of the 2017 Tax Cuts and Jobs Act including, but not limited to, the restoration of 100% bonus depreciation, the introduction of new Section 174A permitting immediate expensing of domestic research and experimental expenditures, modifications to Section 163(j) interest expense limitations, updates to the rules governing global intangible low-taxed income, amendments to energy credit provisions, and the expansion of Section 162(m) aggregation requirements. The Company is currently assessing the impact of the OBBBA and an estimate of the impact on the Company's consolidated financial statements is not yet available.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains statements that relate to future events and expectations and, as such, constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995. Certain statements, other than purely historical information, including estimates, projections, statements relating to our strategies, outlook, business and financial prospects, business plans, objectives, and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements.” These forward-looking statements generally are identified by the words “believes,” “project,” “expects,” “anticipates,” “estimates,” “intends,” “strategy,” “plan,” “may,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions.

Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Forward-looking statements are not guarantees of future performance. Although OptimizeRx believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, these expectations may not be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks, uncertainties and changes in circumstances, many of which are beyond OptimizeRx’s control.

Forward-looking statements are subject to risks and uncertainties. Actual results could differ materially from those expressed in or implied by such forward-looking statements due to a variety of factors, including: our history of losses, seasonal trends in the pharmaceutical brand marketing industry; the inability to support our technology and scale our operations successfully, developing and implementing new and updated applications, features and services for our solutions may be more difficult and expensive and take longer than expected; the inability to offer high-quality customer support for our solutions; dependence on a concentrated group of customers; inability to maintain contracts with electronic prescription platforms and electronic health record systems, agreements with electronic prescription platforms and electronic health record systems being subject to audit; inability to attract and retain customers; inability to comply with laws and regulations that affect the healthcare industry; competition; developments in the healthcare industry; inability to manage growth; inability to identify suitable acquisition targets, complete acquisitions, or integrate acquisitions successfully; acquisition activities may disrupt ongoing business and may involve increased expenses; inability to realize the financial and strategic goals contemplated at the time of a transaction; inability to realize any synergies or other anticipated benefits of an acquisition or that such synergies or benefits may take longer than anticipated to be realized; risk that the integration with an acquired entity may be more costly or difficult than expected; impairment charges for goodwill or other long-lived assets may need to be recognized or increased if we lose a major customer, experience a decline in our common stock price, or experience changes to the regulatory environment affecting pharmaceutical advertising restricting the use of our technology; inability to comply with the restrictions in our credit agreement; inability to generate sufficient cash to service debt and fund other obligations; inability to raise capital to grow business on favorable terms or at all; inability to attract and retain senior management and other key employees; economic, political, regulatory and other risks arising from our international operations; inability to protect our intellectual property; cybersecurity incidents; reduction in the performance, reliability and availability of our network infrastructure; increases in costs due to inflation and other adverse economic conditions; decreases in customer demand due to macroeconomic factors; lack of a consistent active trading market for our common stock; volatility in the market price of our common stock; and the failure to remediate the identified material weakness or any other material weaknesses identified in the future.

The risks and uncertainties included here are not exhaustive. Further information concerning our business, including additional factors that could materially affect our financial results, is included herein and in our other filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024. Moreover, we operate in a rapidly changing and competitive environment. New risk factors emerge from time to time, and it is not possible for management to predict all such risk factors.

Further, it is not possible to assess the effect of all risk factors on our businesses or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. In addition, we disclaim any obligation to update any forward-looking statements to reflect events or circumstances that occur after the date of this report.

Overview

OptimizeRx is a digital healthcare technology company that connects over two million HCPs and millions of their patients through an intelligent technology platform embedded within a proprietary omnichannel network. OptimizeRx helps life sciences organizations engage and support their customers through our combined HCP and DTC marketing strategies.

OptimizeRx has historically generated revenue by delivering messages to HCPs via their EHR systems and eRx platforms using our proprietary network of channel partners. We have gradually expanded our offerings to include audience development, audience creation, and media execution across different messaging types and media distribution channels.

Overall, we employ a “land and expand” strategy focused on growing our existing customer base and generating greater and more consistent revenues in part through a continued shift in our business model toward enterprise level engagements, while also broadening our platform with innovative proprietary virtual communication solutions such as our patented Micro-Neighborhood Targeting and our AI-powered Dynamic Audience Activation Platform (“DAAP”), which uses sophisticated machine-learning algorithms to find the best audiences in the correct channels at the right time.

Our strategy for driving revenue growth is also expected to work in tandem with our efforts to increase margin and profitability as revenue drivers such as DAAP have inherently higher margins than most other messaging solutions we offer. In addition, by aiming to transition our DAAP customers to a more predictable subscription-based model for data services, we believe will further improve margins, increase visibility, and enhance the overall predictability of our revenue streams over time.

Customer Concentration

Because the pharmaceutical industry is dominated by large companies with multiple brands, our revenue is concentrated in a relatively small number of companies. We have approximately 100 pharmaceutical companies as customers, and our revenues are concentrated among the largest pharmaceutical companies in the world. Loss of one or more of our larger customers could have a negative impact on our operating results. Our top five customers represented approximately 49% and 44% of our revenue for the years ended December 31, 2024 and 2023, respectively. In 2024 and 2023, we had two customers and one customer, respectively, that represented more than 10% of our revenues.

Seasonality

In general, the pharmaceutical brand marketing industry spends its advertising budget seasonally. Many pharmaceutical companies allocate the largest portion of their brand marketing to the fourth quarter of the calendar year. As a result, the first quarter tends to reflect lower activity levels and lower revenue, with gradual increases in the following quarters. We expect these seasonality trends to continue and our ability to effectively manage our resources in anticipation of these trends may affect our operating results.

Impact of Macroeconomic Events

Unfavorable conditions in the economy may negatively affect the growth of our business and our results of operations. For example, macroeconomic events including rising inflation and interest rates have led to economic uncertainty in the recent past, and threats of multinational tariffs and retaliatory tariffs provide uncertainty as to heightened inflation in the domestic markets. In addition, high levels of employee turnover across the pharmaceutical industry as well as a fewer number of U.S. drug approvals could create additional uncertainty within our target customer markets. Historically, during periods of economic uncertainty and downturns, businesses may slow spending, which may impact our business and our customers’ businesses. Adverse changes in demand could impact our business, collection of accounts receivable and our expected cash flow generation, which may adversely impact our financial condition and results of operations.

Key Performance Indicators

We monitor the following key performance indicators to help us evaluate our business, measure our performance, identify trends affecting our business and make strategic decisions. We have updated the definition of “top 20 pharmaceutical manufacturers” in our key performance indicators to be based upon Fierce Pharma’s most updated list of “The top 20 pharma companies by 2024 revenue”. We previously used “The top 20 pharma companies by 2023 revenue”. As a result of this change, prior periods have been restated for comparative purposes.

Average revenue per top 20 pharmaceutical manufacturer. Average revenue per top 20 pharmaceutical manufacturer is calculated by taking the total revenue the Company recognized through pharmaceutical manufacturers listed in Fierce Pharma’s “The top 20 pharma companies by 2024 revenue” over the last twelve months, divided by 20, representing the aforementioned pharmaceutical manufacturers highlighted on that list. The Company uses this metric to monitor its progress in “landing and expanding” with key customers within its largest customer vertical and believe it also provides investors with a transparent way to chart our progress in penetrating this important customer segment. The increase in the average in the twelve months ended June 30, 2025 as compared to the twelve months ended June 30, 2024 is primarily the result of stronger DTC and DAAP related revenue streams (in thousands).

	Rolling Twelve Months Ended June 30,	
	2025	2024
Average revenue per top 20 pharmaceutical manufacturer	\$ 3,082	\$ 2,753

Percent of total revenue attributable to top 20 pharmaceutical manufacturers. Percent of total revenue attributable to top 20 pharmaceutical manufacturers is calculated by taking the total revenue the company recognized through pharmaceutical manufacturers listed in Fierce Pharma’s “The top 20 pharma companies by 2024 revenue” over the last twelve months, divided by our consolidated revenue over the same period. The Company uses this metric to monitor its progress in “landing and expanding” with key customers within its largest customer vertical and believes it also provides investors with a transparent way to chart our progress in penetrating this important customer segment. This decrease in our total revenue attributable to top 20 pharmaceutical manufacturers, in conjunction with the increase in average revenue per top 20 pharmaceutical manufacturer discussed above, is reflective of the onboarding and growth of other customers that are not top 20 pharmaceutical manufacturers and not a decrease in our activity with top 20 pharmaceutical manufacturers.

	Rolling Twelve Months Ended June 30,	
	2025	2024
Percent of total revenue attributable to top 20 pharmaceutical manufacturers	59 %	66 %

Net revenue retention. Net revenue retention is a comparison of revenue generated from all customers in the previous twelve-month period to total revenue generated from the same customers in the following twelve-month period (i.e., excludes new customer relationships for the most recent twelve-month period). The Company uses this metric to monitor its ability to improve its penetration with existing customers and believes it also provides investors with a metric to chart our ability to increase our year-over-year penetration and revenue with existing customers. Net revenue for the period ending June 30, 2024 benefited from the timing of the Medicx Health acquisition, which was consummated on October 12, 2023, as its comparator period (the trailing twelve months ended June 30, 2023) did not have any Medicx Health related revenue. The period ended June 30, 2025 did not have the same magnitude of inorganic benefit from the Medicx Health acquisition; however, the Company still retained a 121% net revenue retention in the period as a result of strong organic growth from existing customers.

	Rolling Twelve Months Ended June 30,	
	2025	2024
Net revenue retention	121 %	124 %

Revenue per average full-time employee. We define revenue per average full-time employee (“FTE”), as total revenue over the last twelve months divided by the average number of employees over the last twelve months (i.e., the average between the number of FTEs at the end of the reported period and the number of FTEs at the end of the same period of the prior year). The Company uses this metric to monitor the productivity of its workforce and its ability to scale efficiently over time and believes the metric provides investors with a way to chart our productivity and scalability. Our revenue rate

per employee increased year over year due to revenue growing at a higher rate than the average number of FTEs over the last 12 month period (in thousands).

	Rolling Twelve Months Ended June 30,	
	2025	2024
Revenue per average full-time employee	\$ 767	\$ 658

Results of Operations for the Three and Six Months Ended June 30, 2025 and 2024

The following tables sets forth, for the periods indicated, the dollar value and percentage of net revenue represented by certain items in our condensed consolidated statements of operations (in thousands):

	Three Months Ended June 30,			
	2025		2024	
Net revenue	\$ 29,195	100.0 %	\$ 18,812	100.0 %
Cost of revenues	10,560	36.2 %	7,108	37.8 %
Gross profit	18,635	63.8 %	11,704	62.2 %
Operating expenses	15,446	52.9 %	15,453	82.1 %
Income (loss) from operations	3,189	10.9 %	(3,749)	(19.9)%
Other expense	(1,476)	(5.1)%	(1,347)	(7.2)%
Income (loss) before provision for income taxes	1,713	5.9 %	(5,096)	(27.1)%
Income tax benefit (expense)	(181)	(0.6)%	1,088	5.8 %
Net income (loss)	<u>\$ 1,532</u>	<u>5.2 %</u>	<u>\$ (4,008)</u>	<u>(21.3)%</u>

* Balances and percentage of net revenue information may not add due to rounding

	Six Months Ended June 30,			
	2025		2024	
Net revenue	\$ 51,123	100.0 %	\$ 38,502	100.0 %
Cost of revenues	19,144	37.4 %	14,595	37.9 %
Gross profit	31,979	62.6 %	23,907	62.1 %
Operating expenses	30,904	60.5 %	32,685	84.9 %
Income (loss) from operations	1,075	2.1 %	(8,778)	(22.8)%
Other expense	(2,646)	(5.2)%	(2,874)	(7.5)%
Loss before provision for income taxes	(1,571)	(3.1)%	(11,652)	(30.3)%
Income tax benefit	904	1.8 %	744	1.9 %
Net loss	<u>\$ (667)</u>	<u>(1.3)%</u>	<u>\$ (10,908)</u>	<u>(28.3)%</u>

* Balances and percentage of net revenue information may not add due to rounding

Net Revenues

Our net revenue increased 55% to \$29,195 for the three months ended June 30, 2025 from \$18,812 from the same period in 2024. Our net revenue increased 33% to \$51,123 for the six months ended June 30, 2025 from \$38,502 from the same period in 2024. The increase in net revenue was a result of the growth of DTC and DAAP related sales.

Cost of Revenues

Our cost of revenues, composed primarily of revenue-share expense paid to our channel partners, increased for the three months ended June 30, 2025 to \$10,560 compared to \$7,108 for the same period of 2024. Our cost of revenues as a percentage of revenue decreased to approximately 36% for the three months ended June 30, 2025 from approximately 38% for the three months ended June 30, 2024. Our cost of revenues increased for the six months ended June 30, 2025 to

\$19,144 compared to \$14,595 for the six months ended June 30, 2024. Our cost of revenues as a percentage of revenue decreased to approximately 37% for the six months ended June 30, 2025 from approximately 38% for the six months ended June 30, 2024. This improvement in cost of revenues as a percentage of revenues was primarily a result of solution and channel partner mix.

Gross Margin

Our gross margin, which is the difference between our revenues and our cost of revenues, divided by our revenues, increased for the three months ended June 30, 2025 and the six months ended June 30, 2025 compared to the same periods of 2024, primarily due to product and channel partner mix. Further, the increase in revenue year over year diluted the effect of certain fixed cost of sales on gross margin.

Operating Expenses

Operating expenses remained consistent, slightly decreasing to \$15,446 for the three months ended June 30, 2025 from \$15,453 for the same period in 2024. For six months ended June 30, 2025, operating expenses decreased to \$30,904 from \$32,685 for the six months ended June 30, 2024, a decrease of approximately 5%. The detail by major category is reflected in the table below (in thousands).

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Stock-based compensation	\$ 1,488	\$ 2,903	\$ 3,046	\$ 5,926
Depreciation and amortization	1,074	1,073	2,168	2,140
Other general and administrative expenses	12,884	11,477	25,690	24,619
Total operating expenses	<u>\$ 15,446</u>	<u>\$ 15,453</u>	<u>\$ 30,904</u>	<u>\$ 32,685</u>

Stock-based compensation decreased to \$1,488 for the three months ended June 30, 2025 from \$2,903 for the three months ended June 30, 2024, and decreased to \$3,046 for the six months ended June 30, 2025 from \$5,926 for the six months ended June 30, 2024. The decrease in both periods was a result of the lower grant date fair value of awards due to declines in the Company's stock price as well as a decrease in the quantity of awards granted. Further, the prior year expense included significant costs associated with grants to the prior CEO which were forfeited as of December 31, 2024.

Depreciation and amortization increased to \$1,074 for the three months ended June 30, 2025 from \$1,073 for the three months ended June 30, 2024, and increased to \$2,168 for the six months ended June 30, 2025 from \$2,140 for the six months ended June 30, 2024. The increase in both periods was a result of the additional amortization associated with capitalized labor for internal software development.

Other general and administrative expenses increased to \$12,884 for the three months ended June 30, 2025 from \$11,477 for the three months ended June 30, 2024, and increased to \$25,690 for the six months ended June 30, 2025 from \$24,619 for the six months ended June 30, 2024. This increase in both periods is primarily a result of an increase in compensation expense. The increase reflects higher variable compensation tied to sales achievement and performance-based incentive plans aligned with our operating results. These increases were partially offset by cost savings realized across various expense categories as a result of ongoing efficiency initiatives.

Other income (expense)

Interest expense increased to \$1,603 for the three months ended June 30, 2025 from \$1,528 for the three months ended June 30, 2024, and decreased to \$2,899 for the six months ended June 30, 2025 from \$3,074 for the six months ended June 30, 2024. Interest expense represents interest charges on our Term Loan, together with the amortization of the related issuance costs. The increase is primarily a result of the higher effective interest rate due to the voluntary prepayments of principal on the Term Loan resulting in an interest penalty for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. The decrease is primarily a result of the decrease in the interest rate on the Term Loan and a lower average principal balance for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024.

Interest income decreased to \$90 for the three months ended June 30, 2025 from \$106 for the three months ended June 30, 2024, and increased to \$177 for the six months ended June 30, 2025 from \$125 for the six months ended June 30, 2024. The variability in interest income is a result in the fluctuation of interest rates as the balance in the Company's money market account has remained consistent.

Income tax benefit (expense)

Income tax expense was \$181, or an effective rate of 10.6%, and income tax benefit was \$904, or an effective rate of (57.5)% for the three and six months ended June 30, 2025, respectively. Income tax benefit was approximately \$1,088, or an effective rate of 21.4%, and \$744, or an effective rate of 6.4% for the three and six months ended June 30, 2024, respectively. For further information, see Part I, Item I. Financial Statements; Note 13 — Income Taxes in the Condensed Consolidated Financial Statements.

Net income (loss)

We had a net income of approximately \$1,532 for the three months ended June 30, 2025, as compared to a net loss of approximately \$(4,008) during the three months ended June 30, 2024 and a net loss of approximately \$(667) for the six months ended June 30, 2025 as compared to \$(10,908) for the six months ended June 30, 2024. The reasons and specific components associated with the change are discussed above.

Liquidity and Capital Resources

Historically, our primary sources of liquidity have been cash receipts from customers and proceeds from equity offerings. In addition, on October 11, 2023, the Company entered into a Term Loan of \$40,000 in order to partially fund the acquisition of Medicx Health. As of June 30, 2025, the total principal balance outstanding on the Term Loan was approximately \$29,290 and we were in compliance with all of the financial covenants of the Term Loan.

As of June 30, 2025, we had total current assets of approximately \$54,080, compared with current liabilities of approximately \$21,057, resulting in working capital of approximately \$33,023 and a current ratio of approximately 2.6 to 1. This represents a decrease from our working capital of approximately \$35,317 and an increase from the current ratio of 3.0 to 1 at December 31, 2024.

We believe that funds generated from operations, together with existing cash, will be sufficient to finance our current operations and meet our obligations under the Term Loan for the next twelve (12) months. In addition, we believe we can generate the cash needed to operate beyond the next 12 months from operations. However, we may seek additional debt, equity financing, or lines of credit to supplement cash from operations to fund acquisitions or strategic partner relationships, make capital expenditures, and satisfy working capital needs. We currently have an effective shelf registration statement, which allows us to issue, from time to time, up to \$75,000,000 of any combination of our common stock, preferred stock, debt securities, warrants, or units.

Cash Flows

Following is a table with summary data from the condensed consolidated statements of cash flows for the six months ended June 30, 2025 and 2024, as presented (in thousands).

	Six Months Ended June 30,	
	2025	2024
Net cash provided by operating activities	\$ 8,425	\$ 2,900
Net cash used in investing activities	(128)	(238)
Net cash used in financing activities	(5,092)	(1,555)
Net increase in cash and cash equivalents	<u>\$ 3,205</u>	<u>\$ 1,107</u>

Our operating activities provided \$8,425 during the six months ended June 30, 2025, compared with \$2,900 in the same period in 2024. The net increase in net cash provided by operating activities was mainly attributable to a \$10,241 decrease

in net loss. This was partially offset by a \$2,880 decrease in noncash expense related to stock based compensation, a \$926 decrease in cash flows from accounts payable and a \$870 decrease in cash flows from deferred revenue.

Investing activities used \$128 during the six months ended June 30, 2025, compared with \$238 in the same period in 2024. The decrease in net cash used in investing activities was mainly attributed to a decrease in capitalization of internally developed software.

Financing activities used \$5,092 during the six months ended June 30, 2025, compared with \$1,555 in the same period in 2024. The increase in net cash used for financing activities was primarily related to the increase in repayments of long-term debt partially offset by a decrease in payments of withholding taxes on behalf of employees vesting in restricted stock units.

Critical Accounting Estimates

We prepare our condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”). The preparation of these financial statements requires the use of estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the periods presented. Actual results could differ from those estimates and assumptions. The following areas all require the use of subjective or complex judgments, estimates or assumptions: the allowance for credit losses, carrying value of assets, fair values assigned to acquired long-lived assets, depreciable and amortizable lives of tangible and intangible assets, the carrying value of liabilities, the valuation allowance for deferred tax assets, the timing of revenue recognition and related revenue-share expenses, and inputs used in the calculation of stock-based compensation.

Our significant accounting policies are described in Note 2 to the Consolidated Financial Statements in the Annual Report on Form 10-K for the year ended December 31, 2024 (2024 Annual Report on Form 10-K). The accounting policies we used in preparing these financial statements are substantially consistent with those we applied in our 2024 Annual Report on Form 10-K.

Our critical accounting estimates are described in Management’s Discussion and Analysis included in the 2024 Annual Report on Form 10-K.

Recently Issued Accounting Pronouncements

In December 2023, the Financial Accounting Standards Board (“FASB”) issued ASU No. 2023-09 (“ASU 2023-09”), Income Taxes (Topic 740): Improvements to Income Tax Disclosures. ASU 2023-09 addresses investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. This update also includes certain other amendments to improve the effectiveness of income tax disclosures. The provisions of ASU 2023-09 are effective for annual periods beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of adopting ASU 2023-09.

In November 2024, the FASB issued ASU 2024-03 (“ASU 2024-03”), Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40). ASU 2024-03 requires that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The prescribed categories include purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion. This authoritative guidance is effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the effect of this new guidance on its consolidated financial statements.

Off-Balance Sheet Arrangements

From time to time, the Company enters into arrangements with channel partners to acquire minimum amounts of media, data or messaging capabilities. As of June 30, 2025, the Company had commitments with channel partners for future minimum payments of \$13,071 that will be reflected in cost of revenues during the remainder of 2025 and years from 2026 through 2029. See Part I, Item 2. Financial Statements; Note 12 – Commitments and Contingencies.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not applicable.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosures.

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation, as of the end of the period covered by this report, of the effectiveness of our disclosure controls and procedures, as such term is defined in Exchange Act Rule 13a-15(e). Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures, as defined in Rule 13a-15(e), were not effective at the reasonable assurance level due to a previously identified material weakness in our internal control over financial reporting related to controls to ensure that data received from third-party service organizations were complete and accurate.

To address the material weakness referenced above, the Company performed additional analysis and performed other procedures to prepare the condensed consolidated financial statements in accordance with GAAP. Accordingly, management believes that the condensed consolidated financial statements included in this quarterly report on this Form 10-Q fairly present, in all material respects, our financial condition, results of operations and cash flows for the periods presented.

Ongoing Remediation of Previously Identified Material Weakness

As previously disclosed, a material weakness in our internal control over financial reporting was identified which related to controls to ensure that data received from third-party service organizations were complete and accurate.

Management, with oversight from the Audit Committee of our Board of Directors, is committed to remediating the material weakness that has been identified and maintaining an effective system of disclosure controls and procedures. These remediation efforts, summarized below, are intended to both address the identified material weakness and to enhance our overall financial control environment. Management is in the process of fully implementing process and control improvements to remediate the above material weakness previously identified as follows:

- a. The Company requires each third-party service organization to provide us, at least annually, a SOC-1, Type 2 audit report, with adequate controls to ensure the data received are complete and accurate. Management relies upon a SOC-1, Type 2 audit report from the service organizations attesting to the vendor's internal controls.
- b. If a SOC-1, Type 2 audit report is not available, the Company evaluates each third-party's relevant system(s) and control environment reporting directly through inquiry and substantive testing of such third-party's control environment to ensure the data received are complete and accurate.
- c. If the Company is unable to obtain a valid SOC-1, Type 2 audit report or perform substantive testing of such third-party's control environment, the Company implements a third-party qualification and program triaging process, which could include modifying customer contracts, limiting the volume of activity with those third-parties, and establishing other controls to ensure the completeness and accuracy of information received from those third-parties, such as performing tagging procedures where possible.

To further execute on its remediation efforts of the material weakness, management took the following additional steps:

- a. Hired a Senior Vice President of Internal Controls and engaged a highly regarded third-party consulting firm.
- b. Developed an audit process and framework to assess whether data received from third-party service organizations were complete and accurate.

The material weakness will be considered remediated when management concludes through testing, the applicable remediated controls are designed and implemented effectively.

When fully implemented and operational, the Company believes the measures described above will remediate the identified material weakness and strengthen the internal controls over financial reporting. The material weakness will not be considered remediated until the newly implemented internal controls operate for a sufficient period of time and management has concluded, through testing, the internal controls are operating effectively. The Company is working to have the material weakness remediated as soon as possible.

The Company is committed to continuing to improve the internal control processes and will continue to review and assess financial reporting controls and procedures on an ongoing basis. As the Company continues to evaluate and improve the internal controls over financial reporting, management may determine whether it is appropriate or necessary to take additional measures.

Changes in Internal Control over Financial Reporting

Except as noted above, there was no change in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act), that occurred during the quarter ended June 30, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. The Company conducts periodic evaluations of its internal controls to enhance, where necessary, its procedures and controls.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are currently not a party to any material legal or administrative proceedings, and we are not aware of any pending or threatened material legal or administrative proceedings against us.

Item 1A: Risk Factors

There have been no material changes in our risk factors from the risks previously reported in PART 1, ITEM 1A, “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024. You should carefully consider the factors discussed in PART I, ITEM 1A, “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

N/A

Item 5. Other Information

Adoption of the 10b5-1 Trading Plan(s)

During the second quarter ended June 30, 2025, certain of our officers and directors adopted Rule 10b5-1 trading arrangements as follows:

On May 30, 2025, Mr. Patrick Spangler, a director of the Company, adopted a written plan for the sale of the Company's securities that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (the “Spangler Rule 10b5-1 Trading Plan”). The Spangler 10b5-1 Trading Plan, which term expires on September 30, 2025, provides for the sale of up to 11,120 shares of the Company's common stock pursuant to the terms therein.

On May 15, 2025, Mr. Edward Stelmakh, the Chief Financial Officer & Chief Operations Officer of the Company, adopted a written plan for the sale of the Company's securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) (the “Stelmakh Rule 10b5-1 Trading Plan”). The Stelmakh 10b5-1 Trading Plan, which term expires on August 15, 2026 (“Stelmakh Sale Term Date”), or earlier if all authorized transactions under the Stelmakh Rule 10b5-1 Trading Plan have been completed, provides for the sale of up to 114,428 shares of the Company's common stock, and the sale of up to 35,662 shares of the Company's common stock upon the vesting of restricted stock units prior to the Stelmakh Sale Term Date, pursuant to the terms therein. The actual number of shares sold may be less based on tax withholdings.

During the second quarter ended June 30, 2025, none of our directors or executive officers terminated any Rule 10b5-1 trading arrangement and there were no non-Rule 10b5-1 trading arrangements entered into or terminated by our directors or officers.

Company Bylaws

On August 5, 2025, the Board approved the Fourth Amended and Restated Bylaws of OptimizeRx Corporation (the “Fourth Amended and Restated Bylaws”), effective immediately. The Board last took action to amend and restate its

corporate bylaws on March 7, 2023. In addition to certain clarifying and conforming changes, the Fourth Amended and Restated Bylaws include the following modifications:

- clarifying that, at the annual meeting of the Company's stockholders, the only business that shall be conducted shall be such business that is properly brought before the meeting in accordance with the requirements of the Fourth Amended and Restated Bylaws, the Company's Articles of Incorporation (as amended or amended and restated from time to time, the "Articles of Incorporation"), Nevada Revised Statutes (as amended from time to time, the "NRS"), and other applicable law;
- providing that the Board or chair of the meeting is authorized to appoint inspectors of elections, who do not need to be stockholders, and clarifying that meetings are not required to follow parliamentary procedure unless determined by the Board or chair of the meeting;
- expanding and clarifying the authority of the Board and the chair of the meeting to prescribe rules, regulations, and procedures for meetings;
- establishing new and more detailed procedural requirements for stockholder nominations and business proposals;
- providing that, for stockholders to make nominations or bring business before a meeting, a stockholder must be a record holder as of the record date set by the Board for the purpose of determining stockholders entitled to notice of, and to vote at, the meeting and at the time of such meeting (and any postponement or adjournment thereof), and at the time that the stockholder delivers an advance notice, and be entitled to vote at the meeting (and any postponement or adjournment thereof) in the election of each individual so nominated and on any such other business proposed by such stockholder;
- providing that stockholders are required to be "Present in Person" to make nominations or bring business before a meeting;
- requiring stockholders to provide enhanced disclosures when they notify the Company of their intention to make nominations or bring business before a meeting, requiring all information provided within an advance notice to be cross referenced to the applicable disclosure requirement, and requiring all disclosures to be made directly within the advance notice rather than referencing other materials;
- requiring stockholders to provide, upon request, written verification and updates to the information included in a submitted advance notice, with explicit consequences for non-compliance;
- clarifying that information provided in a stockholder's advance notice is not confidential or proprietary and may be publicly disclosed by the Company;
- imposing additional requirements for director nominees, including mandatory interviews, disclosure of prior convictions, and compliance with codes of conduct and ethics;
- providing that, except as otherwise provided by the Fourth Amended and Restated Bylaws, the Articles of Incorporation, the NRS, or other applicable law, the chairperson of any annual or special meeting of the Company's stockholders shall have the power to determine, in consultation with counsel (who may be the Company's internal counsel), whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the Fourth Amended and Restated Bylaws;
- providing advance notice procedures in the event that the number of directors to be elected to the Board at the next annual meeting of the Company's stockholders is increased by the Board, and there is no public announcement by the Company of such action specifying the size of the increased Board at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting of the Company's stockholders;
- providing that in no event can a stockholder include in an advance notice a number of proposed nominees for election as directors that is greater than the number of directors to be elected to the Board at the stockholders' meeting to which that advance notice relates which, in the absence of any contrary public announcement, may be

assumed to be the number of directors serving on the Board at the time that the advance notice is submitted to the Company;

- providing that a stockholder, by its delivery of an advance notice to the Company, represents and warrants that all information contained in such advance notice is true and accurate in all respects;
- requiring any stockholder who submits an advance notice to notify the secretary of the Company in writing of any inaccuracy or change in any information submitted pursuant to the Fourth Amended and Restated Bylaws' advance notice provisions;
- providing that any previously scheduled annual or special meeting of the Company's stockholders may be postponed, and any previously scheduled annual or special meeting of the Company's stockholders called by the Board may be canceled, by resolution of the Board upon public notice given prior to the time previously scheduled for such meeting of stockholders;
- clarifying that the Fourth Amended and Restated Bylaws may be amended, revised, or repealed or new bylaws may be made adopted by a vote of stockholders provided that the notice of the stockholders' meeting states that the purpose, or one of the purposes, of the meeting is to consider an amendment to the Fourth Amended and Restated Bylaws and such notice includes a copy of the proposed amendment or a summary of the changes to be effected thereby;
- providing new or revised definitions for defined terms including, but not limited to, "Affiliate," "Associate," "beneficial owner," "beneficial ownership," "business day," "close of business," "public announcement," "publicly announced," and "Stockholder Notice Deadline."

This summary of the various amendments included in the Fourth Amended and Restated Bylaws does not purport to be complete and is qualified in its entirety by reference to the complete text of the Fourth Amended and Restated Bylaws, which is attached hereto as Exhibit 3.1 and incorporated herein by reference.

Item 6. Exhibits

Exhibit Number	Description of Exhibit
3.1*	Fourth Amended and Restated Bylaws
31.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

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, thereunto duly authorized.

Date: August 8, 2025

OptimizeRx Corporation

By: /s/ Stephen Silvestro

Stephen Silvestro

Title: **Chief Executive Officer**

Date: August 8, 2025

OptimizeRx Corporation

By: /s/ Edward Stelmakh

Edward Stelmakh

Title: **Chief Financial Officer and
Chief Operations Officer**

**FOURTH AMENDED AND RESTATED BYLAWS
OF
OPTIMIZERX CORPORATION
(A NEVADA CORPORATION)**

**ARTICLE I
OFFICES**

Section 1.1 Principal Office. The principal office of OptimizeRx Corporation (the “Corporation”) shall be at such place within or outside of the State of Nevada as the board of directors of the Corporation (the “Board”) shall from time to time designate.

Section 1.2 Other Offices. The Corporation may also have other offices at such other places within or outside of the State of Nevada as the Board may from time to time designate or the business of the Corporation shall require. The street address of the Corporation’s registered agent is the registered office of the Corporation in Nevada.

**ARTICLE II
STOCKHOLDERS**

Section 2.1 Annual Meeting. The annual meeting of the stockholders of the Corporation shall be held on such date and at such time as designated by the Board in its sole discretion. The purpose of this meeting shall be for the election of directors and for the transaction of such other business as may properly come before the meeting in accordance with the requirements of these Fourth Amended and Restated Bylaws (as amended or amended and restated from time to time, the “Bylaws”), the Corporation’s Articles of Incorporation (as amended or amended and restated from time to time, the “Articles of Incorporation”), Nevada Revised Statutes (as amended from time to time, the “NRS”), and other applicable law.

Section 2.2 Special Meetings.

(a) Special meetings of the stockholders may be called only by the Chairperson or the chief executive officer, if any, and shall be called by the secretary upon the written request of (i) at least a majority of the Board, or (ii) stockholders who together own of record not less than 50.1% of the capital stock of the Corporation issued and outstanding and entitled to vote at such meeting. Such written request of stockholders shall state the purpose or purposes of the proposed special meeting, contain all of the information required to be disclosed pursuant to Section 2.13(c)(1) of these Bylaws and comply with the other requirements set forth in these Bylaws.

(b) No business shall be acted upon at a special meeting of stockholders except as set forth in the notice of the meeting.

Section 2.3 Place of Meetings. Any meeting of the stockholders may be held at any location within or outside of the State of Nevada as may be designated in the Corporation's notice of meeting. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of electronic communications, videoconferencing, teleconferencing, or other available technology in accordance with Section 2.15 of these Bylaws.

Section 2.4 Notice of Meetings. Except as otherwise provided by the NRS, other applicable law, or the Articles of Incorporation, a written notice of each annual and special meeting of stockholders shall be given not less than ten (10) days nor more than sixty (60) days before the date of such meeting to each stockholder of record of the Corporation entitled to vote at such meeting. The notice of a meeting of stockholders shall state the place (if any), date and hour of the meeting, the means of any electronic communication by which stockholders may participate in the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Notice to each stockholder entitled to vote at the meeting shall be given personally, by mail, or by electronic transmission if consented to by such stockholder in accordance with the NRS, by or at the direction of the secretary or the officer or person calling the meeting. The notice shall be delivered in accordance with, and shall contain or be accompanied by such additional information as may be required by, the NRS, including, without limitation, NRS 78.370, 92A.120 or 92A.410.

Section 2.5 Waiver of Notice. Notice of any annual or special meeting may be waived either before, at or after such meeting by a signed writing by the person or persons entitled to the notice or by any other method permitted by Nevada law. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transacting of any business because the meeting is not lawfully called or convened.

Section 2.6 Determination of Stockholders of Record.

(a) For the purpose of determining the stockholders entitled to notice of and to vote at any meeting of stockholders or any adjournment or postponement thereof, the Board may fix, in advance, a record date, which shall not be more than sixty (60) days nor less than ten (10) days before the date of such meeting. If no record date is fixed, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be the close of business on the day before the day the first notice of the meeting is given or, if notice is waived, the close of business on the day before the day the meeting is held. For the purposes of these Bylaws, "close of business" shall mean 5:00 p.m., local time, at the principal executive offices of the Corporation on any calendar day, whether or not such day is a business day. For purposes of these Bylaws, "business day" shall mean any day that is not a Saturday, Sunday, or other day on which the Federal Reserve Bank of New York is closed.

(b) A determination of stockholders of record entitled to notice of or to vote at any meeting of stockholders shall apply to any adjournment or postponement of the meeting; *provided, however*, that the Board may fix a new record date for the adjourned or postponed

meeting and must fix a new record date if the meeting is adjourned or postponed to a date more than sixty (60) days later than the meeting date set for the first convened meeting.

Section 2.7 Quorum; Adjourned Meetings.

(a) Except as otherwise provided by the NRS, other applicable law, or the Articles of Incorporation, the holders of shares representing at least a majority of the voting power of the Corporation's capital stock, present in person or by proxy (regardless of whether the proxy has authority to vote on any matter), shall constitute a quorum for the transaction of business at any annual or special meeting. If any class or series of shares is permitted or required to vote separately on any action, the holders of at least a majority of the voting power, present in person or by proxy (regardless of whether the proxy has authority to vote on any matter), of such class or series is necessary to constitute a quorum of such class or series. If a quorum is present, the stockholders may continue to transact business until adjournment notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

(b) If a quorum is not present, a majority of the voting power represented in person or by proxy at the meeting may adjourn the meeting from time to time until a quorum shall be present. Notice of any adjourned meeting need not be given if the time and place thereof are announced at the meeting at which the adjournment is taken. However, if a new record date is fixed for the adjourned meeting, notice of the adjourned meeting must be given to each stockholder of record as of the new record date. At adjourned meetings at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 2.8 Proxies. Each stockholder entitled to vote at a meeting of stockholders may authorize a proxy to represent him or her at the meeting by an instrument executed in writing. Each such proxy shall be valid until its expiration or revocation in a manner permitted by the laws of the State of Nevada. A proxy may be irrevocable if it states that it is irrevocable and, if, and only as long as, it is coupled with an interest sufficient to support an irrevocable power. Subject to the above, any proxy may be revoked if an instrument or transmission revoking it or a properly created proxy bearing a later date is filed with or transmitted to the secretary or another person appointed by the Corporation to count the votes of stockholders and determine the validity of proxies and ballots, or, in the case of a meeting of stockholders, the stockholder revokes the proxy by attending the meeting and voting the stockholder's shares in person, in which case, any vote cast by the person or persons designated by the stockholder to act as a proxy or proxies must be disregarded by the Corporation when the votes are counted. Any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which shall be reserved exclusively for solicitations conducted by the Corporation and/or the Board.

Section 2.9 Voting.

(a) Each outstanding share of stock, regardless of class or series, shall be entitled to one (1) vote on each matter submitted to a vote at a meeting of stockholders, except to the extent that the

Articles of Incorporation or the certificate of designation establishing the class or series of stock provides for more or less than one (1) vote per share or limits or denies voting rights to the holders of the shares of any class or series of stock.

(b) If a quorum is present, unless the Articles of Incorporation, these Bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law provide for a different proportion, action by the stockholders entitled to vote on a matter, other than the election of directors, is approved by and is the act of the stockholders if the number of votes cast in favor of the action exceeds the number of votes cast in opposition to the action.

(c) If a quorum is present, unless otherwise provided by the Articles of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes cast.

Section 2.10 No Action Without a Meeting. No action of the stockholders shall be taken by either unanimous consent or partial written consent in lieu of a meeting. No action shall be taken by the stockholders except at an annual or special meeting of the stockholders called and noticed in the manner required by these Bylaws. Any purported action taken in violation of this Section 2.10 shall be null, void, and of no legal effect.

Section 2.11 Organization and Conduct of Meetings.

(a) Meetings of the stockholders shall be presided over, and called to order, by the Chairperson, or, in the absence of the Chairperson, the chief executive officer, if any, or, in the absence of the chief executive officer, by the president, or, in the absence of the foregoing persons, by a chairperson designated by the Board, or, in the absence of such designation by the Board, by a chairperson chosen at the meeting by the stockholders entitled to cast a majority of the votes which all stockholders present in person or by proxy are entitled to cast. The secretary, or in the absence of the secretary an assistant secretary, shall act as secretary of the meeting, but in the absence of the secretary and any assistant secretary the chairperson of the meeting may appoint any person to act as secretary of the meeting.

(b) To the maximum extended permitted by applicable law, the Board shall be entitled to, or in the absence of the Board doing so, the chairperson of the meeting shall have the right and authority, and shall be entitled to, prescribe such rules, regulations, and procedures and to do all such acts and things as it, he, or she, as the case may be, determines, in its, his, or her sole discretion, without any action by the stockholders, to be necessary, appropriate, desirable, or convenient for the proper conduct of the meeting, including, without limitation, (i) establishing an agenda for the meeting and the order for the consideration of the items of business on such agenda; (ii) establishing procedures for the maintenance of order and safety; (iii) limiting attendance at the meeting to stockholders of record of the Corporation, their duly authorized proxies, and such other persons as the chairperson of the meeting may determine; (iv) limiting participation at the meeting on any matter to stockholders of record of the Corporation entitled to vote on such matter, their duly authorized proxies, and other such persons as the chairperson of the meeting may determine to recognize and, as a condition to recognizing any such participant, requiring such participant to provide the chairperson of the meeting with evidence of his or her

name and affiliation, whether he or she is a stockholder or a proxy for a stockholder, and the class and series and number of shares of each class and series of capital stock of the Corporation which are owned beneficially and/or of record by such stockholder; (v) limiting the time allotted to questions or comments on the affairs of the Corporation; (vi) restricting entry to such meeting after the time prescribed for the commencement thereof; (vii) removing any stockholder or any other person who refuses to comply with meeting procedures, rules, or guidelines as established by the chairperson of the meeting; (viii) restricting use of any audio or video recording or transmitting devices at the meeting; (ix) determining when and for how long the polls should be opened and when the polls should be closed; (x) announcing the results of voting; and (xi) taking such other action as is deemed necessary, appropriate, desirable, or convenient for the proper conduct of the meeting.

(c) The Board or the chairperson of the meeting may appoint one or more inspectors of elections. The inspector or inspectors may (i) ascertain the number of shares outstanding and the voting power of each; (ii) determine the number of shares represented at a meeting and the validity of proxies or ballots; (iii) count all votes and ballots; (iv) determine any challenges made to any determination made by the inspector(s); and (v) certify the determination of the number of shares represented at the meeting and the count of all votes and ballots. No inspector, whether appointed by the Board or by the person acting as chairperson of the meeting, need be a stockholder of the Corporation. Unless and to the extent determined by the Board or the chair of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 2.12 Conduct of Business at a Stockholders' Meeting.

(a) Annual Meetings of Stockholders. At any annual meeting of the stockholders, only such nominations of individuals for election to the Board shall be made, and only such other business shall be conducted or considered, as shall have been properly brought before the meeting in accordance with these Bylaws, the Articles of Incorporation, the NRS, and other applicable law.

For nominations to be properly made at an annual meeting, and proposals of other business to be properly brought before an annual meeting, nominations and proposals of other business must be: (i) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof); (ii) if not specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof), otherwise properly brought before the meeting by or at the direction of the Board or any committee thereof duly authorized to bring nominations or other business before the meeting; or (iii) otherwise properly requested to be brought before the annual meeting by a stockholder of the Corporation who is Present in Person (as defined below) in accordance with these Bylaws. For nominations of individuals for election to the Board or proposals of other business to be properly requested by a stockholder to be brought before an annual meeting, a stockholder must (i) be a stockholder of record of the Corporation as of the record date set by the Board for the purpose of determining stockholders entitled to notice of, and to vote at, the annual meeting and at the time of such meeting (and any postponement or adjournment thereof); (ii) be a stockholder of record at the time of giving of the

notice by the stockholder provided for in this Section 2.12; (iii) be entitled to vote at the meeting (and any postponement or adjournment thereof) in the election of each individual so nominated and on any such other business proposed by such stockholder; (iv) be Present in Person at the applicable annual meeting (and any postponement or adjournment thereof); and (v) comply in all applicable respects with the requirements and procedures set forth in these Bylaws, including this Section 2.12, and with other requirements of applicable law. This Section 2.12, together with the requirements of Section 2.13 and, as applicable, Section 2.14, shall be the exclusive means for a stockholder to bring nominations or other business proposals before an annual meeting of stockholders (other than matters properly brought before the meeting pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended (including the rules and regulations promulgated thereunder and the interpretative guidance of the Staff of the U.S. Securities and Exchange Commission (the “SEC”) relating thereto, the “Exchange Act”) and included in the Corporation’s notice of meeting). For the purposes of these Bylaws, (A) “Present in Person” shall mean that the stockholder proposing nominees for election as directors or other business to be brought before the stockholders’ meeting, or, if the proposing stockholder is not an individual, a qualified representative of such proposing stockholder, appear in person at such stockholders’ meeting (unless such meeting is held by means of the Internet or other electronic technology in which case the proposing stockholder or, if applicable, its qualified representative shall be present at such stockholders’ meeting by means of the Internet or other electronic technology); and (B) “qualified representative” shall mean (i) if the stockholder is a corporation, any duly authorized officer of such corporation; (ii) if the stockholder is a limited liability company, any duly authorized member, manager or officer of such limited liability company; (iii) if the stockholder is a partnership, any general partner or person who functions as general partner for such partnership; (iv) if the stockholder is a trust, the trustee of such trust; or (v) if the stockholder is an entity other than the foregoing, the persons acting in such similar capacities as the foregoing with respect to such entity.

(b) Special Meetings of Stockholders. At any special meeting of the stockholders, only such business shall be conducted or considered as shall have been properly brought before the meeting pursuant to the Corporation’s notice of meeting. To be properly brought before a special meeting, proposals of business must be (i) specified in the Corporation’s notice of meeting (or any supplement thereto) given by or at the direction of the Board (or any duly authorized committee thereof); (ii) if not specified in the Corporation’s notice of meeting (or any supplement thereto) provided by or at the direction of the Board (or any duly authorized committee thereof), otherwise properly brought before the special meeting by or at the direction of the Board (or any duly authorized committee thereof); or (iii) specified in the Corporation’s notice of meeting (or any supplement thereto) given by the Corporation pursuant to a valid stockholder request in accordance with Section 2.2 of these Bylaws, it being understood that business transacted at such a special meeting shall be limited to the matters stated in such valid stockholder request; provided, however, that nothing herein shall prohibit the Board from submitting additional matters to stockholders at any such special meeting. In order for any business to be brought before a special meeting pursuant to a stockholder request pursuant to Section 2.2 of these Bylaws, such business must (A) be a proper subject to be proposed and voted upon by stockholders of the Corporation under these Bylaws, the Articles of Incorporation, the NRS, and other applicable law, and (B) not relate to a matter that is expressly reserved for

action by the Board under these Bylaws, the Articles of Incorporation, the NRS, or other applicable law.

Nominations of individuals for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board, or (ii) provided that the Board has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who (A) is a stockholder of record of the Corporation as of the record date set by the Board for the purpose of determining stockholders entitled to notice of, and to vote at, the special meeting, at the time the stockholder's notice provided for in this Section 2.12 is delivered to the secretary, and at the time of the special meeting (and any adjournment or postponement thereof); (B) is entitled to vote at the meeting (and any adjournment or postponement thereof) in the election of each individual so nominated; and (C) complies with the notice and other procedures and requirements set forth in these Bylaws as well as all applicable law, including, without limitation, the Exchange Act, in connection with such nomination and all related actions. This Section 2.12(b) shall be the exclusive means for a stockholder to make nominations or other business proposals (other than matters properly brought under Rule 14a-8 under the Exchange Act and included in the Corporation's notice of meeting) before a special meeting of stockholders.

(c) General. Except as otherwise provided by these Bylaws, the Articles of Incorporation, the NRS, or other applicable law, the chairperson of any annual or special meeting shall have the power to determine, in consultation with counsel (who may be the Corporation's internal counsel), whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with these Bylaws, including, without limitation, whether any proposing stockholder breached, or took any action contrary to, any of the representations, undertakings, or commitments made in the stockholder's notice it delivered to the Corporation or any of the documents submitted in connection therewith, and, if it is determined that any proposed nomination was not made, or other business was not proposed, in compliance with these Bylaws, to declare that no action shall be taken on such proposed nomination or other business and such proposed nomination or other business shall be disregarded notwithstanding that proxies in respect of such proposed nomination or other business may have been received by the Corporation.

Section 2.13. Advance Notice of Stockholder Business and Nominations.

(a) Annual Meeting of Stockholders. Without qualification or limitation, subject to Section 2.13(c)(9) of these Bylaws, for any nominations or any other business to be properly brought before an annual meeting by a stockholder pursuant to Section 2.12(a) of these Bylaws, the stockholder must have given timely and proper notice thereof (including, in the case of nominations, the completed and signed questionnaire, representation, and agreement required by Section 2.14 of these Bylaws), and timely updates and supplements thereof, in each case in proper form, in writing to the secretary, must have complied with the Exchange Act, including, without limitation, Rule 14a-19 promulgated thereunder, and such other business must otherwise (A) be a proper subject to be proposed and voted upon by stockholders of the Corporation under these Bylaws, the Articles of Incorporation, the NRS, and other applicable law, and (B) not relate

to a matter that is expressly reserved for action by the Board under these Bylaws, the Articles of Incorporation, the NRS, or other applicable law.

To be timely, a stockholder's notice shall be delivered to the secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day and not later than the close of business on the 90th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date or, if the Corporation did not hold an annual meeting in the preceding year, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the later of the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than one hundred (100) days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation (such deadline for the delivery of a stockholder's notice being hereinafter referred to as the "Stockholder Notice Deadline"). In no event shall any adjournment, recess, or postponement of an annual meeting or the public announcement or other disclosure thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

Notwithstanding anything in the immediately preceding paragraph to the contrary, in the event that the number of directors to be elected to the Board at the next annual meeting is increased by the Board, and there is no public announcement by the Corporation of such action specifying the size of the increased Board at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting or, if the Corporation did not hold an annual meeting in the preceding year, at least one hundred (100) days prior to the date of the current year's annual meeting, a stockholder's notice required by this Section 2.13(a) shall also be considered timely with respect to the next annual meeting, but only with respect to nominees for any new director positions created by such increase, and only with respect to a stockholder who, prior to the Stockholder Notice Deadline, submits to the Corporation a timely and proper stockholder's notice proposing nominees for election to the Board at such annual meeting in compliance with this Section 2.13(a) in all applicable respects, if it shall be delivered to the secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

In addition, to be considered timely, a stockholder's notice shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight (8) business days prior to the date for the meeting or any adjournment or postponement thereof in the case of the update and supplement required to be made as of ten (10) business days prior to

the meeting or any adjournment or postponement thereof. The update and supplement shall clearly identify the information that has changed since such stockholder's prior advance notice submission. If a stockholder fails to provide such written update to the stockholder's notice within such period, such notice may be deemed not to have been provided in accordance with this Section 2.13. For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other Section of these Bylaws shall not limit or prejudice the Corporation's rights with respect to asserting any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or under any other provision of the Bylaws or enable or be deemed to permit a stockholder who has previously submitted notice hereunder or under any other provision of the Bylaws to amend or update any proposal or to submit any new proposal, including by changing or adding nominees, matters, business and or resolutions proposed to be brought before a meeting of the stockholders.

Further, upon written request by the secretary or the Board, any stockholder who submits a stockholder notice with respect to a stockholders' meeting shall provide, within five (5) business days of delivery of such request (or such other period as may be specified in such request), (A) written verification, satisfactory, in the sole discretion of the Board or the secretary, as applicable, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 2.13, and (B) a written update of any information (including, if requested by the secretary or the Board, written confirmation by such stockholder that it continues to intend to bring such nomination(s) or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 2.13 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested and, accordingly, the stockholder notice, may be deemed not to have been provided in accordance with this Section 2.13.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting, subject to the provisions of Section 2.12(b) of these Bylaws.

Subject to Section 2.13(c)(9) of these Bylaws, in the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, any stockholder may nominate an individual or individuals (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, provided that the stockholder gives timely and proper notice thereof (including the information required by Section 2.13(c)(1) of these Bylaws and the completed and signed questionnaire, representation, and agreement required by Section 2.14 of these Bylaws), and timely updates and supplements thereof in each case in proper form, in writing, to the secretary. To be timely, a stockholder's notice pursuant to the preceding sentence shall be delivered to the secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to the date of such special meeting and not later than the close of business on the later of the 90th day prior to the date of such special meeting or, if the first public announcement of the date of such special meeting is less than one hundred (100) days prior to the date of such special meeting, the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. In no event

shall any adjournment, recess, or postponement of a special meeting of stockholders, or the public announcement or other disclosure thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. In addition, to be considered timely and proper, a stockholder's notice pursuant to the first sentence of this paragraph shall further be updated and supplemented, if necessary, so that the information provided or required to be provided in such notice shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to the secretary at the principal executive offices of the Corporation not later than five (5) business days after the record date for the meeting in the case of the update and supplement required to be made as of the record date, and not later than eight (8) business days prior to the date for the meeting, any adjournment or postponement thereof in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof.

(c) Disclosure Requirements.

(1) To be in proper form, a stockholder's notice (whether given pursuant to Section 2.2, Section 2.12, or this Section 2.13) to the secretary must include the following, as applicable:

(A) As to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal, as applicable, is made, a stockholder's notice must set forth:

- (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner;
- (ii) the class or series and number of shares of stock which are owned beneficially and/or of record by such stockholder and/or beneficial owner, the date on which such shares were acquired and the investment intent at the time of such acquisition, and any shares of any class or series of stock of the Corporation as to which such stockholder and such beneficial owner has a right to acquire beneficial ownership at any time in the future;
- (iii) a description of any agreement, arrangement, or understanding (whether written or oral, formal or informal, or monetary or non-monetary) with respect to the nomination or proposal between or among such stockholder and/or such beneficial owner, any of their respective Affiliates or Associates, and any other persons, including, in the case of a nomination, the proposed nominee;
- (iv) a description of any agreement, arrangement, or understanding (whether written or oral, formal or informal, or monetary or non-monetary), including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares, that has been entered into by, or on behalf of, such stockholder or such beneficial owner and any of their Affiliates or Associates, whether or not such instrument or right shall be subject to settlement in underlying shares of

stock, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder or such beneficial owner or any of their Affiliates or Associates, with respect to securities of the Corporation;

- (v) a reasonably detailed description of any material pending or threatened legal proceeding in which such stockholder or such beneficial owner is, or is reasonably expected to be made, a party or material participant involving the Corporation or any of its officers or directors;
- (vi) a reasonably detailed description of any other material relationship between such stockholder or such beneficial owner, on the one hand, and the Corporation or any Affiliate or Associate of the Corporation, on the other hand;
- (vii) a reasonably detailed description of any plans or proposals of such stockholder or such beneficial owner relating to the Corporation that would be required to be disclosed by such stockholder or beneficial owner pursuant to Item 4 of Schedule 13D if a Schedule 13D relating to the Corporation was filed with the SEC by such stockholder or such beneficial owner pursuant to the Exchange Act (regardless of whether the requirement to file a Schedule 13D with the SEC is applicable to such stockholder or beneficial owner) together with a description of any agreements, arrangements, or understandings (whether written or oral, formal or informal, or monetary or non-monetary) that relate to such plans or proposals and naming all the parties to any such agreements, arrangements, or understandings;
- (viii) a representation that such stockholder is a holder of record of stock entitled to vote at such meeting and intends to be Present in Person at the meeting to nominate the person or persons specified in the notice and/or to bring such other business included in its notice before the meeting, as applicable, and an acknowledgment that, if such stockholder is not Present in Person at such meeting to nominate the proposed nominee(s) or to bring such business included in its notice, as applicable, before such meeting, the Corporation need not present such business or proposed nominee(s) for a vote at such meeting, notwithstanding that proxies in respect of such vote may have been received by the Corporation;
- (ix) for a stockholder intending to solicit proxies in support of director nominees (other than the Corporation's nominees), a representation as to whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends to solicit proxies in support of its nominees in accordance with Rule 14a-19 promulgated under the Exchange Act, including delivering a proxy statement and form of proxy to holders representing at least sixty-seven percent (67%) of the Corporation's voting shares entitled to vote on the election of directors in support of such nominee or nominees and to otherwise comply with all applicable provisions of Rule 14a-19 promulgated under the Exchange Act (including the Staff of the SEC's interpretative guidance relating thereto), or, in the case of a stockholder soliciting proxies in support of a proposal other than

nominations, to holders of at least the percentage of outstanding stock required to approve or adopt the proposal; and

- (x) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings, required to be made pursuant to and in accordance with Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest in which such stockholder or such beneficial owner is a participant.

(B) If the notice relates to any business other than a nomination of a director or directors that the stockholder proposes to bring before the meeting, a stockholder's notice must, in addition to the matters set forth in paragraph (A) above, also set forth:

- (i) a description of the business proposed to be brought before the meeting;
- (ii) the reasons for conducting such business at the meeting;
- (iii) a description of any material interest of such stockholder, the beneficial owner, if any, on whose behalf the proposal is made, or any of their Affiliates or Associates in such proposed business, including a description of any anticipated benefit therefrom to such stockholder, beneficial owner, or their Affiliates or Associates;
- (iv) a description of all agreements, arrangements, and understandings (whether written or oral, formal or informal, or monetary or non-monetary) between or among such stockholder, the beneficial owner, if any, on whose behalf the business is being proposed, any of their Affiliates or Associates, and any other person or persons (including their names) in connection with the proposal of such business;
- (v) the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such proposal or business includes a proposal to amend these Bylaws, the Articles of Incorporation, or any policy of the Corporation (whether binding or precatory), the text of the proposed amendment); and
- (vi) any other information relating to such proposed business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies in support of the business proposed to be brought before the meeting pursuant to Section 14 of the Exchange Act.

(C) As to each individual, if any, whom the stockholder proposes to nominate for election or reelection to the Board, a stockholder's notice must, in addition to the matters set forth in paragraph (A) above, also set forth:

- (i) the name, age, email address, business address, and residence address of such individual;
- (ii) the principal occupation or employment of such individual;
- (iii) the information required by Section 2.13(c)(1)(A)(i) through Section 2.13(c)(1)(A)(vii) (replacing references to “such stockholder” with “such individual”);
- (iv) a description in reasonable detail of any and all direct and indirect compensation, reimbursement, indemnification, benefits, and other agreements, arrangements, and understandings (whether written or oral, formal or informal, or monetary or non-monetary) and any other material relationships (i) between or among such individual and the stockholder submitting the stockholder’s notice or any Affiliate or Associate thereof, including all information that would be required to be disclosed pursuant to Items 403 and 404 of Regulation S-K (or any successor provision) as promulgated by the SEC pursuant to the Exchange Act if the stockholder submitting the stockholder’s notice or any Affiliate or Associate thereof was the “registrant” for purposes of such Items and such individual was a trustee, director, or executive officer of such registrant, and (ii) between or among such individual and any other person or entity (naming such person or entity) in connection with such individual’s proposed nomination to the Board, and, if elected, such individual’s service as a member of the Board;
- (v) to the extent that such individual has been previously convicted (regardless of whether the conviction was subsequently overturned or expunged) in any state or federal court of any criminal offense involving a felony, fraud, dishonesty, or a breach of trust or duty, a description in reasonable detail of such offense and all legal proceedings relating thereto;
- (vi) a description in reasonable detail of any and all litigation, whether or not judicially resolved, settled, or dismissed, relating to such individual’s past or current service on the board of directors, board of trustees, or similar governing body of any corporation, limited liability company, partnership, trust, or any other entity;
- (vii) a description in reasonable detail of any agreements, arrangements, or understandings (whether written or oral, formal or informal, or monetary or non-monetary) between such individual and any person as to how such individual, if elected as a director of the Corporation, would act or vote on any issue or question that may come before the Board;
- (viii) a description in reasonable detail of any agreements, arrangements, or understandings (whether written or oral, formal, or informal, or monetary or non-monetary) between such individual and any person that could limit or interfere

with such individual's ability to comply, if elected as a director, with his or her fiduciary duties under applicable law;

- (ix) a description in reasonable detail of any business or personal interests that could place such individual, if elected as a director of the Corporation, in a potential conflict of interest with the Corporation or any of its subsidiaries;
- (x) the amount of any equity securities beneficially owned by such individual in any person or entity that competes with the Corporation;
- (xi) all information relating to such individual that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such individual's written consent to being named in any proxy statement and other proxy materials as a nominee and to serving as a director if elected); and
- (xii) such other information regarding such individual as may reasonably be requested by the secretary or the Board in writing prior to the meeting of stockholders at which the nomination of such individual is intended to be made in order for the Board to assess the qualifications, suitability, and independence of such individual to be an independent director of the Corporation (such information, if requested by the secretary or the Board, must be provided within five (5) business days after it has been requested).

(D) With respect to each individual, if any, whom the stockholder proposes to nominate for election or reelection to the Board, a stockholder's notice must, in addition to the matters set forth in paragraphs (A) and (C) above, also include a completed and signed questionnaire, representation, and agreement required by Section 2.14 of these Bylaws. In addition, the Board may require any individual proposed as a nominee to the Board to submit to interviews with the Board or any committee thereof, such proposed nominee shall make himself or herself available for any such interviews within five (5) business days following any request therefor from the Board or any committee thereof, and such proposed nominee shall be completely candid and truthful in responding to any questions posed during such interviews.

(2) In no event can a stockholder include in a stockholder's notice a number of proposed nominees for election as directors that is greater than the number of directors to be elected to the Board at the stockholders' meeting to which that stockholder's notice relates which, in the absence of any contrary public announcement, may be assumed to be the number of directors serving on the Board at the time that the stockholder's notice is submitted to the Corporation.

(3) A stockholder submitting a stockholder's notice, by its delivery to the Corporation, represents and warrants that all information contained therein, when submitted, is accurate in all respects. If any information contained in a stockholder's notice submitted pursuant to this Section 2.13 is determined to be inaccurate in any respect, such stockholder's notice may be

deemed not to have been provided in accordance with this Section 2.13. Any stockholder who submits a stockholder's notice shall notify the secretary of the Corporation in writing at the principal executive offices of the Corporation of any inaccuracy or change in any information submitted pursuant to this Section 2.13 (including if such stockholder no longer intends to solicit proxies, in support of the election of the proposed nominee(s), from stockholders representing the percentage of the voting power of the Corporation's common stock entitled to vote on the election of directors that is required by Rule 14a-19(a)(3) of the Exchange Act) within two (2) business days after becoming aware of such inaccuracy or change, and any such notification shall clearly identify the inaccuracy or change, it being understood that no such notification may cure any deficiencies or inaccuracies with respect to any prior submission by such stockholder

(4) For a stockholder's notice to comply with the requirements of this Section 2.13, all the information required to be included therein by this Section 2.13 must be expressly set forth in writing directly within the body of the stockholder's notice, rather than being incorporated by reference from any other document or writing, including, but not limited to, any correspondence or any documents filed with the SEC, a court, or other governmental body. Any attempt to incorporate by reference information from other documents into the stockholder's notice shall be disregarded and shall have the effect of causing the information attempted to be incorporated to not be disclosed for purposes of this Section 2.13.

(5) For a stockholder's notice to comply with the requirements of this Section 2.13, each of the requirements of this Section 2.13 shall be directly and expressly responded to and a stockholder's notice must clearly indicate and expressly cross-reference which provisions of this Section 2.13 the information disclosed is intended to be responsive to. Any global cross-references shall be disregarded, and information disclosed in a stockholder's notice in response to any provision of this Section 2.13 shall not be deemed responsive to any other provision hereof unless it is expressly cross-referenced to such other provision and it is unambiguously apparent how such information is responsive to such other provision.

(6) A stockholder submitting a stockholder's notice pursuant to this Section 2.13, by its delivery to the Corporation, acknowledges that it understands that nothing contained therein shall be considered confidential or proprietary information and that, except as provided by applicable law, none of the Corporation, the Board, or any agents or representatives thereof shall be restricted, in any manner, from publicly disclosing or using any of the information contained in a stockholder's notice.

(7) Subject to Rules 14a-8 and 14a-19 under the Exchange Act, nothing in this Section 2.13 or elsewhere in these Bylaws shall be deemed to give any stockholder the right to have any nominations of persons for election to the Board or other proposed business included or described in any proxy statement prepared by the Corporation. Notwithstanding any notice of the meeting, proxy statement, or supplement thereto disseminated to stockholders on behalf of the Corporation, a stockholder must separately comply with the requirements of this Section 2.13 to propose any nominations or other business at any stockholders' meeting, including delivering its own separate and timely stockholder's notice to the secretary of the Corporation that complies in all respects with the requirements of this Section 2.13.

(8) For purposes of these Bylaws, the terms “Affiliate” and “Associate” (and any plural forms thereof) shall have the meanings ascribed to such terms in Rule 12b-2 promulgated by the SEC under the Exchange Act. For purposes of these Bylaws, the terms “beneficial owner” and “beneficial ownership” shall have the meanings set forth in Rule 13d-3 promulgated by the SEC under the Exchange Act, except that a person will also be deemed to be the beneficial owner of (i) all shares of the Corporation’s authorized share capital which such person has (A) the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to the exercise of any rights in connection with any securities or any agreement, arrangement, or understanding (whether or not in writing), regardless of when such rights may be exercised and whether they are conditional; and (B) economic exposure to through any option, warrant, convertible security, swap, hedging, or derivative instrument or agreement of any nature; and (ii) all shares of the Corporation’s authorized share capital which such person or any of such person’s Affiliates has or shares the right to vote or dispose. For purposes of these Bylaws, “public announcement” or its corollary “publicly announced” shall mean disclosure (i) in a press release issued by the Corporation reported by a widely circulated news or wire service, (ii) in a document publicly filed by the Corporation with the SEC pursuant to the Exchange Act and the rules and regulations promulgated thereunder, (iii) by the Corporation pursuant to another method reasonably intended by the Corporation to achieve broad-based dissemination of the information contained therein.

(9) Nothing in this Section 2.13 shall be deemed to affect (i) the rights of stockholders to request inclusion of proposals in, nor the right of the Corporation to omit proposals from, the Corporation’s proxy statement pursuant to Rule 14a-8 under the Exchange Act and the SEC Staff’s interpretations, guidance, and no-action letter determinations relating thereto, or (ii) the rights of the holders of any series of preferred stock if and to the extent provided for under applicable law, the Articles of Incorporation, or these Bylaws.

(10) Notwithstanding anything in these Bylaws to the contrary, a stockholder submitting a stockholder’s notice pursuant to this Section 2.13 shall, at all times prior and subsequent to the submission of such notice, comply with all applicable requirements of state and federal law, including, without limitation, the Exchange Act and the rules and regulations thereunder (including, without limitation, those relating to the timely and accurate filing with the SEC of Schedules 13D and 14A and all amendments and supplements thereto and the notice, filing, solicitation, and other requirements contained in Rule 14a-19 promulgated under the Exchange Act), as well as any interpretative guidance issued by, and/or requests from, the Staff of the SEC, with respect to the matters set forth in these Bylaws, including, without limitation, this Section 2.13, and the actions contemplated hereby; provided, however, that any references in these Bylaws to the Exchange Act or the rules promulgated thereunder are not intended to and shall not limit the separate and additional requirements set forth in these Bylaws with respect to nominations or proposals as to any other business to be considered. Unless otherwise required by applicable law, if any stockholder (i) provides notice pursuant to Rule 14a-19(a)(1) promulgated under the Exchange Act and (ii) subsequently fails to comply with any of the requirements of Rule 14a-19(a)(2) and 14a-19(a)(3) promulgated under the Exchange Act, then the Corporation shall disregard any proxies or votes solicited for such proposed nominees and such nomination shall be disregarded (but in the case of any form of proxy naming other nominees, including

those named pursuant to Rule 14a-19(e)(1) promulgated under the Exchange Act, only the votes cast for the disregarded nominees). If any stockholder provides notice pursuant to Rule 14a-19(a)(1) promulgated under the Exchange Act, such stockholder shall deliver to the secretary of the Corporation, no later than five (5) business days prior to the applicable meeting date or any adjournment or postponement thereof reasonable evidence that the requirements of Rule 14a-19(a)(3) of the Exchange Act have been satisfied.

Section 2.14 Submission of Questionnaire, Representation, and Agreement. To be eligible to be a nominee for election or reelection as a director of the Corporation, a person nominated by a stockholder for election or reelection to the Board must deliver (in accordance with the time periods prescribed for delivery of a stockholder's notice under Section 2.13 of these Bylaws) to the secretary at the principal executive offices of the Corporation a written questionnaire with respect to the background, qualifications, stock ownership, and independence of such proposed nominee and a written representation and agreement that such individual (a) is not and will not become a party to (i) any agreement, arrangement, or understanding (whether written or oral, formal or informal, or monetary or non-monetary) with, and has not given any commitment or assurance (whether written or oral, formal or informal, or monetary or non-monetary) to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation, or (ii) any Voting Commitment that could limit or interfere with such individual's ability to comply, if elected as a director of the Corporation, with such individual's fiduciary duties under applicable law; (b) is not and will not become a party to any agreement, arrangement, or understanding (whether written or oral, formal or informal, or monetary or non-monetary) with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a director that has not been disclosed therein; (c) if elected as a director of the Corporation, will comply with all applicable corporate governance, code of conduct and ethics, conflict of interest, confidentiality, stock ownership, and trading policies, and any other of the Corporation's policies or guidelines applicable to directors and in effect during such person's term in office as a director; (d) if elected as a director of the Corporation, will comply with all applicable rules of the SEC, all applicable rules of any securities exchanges upon which the Corporation's securities are listed, the Articles of Incorporation, these Bylaws, and all applicable fiduciary duties under state law; (e) is not now subject to any governmental law, regulation, order, decree, or sanction that could prohibit or limit such director nominee's service on the Board or any committee thereof; and (f) if elected as a director of the Corporation, intends to serve the entire term of such directorship until the next annual meeting. In the case of the questionnaire and the written representation and agreement, the proposing stockholder shall request the forms of both documents in writing from the secretary prior to submitting the stockholder's notice and the secretary shall provide such forms to such stockholder within five (5) business days after receiving such written request.

Section 2.15 Remote Communications. Stockholders may participate in a meeting of stockholders by means of any electronic communications, videoconferencing, teleconferencing or other available technology permitted under the NRS. If any such means are utilized, the Corporation shall, to the extent required under the NRS, implement reasonable measures to (a)

verify the identity of each person participating through such means as a stockholder, and (b) provide the stockholders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to communicate, and to read or hear the proceedings of the meeting in a substantially concurrent manner with such proceedings. For the purposes of establishing a quorum and taking any action at the meeting, participation in a meeting pursuant to this Section 2.15 constitutes presence in person at the meeting. A meeting of stockholders may be held solely by remote communication pursuant to this Section 2.15.

Section 2.16 Postponement and Cancellation of Meetings. Any previously scheduled annual or special meeting of the stockholders may be postponed, and any previously scheduled annual or special meeting of the stockholders called by the Board may be canceled, by resolution of the Board upon public notice given prior to the time previously scheduled for such meeting of stockholders.

ARTICLE III BOARD OF DIRECTORS

Section 3.1 General Powers. The business of the Corporation shall be managed by the Board.

Section 3.2 Number; Tenure. Unless otherwise provided in the Articles of Incorporation, the number of directors shall be no less than three (3) directors and no more than seven (7) directors, with the number of directors within the foregoing fixed minimum and maximum established and changed from time to time as provided by resolutions adopted by the Board. No reduction of the number of directors shall have the effect of removing any director prior to the expiration of his or her term of office. Each director shall hold office until the annual meeting of stockholders next held after his or her election and until his or her successor is elected and qualified or until his or her earlier death, resignation or removal. No provision of this Section 3.2 shall restrict the right of the Board (or, to the extent, if any, permitted under the Articles of Incorporation, stockholders) to fill vacancies or upon the right of the stockholders to remove directors, each as provided in these Bylaws.

Section 3.3 Chairperson. The Board shall appoint one of its members to serve as the Chairperson to serve at the pleasure of the Board. The Chairperson shall, if present, preside at meetings of stockholders of the Corporation and at meetings of the Board. The Chairperson shall have such other duties and responsibilities as may from time to time be assigned to him or her by the Board or prescribed by these Bylaws. The Chairperson may, but need not be, an employee of the Corporation.

Section 3.4 Vacancies. Subject to any rights of the holders of preferred stock, if any, vacancies on the Board, including vacancies resulting from newly created directorships, may be filled only by the affirmative vote of a majority of the remaining directors, even if less than a quorum, or by a sole remaining director. A director elected to fill a vacancy shall hold office for a term expiring at the next annual meeting of stockholders and until such director's successor shall have been duly elected and qualified.

Section 3.5 Removal and Resignation of Directors. Subject to any rights of the holders of preferred stock, if any, and except as otherwise provided in the NRS, any director, or the entire Board, may be removed from office by a vote of stockholders representing not less than two-thirds of the voting power of the issued and outstanding stock entitled to vote at an annual or special meeting of the stockholders duly noticed and called in accordance with the Bylaws. Any director may resign effective upon giving written notice to the Board unless the notice specifies a later time for effectiveness.

Section 3.6 Regular Meetings. A regular meeting of the Board shall be held annually, immediately after and at the same place (if any) as the annual meeting of stockholders, or such other date, time and place as the Board may determine. The Board may, by resolution, provide the date, time and place, if any, for the holding of additional regular meetings.

Section 3.7 Special Meetings. Special meetings of the Board may be called by the Chairperson, the chief executive officer, if any, the president, or by any two of the directors and shall be held on such date and at such time and place as may be designated in the notice of such meeting.

Section 3.8 Notice of Meetings.

(a) No notice need be given of any annual or regular meeting of the Board.

(b) For each special meeting of the Board, there shall be delivered to each director at the address appearing for him or her on the records of the Corporation, at least twenty-four (24) hours before the time of such meeting, a copy of a written notice of such meeting (i) by delivery of such notice personally, (ii) by mailing such notice postage prepaid, (iii) by facsimile, (iv) by overnight courier, or (v) by electronic transmission or electronic writing, including, but not limited to, email. If mailed to an address inside the United States, the notice shall be deemed delivered five (5) business days following the date the same is deposited in the United States mail, postage prepaid. If mailed to an address outside the United States, the notice shall be deemed delivered seven (7) business days following the date the same is deposited in the United States mail, postage prepaid. If sent via overnight courier, the notice shall be deemed delivered on the business day following the delivery of such notice to the courier. If sent via facsimile, the notice shall be deemed delivered upon sender's receipt of confirmation of the successful transmission. If sent by electronic transmission (including, without limitation, e-mail), the notice shall be deemed delivered when directed to the e-mail address of the director appearing on the records of the Corporation, and otherwise pursuant to the applicable provisions of NRS Chapter 75. If the address of any director is incomplete or does not appear upon the records of the Corporation it will be sufficient to address any notice to such director at the registered office of the Corporation. Any director may waive notice of any meeting, and the attendance of a director at a meeting and oral consent entered on the minutes of such meeting shall constitute waiver of notice of the meeting unless such director objects, prior to the transaction of any business, that the meeting was not lawfully called, noticed or convened. Attendance for the express purpose of

objecting to the transaction of business thereat because the meeting was not properly called or convened shall not constitute presence or a waiver of notice for purposes hereof.

Section 3.9 Quorum and Voting; Adjourned Meetings.

(a) A majority of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board.

(b) Unless otherwise provided by law, the Articles of Incorporation or these Bylaws, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

(c) At any meeting of the Board where a quorum is not present, a majority of those present may adjourn, from time to time, until a quorum is present, and no notice of such adjournment shall be required. At any adjourned meeting where a quorum is present, any business may be transacted which could have been transacted at the meeting originally convened.

Section 3.10 Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board or any committee thereof may be taken without a meeting if, before or after the action, all directors or committee members consent thereto in writing, except that such consent need not be signed by any director who is not required to sign pursuant to NRS 78.315(2). The written consent may be signed manually or electronically (or by any other means then permitted under the NRS), and may be so signed in counterparts, including, without limitation, facsimile or email counterparts, and the written consent shall be filed with the minutes of proceedings of the Board or committee.

Section 3.11 Telephonic and Electronic Communications. Members of the Board or of any committee designated by the Board may participate in a meeting of the Board or such committee through electronic communications, videoconferencing, teleconferencing or other available technology permitted under the NRS. If any such means are utilized, the Corporation shall, to the extent required under the NRS, implement reasonable measures to (a) verify the identity of each person participating through such means as a director or member of the committee, as the case may be; and (b) provide the directors or members a reasonable opportunity to participate in the meeting and to vote on matters submitted to the directors or members, as the case may be, including an opportunity to communicate and to read or hear the proceedings of the meeting in a substantially concurrent manner with such proceedings. For the purposes of establishing a quorum and taking any action at the meeting, such directors or members of the committee, as the case may be, participating pursuant to this Section 3.11 shall be deemed present in person at the meeting.

Section 3.12 Committees of Directors. The Board may designate and appoint one or more committees as the Board considers appropriate, which shall consist of one or more directors of the Corporation. Persons who are not directors of the Corporation are not eligible to serve on committees of the Board. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the

committee. Each committee, to the extent provided in the resolution of the Board creating same, shall have and may exercise such of the powers and authority of the Board in the management of the business and affairs of the Corporation as the Board may direct and delegate, except, however, those matters which are required by statute to be reserved unto or acted upon by the entire Board. Each committee shall keep written minutes of its proceedings and shall report such proceedings to the Board as appropriate. The Board shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve, any such committee.

Section 3.13 Compensation. The Board, without regard to personal interest, may establish the compensation of directors for services in any capacity. If the Board establishes the compensation of directors pursuant to this Section 3.13, such compensation is presumed to be fair to the Corporation unless proven unfair by a preponderance of the evidence. The directors may be paid their expenses, if any, of attendance at each meeting of the Board and may be paid a fixed sum for attendance at each meeting of the Board or a stated salary or other compensation as a director. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Any director of the Corporation may decline any or all such compensation payable to such director in his or her discretion.

Section 3.14 Presumption of Assent. A director of the Corporation who is present at a meeting of the Board at which action on any corporate matter is taken shall be presumed to have assented to the action unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as secretary of the meeting before the adjournment thereof or shall forward any dissent by certified or registered mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE IV OFFICERS

Section 4.1 Elected Officers. The Board shall elect and appoint a president, a secretary and a treasurer. The Board may from time to time, by resolution, elect or appoint such other officers and agents as it may deem advisable, who shall hold office at the pleasure of the Board, and shall have such powers and duties and be paid such compensation as may be directed by the Board. Any individual may hold two or more offices.

Section 4.2 Removal; Resignation. Any officer elected or appointed by the Board may be removed by the Board with or without cause. Any officer may resign at any time upon written notice to the Corporation. Any such removal or resignation shall be subject to the rights, if any, of the respective parties under any contract between the Corporation and such officer or agent.

Section 4.3 Vacancies. A newly created officer position and a vacancy in any elected officer position because of death, resignation, or removal may be filled by the Board.

Section 4.4 Chief Executive Officer. The Board may appoint a chief executive officer who, subject to the supervision and control of the Board, shall have the ultimate responsibility for the management and control of the business and affairs of the Corporation, and shall perform such other duties and have such other powers which are delegated to him or her by the Board, these Bylaws or as may be provided by law.

Section 4.5 President. The president, subject to the supervision and control of the Board, shall in general actively supervise and control the business and affairs of the Corporation. The president shall keep the Board fully informed as the Board may request and shall consult the Board concerning the business of the Corporation. The president shall perform such other duties and have such other powers which are delegated and assigned to him or her by the Board, the chief executive officer, if any, these Bylaws or as may be provided by law.

Section 4.6 Chief Financial Officer. The Board may appoint a chief financial officer. The chief financial officer shall in general have overall supervision of the financial operations of the Corporation. The chief financial officer shall perform such other duties and have such other powers which are delegated and assigned to him or her by the Board, the chief executive officer, if any, the president, these Bylaws or as may be provided by law.

Section 4.7 Vice Presidents. The Board may appoint one or more vice presidents. In the absence or disability of the president, or at the president's request, the vice president or vice presidents, in order of their rank as fixed by the Board, and if not ranked, the vice presidents in the order designated by the Board, or in the absence of such designation, in the order designated by the president, shall perform all of the duties of the president, and when so acting, shall have all the powers of, and be subject to all the restrictions on the president. Each vice president shall perform such other duties and have such other powers which are delegated and assigned to him or her by the Board, the chief executive officer, if any, the president, these Bylaws or as may be provided by law.

Section 4.8 Secretary. The secretary shall keep or cause to be kept, in one or more books provided for that purpose, the minutes of all meetings of the Board, the committees of the Board and the stockholders. The secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws and as required by applicable law. The secretary shall see that the books, reports, statements, certificates and other documents and records required by applicable law to be kept and filed are properly kept and filed. The secretary shall perform all other duties commonly incident to his or her office and shall perform such other duties which are assigned to him or her by the Board, the chief executive officer, if any, the president, these Bylaws or as may be provided by law.

Section 4.9 Assistant Secretaries. An assistant secretary, if appointed by the Board, shall, at the request of the secretary, or in the absence or disability of the secretary, perform all the duties of the secretary. He or she shall perform such other duties as are assigned to him or her by the Board, the chief executive officer, if any, the president, the secretary, these Bylaws or as may be provided by law.

Section 4.10 Treasurer. The Treasurer shall exercise general supervision over the receipt, custody and disbursement of corporate funds. The Treasurer shall perform all other duties commonly incident to his or her office and such other duties as may, from time to time, be assigned to him or her by the Board, the chief executive officer, if any, the president, these Bylaws or as may be provided by law.

Section 4.11 Assistant Treasurers. An assistant treasurer, if appointed by the Board, shall, at the request of the Treasurer, or in the absence or disability of the Treasurer, perform all the duties of the Treasurer. He or she shall perform such other duties which are assigned to him or her by the Board, the chief executive officer (if any), the president, the treasurer, these Bylaws or as may be provided by law.

Section 4.12 Execution of Negotiable Instruments, Deeds and Contracts. All checks, drafts, notes, bonds, bills of exchange, and orders for the payment of money of the Corporation; all deeds, mortgages, proxies, powers of attorney and other written contracts, documents, instruments and agreements to which the Corporation shall be a party; and all assignments or endorsements of stock certificates, registered bonds or other securities owned by the Corporation shall be signed in the name of the Corporation by such officers or other persons as the Board may from time to time designate. Such authority may be general or confined to specific instances as the Board may determine. The Board may authorize the use of the facsimile signatures of any such persons.

ARTICLE V SHARES AND TRANSFERS

Section 5.1 Issuance of Stock. The Board is authorized to cause to be issued stock of the Corporation up to the full amount authorized by the Articles of Incorporation in such amounts and for such consideration as may be determined by the Board.

Section 5.2 Stock Certificates and Uncertificated Shares.

(a) The shares of stock of the Corporation shall be represented by a certificate, provided that the Board may authorize the issuance of uncertificated shares of some or all of any or all classes or series of the stock of the Corporation. Any such issuance of uncertificated shares shall have no effect on existing certificates for shares until such certificates are surrendered to the Corporation, or on the respective rights and obligations of the stockholders.

(b) Each certificate representing shares shall be numbered in the order in which they shall be issued and shall be signed in the name of the Corporation by the chief executive officer, if any, the president or a vice president, and by the secretary or an assistant secretary, of the Corporation (or any other two officers or agents so authorized by the Board). Each certificate representing shares shall state the following: (i) the name of the Corporation and that it is organized under the laws of Nevada; (ii) the name of the person to whom the certificate is issued; (iii) the number and class of shares and the designation of the series, if any, which such certificate represents; the par

value of each share, if any, represented by such certificate or a statement that the shares are without par value, and (iv) any restrictions on the transfer of the shares. Certificates of stock shall be in such form consistent with law as shall be prescribed by the Board. No certificate shall be issued until the shares represented thereby are fully paid. In addition to the foregoing, all certificates evidencing shares of the Corporation's stock or other securities issued by the Corporation shall contain such legend or legends as may from time to time be required by federal, state or local laws or regulations then in effect.

(c) Within a reasonable time after the issuance or transfer of uncertificated shares, the Corporation shall send to the registered owner of the shares a written notice containing the information required to be set forth or stated on certificates pursuant to the NRS and, at least annually thereafter, the Corporation shall provide to such stockholders of record holding uncertificated shares, a written statement confirming the information contained in such written statement previously sent. Except as otherwise expressly provided by law, the rights and obligations of the stockholders shall be identical whether or not their shares of stock are represented by certificates.

Section 5.3 Transfer of Stock. Transfer of stock on the books of the Corporation may be authorized only by the record holder of such stock, the holder's legal representative or the holder's attorney lawfully constituted in writing and, in the case of stock represented by a certificate or certificates, upon surrender of the certificate or the certificates for such stock, and, in the case of uncertificated stock, upon receipt of proper transfer instructions and compliance with appropriate procedures for transferring stock in uncertificated form (in each case, with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require). Every certificate surrendered to the Corporation for exchange or transfer shall be cancelled, and no new certificate or certificates shall be issued in exchange for any existing certificate until such certificate shall have been so cancelled, except in cases provided for in Section 5.4. The Corporation may treat as the absolute owner of stock of the Corporation the person or persons in whose name stock is registered on the books of the Corporation. Subject to the Articles of Incorporation, the Board may from time to time establish rules and regulations governing the issuance, transfer and registration of shares of stock of the Corporation.

Section 5.4 Loss of Certificates. Any stockholder claiming a certificate for stock to be lost, stolen, mutilated or destroyed shall make an affidavit of that fact in such form as the Board may require and shall, if the Board so requires, give the Corporation a bond of indemnity in form, in an amount, and with one or more sureties satisfactory to the Board, to indemnify the Corporation against any claims which may be made against it on account of the alleged loss, theft or destruction of the certificate or issuance of such new certificate. The Corporation may then issue (a) a new certificate or certificates of stock or (b) uncertificated shares, for the same number of shares represented by the certificate claimed to have been lost, stolen, mutilated or destroyed.

Section 5.5 Facsimile Signatures. Whenever any certificate is countersigned by a transfer agent or by a registrar other than the Corporation or its employee, then the signatures of the officers or agents of the Corporation may be a facsimile. In case any officer who has signed or whose facsimile signature has been placed on any such certificate shall cease to be such officer before such certificate has been delivered by the Corporation, such certificate may be issued and delivered by the Corporation as though the person who signed such certificate or whose facsimile signature or signatures had been placed thereon were such officer at the date of issue.

ARTICLE VI INDEMNIFICATION

Section 6.1 Indemnification and Insurance.

(a) Indemnification of Directors and Officers.

(i) For purposes of this Article, (A) "Indemnitee" shall mean each director or officer who was or is a party to, or is threatened to be made a party to, or is otherwise involved (including as a non-party witness, deponent, or recipient of a subpoena) in, any Proceeding (as hereinafter defined), by reason of the fact that he or she is or was a director, officer employee or agent (including, without limitation, as a trustee, fiduciary, administrator or manager) of the Corporation or any predecessor entity thereof, or is or was serving in any capacity at the request of the Corporation as a director, officer, employee or agent (including, without limitation, as a trustee, fiduciary, administrator, partner, member or manager) of, or in any other capacity for, another corporation or any partnership, joint venture, limited liability company, trust, or other enterprise; and (B) "Proceeding" shall mean any threatened, pending, or completed action, suit or proceeding (including, without limitation, an action, suit or proceeding by or in the right of the Corporation), whether civil, criminal, administrative, or investigative.

(ii) Each Indemnitee shall be indemnified and held harmless by the Corporation to the fullest extent permitted by Nevada law, against all expense, liability and loss (including, without limitation, attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Indemnitee in connection with any Proceeding; *provided that* such Indemnitee either is not liable pursuant to NRS 78.138 or acted in good faith and in a manner such Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any Proceeding that is criminal in nature, had no reasonable cause to believe that his or her conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, does not, of itself, create a presumption that the Indemnitee is liable pursuant to NRS 78.138 or did not act in good faith and in a manner in which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, or that, with respect to any criminal proceeding he or she had reasonable cause to believe that his or her conduct was unlawful. The Corporation shall not indemnify an Indemnitee for any claim, issue or matter as to which the Indemnitee has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the Corporation or for any amounts paid in settlement to the

Corporation, unless and only to the extent that the court in which the Proceeding was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the Indemnitee is fairly and reasonably entitled to indemnity for such amounts as the court deems proper. Except as so ordered by a court and for advancement of expenses pursuant to this Section 6.1, indemnification may not be made to or on behalf of an Indemnitee if a final adjudication establishes that his or her acts or omissions involved intentional misconduct, fraud or a knowing violation of law and was material to the cause of action. Notwithstanding anything to the contrary contained in these Bylaws, no director or officer may be indemnified for expenses incurred in defending any threatened, pending, or completed action, suit or proceeding (including, without limitation, an action, suit or proceeding by or in the right of the Corporation), whether civil, criminal, administrative or investigative, that such director or officer incurred in his or her capacity as a stockholder.

(iii) Indemnification pursuant to this Section 6.1 shall continue as to an Indemnitee who has ceased to be a director or officer of the Corporation or who has ceased to serve, at the request of the Corporation, as a director, officer, employee, agent, trustee, fiduciary, administrator, partner, member or manager of, or in any other capacity for, another corporation or any partnership, joint venture, limited liability company, trust, or other enterprise, and such indemnification shall inure to the benefit of such Indemnitee's heirs, executors, and administrators.

(iv) The expenses of Indemnitees must be paid by the Corporation or through insurance purchased and maintained by the Corporation or through other financial arrangements made by the Corporation, as such expenses are incurred and in advance of the final disposition of the Proceeding, upon receipt of an undertaking by or on behalf of such Indemnitee to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she is not entitled to be indemnified by the Corporation. To the extent that an Indemnitee is successful on the merits or otherwise in defense of any Proceeding, or in the defense of any claim, issue or matter therein, the Corporation shall indemnify him or her against expenses, including, without limitation, attorneys' fees, actually and reasonably incurred by him or her in connection with the defense.

(b) **Indemnification of Employees and Other Persons.** The Corporation may, by action of its Board and to the extent provided in such action, indemnify employees and other persons as though they were Indemnitees.

(c) **Non-Exclusivity of Rights.** The rights to indemnification provided in this Article VI shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation or these Bylaws, agreement, vote of stockholders or directors, or otherwise.

(d) **Insurance.** The Corporation may purchase and maintain insurance or make other financial arrangements on behalf of any Indemnitee for any liability asserted against him or her and liability and expenses incurred by him or her in his or her capacity as a director, officer, employee, member, managing member or agent, or arising out of his or her status as such,

whether or not the Corporation has the authority to indemnify him or her against such liability and expenses.

(e) **Other Financial Arrangements.** The other financial arrangements which may be made by the Corporation may include, without limitation, the following: (i) the creation of a trust fund; (ii) the establishment of a program of self-insurance; (iii) the securing of its obligation of indemnification by granting a security interest or other lien on any assets of the Corporation; and (iv) the establishment of a letter of credit, guarantee or surety. No financial arrangement made pursuant to this subsection may provide protection for a person adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable for intentional misconduct, fraud, or a knowing violation of law, except with respect to advancement of expenses or indemnification ordered by a court.

(f) **Other Matters Relating to Insurance or Financial Arrangements.** Any insurance or other financial arrangement made on behalf of a person pursuant to this Section 6.1 may be provided by the Corporation or any other person approved by the Board, even if all or part of the other person's stock or other securities are owned by the Corporation. In the absence of fraud (i) the decision of the Board as to the propriety of the terms and conditions of any insurance or other financial arrangement made pursuant to this Section 6.1 and the choice of the person to provide the insurance or other financial arrangement is conclusive; and (ii) the insurance or other financial arrangement is not void or voidable and does not subject any director approving it to personal liability for his action; even if a director approving the insurance or other financial arrangement is a beneficiary of the insurance or other financial arrangement.

Section 6.2 Amendment. The provisions of this Article VI relating to indemnification shall constitute a contract between the Corporation and each of its directors and officers which may be modified as to any director or officer only with that person's consent or as specifically provided in this Section 6.2. Notwithstanding any other provision of these Bylaws relating to their amendment generally, any repeal or amendment of this Article VI which is adverse to any director or officer shall apply to such director or officer only on a prospective basis, and shall not limit the rights of an Indemnitee to indemnification with respect to any action or failure to act occurring prior to the time of such repeal or amendment. Notwithstanding any other provision of these Bylaws (including, without limitation, Article X), no repeal or amendment of these Bylaws shall affect any or all of this Article VI so as to limit or reduce the indemnification in any manner unless adopted by (a) the unanimous vote of the directors of the Corporation then serving, or (b) a vote of stockholders representing not less than two-thirds of the voting power of the issued and outstanding stock entitled to vote at an annual or special meeting of the stockholders duly noticed and called in accordance with the Bylaws; provided that no such amendment shall have a retroactive effect inconsistent with the preceding sentences of this Section.

ARTICLE VII CHANGES IN LAW

References in these Bylaws to Nevada law, the NRS, the Exchange Act, rules promulgated under the Exchange Act, or to any provision of any of the foregoing shall be to such law or rule as it existed on the date these Bylaws were adopted or as such law or rule thereafter may be changed; *provided* that (a) in the case of any change which expands the liability of directors or officers or limits the indemnification rights or the rights to advancement of expenses which the Corporation may provide in Article VI hereof, the rights to limited liability, to indemnification and to the advancement of expenses provided in the Articles of Incorporation and/or these Bylaws shall continue as before such change to the extent permitted by law; and (b) if such change permits the Corporation, without the requirement of any further action by stockholders or directors, to limit further the liability of directors or limit further the liability of officers or to provide broader indemnification rights or rights to the advancement of expenses than the Corporation was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

ARTICLE VIII DISTRIBUTIONS

Section 8.1 Declaration. Distributions may be declared, subject to the provisions of the laws of the State of Nevada and the Articles of Incorporation, by the Board and may be paid in cash, property, shares of corporate stock, or any other medium.

Section 8.2 Fixing Record Dates for Distributions and Share Dividends. For the purpose of determining stockholders entitled to receive a distribution by the Corporation (other than a distribution involving a purchase or redemption by the Corporation of any of its own shares) or a share dividend, the Board may, at the time of declaring the distribution or share dividend, set a date no more than sixty (60) days prior to the date of the distribution or share dividend; *provided* that the record date so fixed for such distribution or share dividend must not precede the date on which the Board adopted the resolution declaring such distribution or share dividend. If no record date is fixed for such distribution or share dividend, the record date shall be the date on which the resolution of the Board authorizing the distribution or share dividend is adopted.

ARTICLE IX MISCELLANEOUS

Section 9.1 Books and Records. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

Section 9.2 Fiscal Year. The fiscal year of the Corporation shall end on December 31 of each year.

ARTICLE X BYLAW AMENDMENTS

Except as otherwise expressly provided in these Bylaws, these Bylaws may be amended, revised, or repealed or new bylaws may be made adopted only by a vote of (a) a majority of the Board, or (b) stockholders representing not less than a majority of the voting power of the issued and outstanding stock entitled to vote at an annual or special meeting of the stockholders duly noticed and called in accordance with these Bylaws, the NRS, and other applicable law and provided that the notice of the stockholders' meeting (or any supplement thereto) that will act on an amendment to these Bylaws states that the purpose, or one of the purposes, of the meeting is to consider an amendment to these Bylaws and that there shall be included in, or enclosed with, the notice of the stockholders' meeting (or any supplement thereto) a copy of the proposed amendment or a summary of the changes to be effected thereby.

ARTICLE XI FORUM SELECTION

To the fullest extent permitted by law, and unless the Corporation consents in writing to the selection of an alternative forum, the Eighth Judicial District Court of Clark County, Nevada (or, if that court does not have jurisdiction, the federal district court for the District of Nevada or other state courts of the State of Nevada) shall, to the fullest extent permitted by law, be the exclusive forums for (a) any derivative action or proceeding brought in the name or right of the Corporation or on the Corporation's behalf, (b) any action asserting or based upon a claim of breach of any duty owed by any director, officer, employee or agent of the Corporation to the Corporation or to the Corporation's stockholders, (c) any action or assertion of a claim arising pursuant to any provision of Chapter 78 or Chapter 92A of the NRS or the Articles of Incorporation or these Bylaws (as each may be amended from time to time), (d) any action to interpret, apply, enforce or determine the validity of the Articles of Incorporation or these Bylaws, or (e) any action asserting a claim against the Corporation governed by the internal affairs doctrine. Any person or entity purchasing, holding, or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of, and to have consented to, the provisions of this Article XI.

CERTIFICATE OF SECRETARY

I certify that I am the Secretary of OptimizeRx Corporation, a Nevada corporation, and that the foregoing Fourth Amended and Restated Bylaws constitute the bylaws of OptimizeRx Corporation as duly adopted by the Board of Directors as of August 5, 2025.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5th day of August 2025.

/s/Marion Odenca-Ford

Marion Odenca-Ford
Secretary

CERTIFICATIONS

I, Stephen Silvestro, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2025 of OptimizeRx Corp (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 8, 2025

/s/ Stephen Silvestro

By: Stephen Silvestro

Title: Chief Executive Officer

CERTIFICATIONS

I, Edward Stelmakh, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended June 30, 2025 of OptimizeRx Corp (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 8, 2025

/s/ Edward Stelmakh

By: Edward Stelmakh
Title: Chief Financial Officer and
Chief Operations Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND
CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the quarterly Report of OptimizeRx Corp (the "Company") on Form 10-Q for the quarter ended June 30, 2025 filed with the Securities and Exchange Commission (the "Report"), I, Stephen Silvestro, Chief Executive Officer and I, Edward Stelmakh, Chief Financial Officer and Chief Operations Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the consolidated financial condition of the Company as of the dates presented and the consolidated result of operations of the Company for the periods presented.

By: /s/ Stephen Silvestro
Name: Stephen Silvestro
Title: Chief Executive Officer
Date: August 8, 2025

By: /s/ Edward Stelmakh
Name: Edward Stelmakh
Title: Chief Financial Officer and
Chief Operations Officer
Date: August 8, 2025

This certification has been furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.