

# Technology Solutions For Life Sciences at the Point-of-Care

41<sup>st</sup> Annual J.P. Morgan Healthcare Conference



# Our Mission

At OptimizeRx — we are building a more informed and empowered healthcare community by developing new technology solutions that help people start and stay on life-impacting therapies.



# Growth Leaders | Growth Drivers

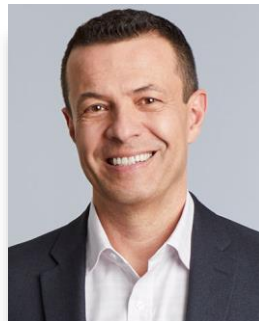


EXPERIENCE  
**20+**

Leading Health Services and  
Financial Businesses



**Will Febbo**  
Chief Executive Officer



EXPERIENCE  
**20+**

Senior Financial  
Roles



**Ed Stelmakh**  
Chief Financial Officer /  
Chief Operations Officer



EXPERIENCE  
**20+**

Operations, Sales,  
and Growing  
Partner Networks

CCH\* Tagetik prognos



**Steve Silvestro**  
Chief Commercial Officer



EXPERIENCE  
**30+**

Healthcare IT,  
Master Data Mgmt



**Todd Inman**  
Chief Technology Officer



EXPERIENCE  
**20+**

Legal  
Corporate and Business  
Compliance



**Marion Odenice-Ford**  
General Counsel & Chief Compliance Officer

# At-a-Glance

A leading provider of point-of-care technology solutions helping patients start and stay on therapy

## Corporate Profile

- Re-Founded in 2016, **OptimizeRx** enables engagement between life sciences organizations, physicians and patients
- OptimizeRx **powers drug maker brand awareness with physicians as well as patient treatment initiation, affordability and adherence efforts**
- Our **technology platform** coupled with the nation's largest patient point-of-care **network** connects the majority of U.S. physicians and millions of patients
- The Company has grown to **~110** employees across the United States, Israel and Croatia

## Stock Information

Stock Price (as of 1/6/23)	<b>\$17.95</b>
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Shares Outstanding fully diluted (as of 11/3/22)	<b>~17.2M</b>
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Market Cap (as of 1/6/23)	<b>~\$308.0M</b>
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Cash, Cash Equivalents (as of 9/30/22)	<b>\$78.8M</b>
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Total Debt	<b>\$0.00</b>
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NASDAQ Exchange listed under ticker  
**(NASDAQ:OPRX)**

# Pharma is Facing New Problems... and Some Old Ones...

## Increased Focus on Medical Science Liaisons

**76%** of KOLs perceive interactions with MSLs to be more valuable than interactions with drug sales reps



## Script Abandonment

**~50%** of patients never fill their scripts at the pharmacy<sup>(2)</sup>



## Diagnosis Criteria Increasingly Complex

**12M** People are affected by medical diagnostic errors each year<sup>(3)</sup>



## Shift to Specialty Medications



**81%** of new drug approvals are specialty medications<sup>(4)</sup>

## Daily EHR Use Can Be All-Consuming



**5.9 hrs/day** average daily EHR use by HCPs<sup>(5)</sup>

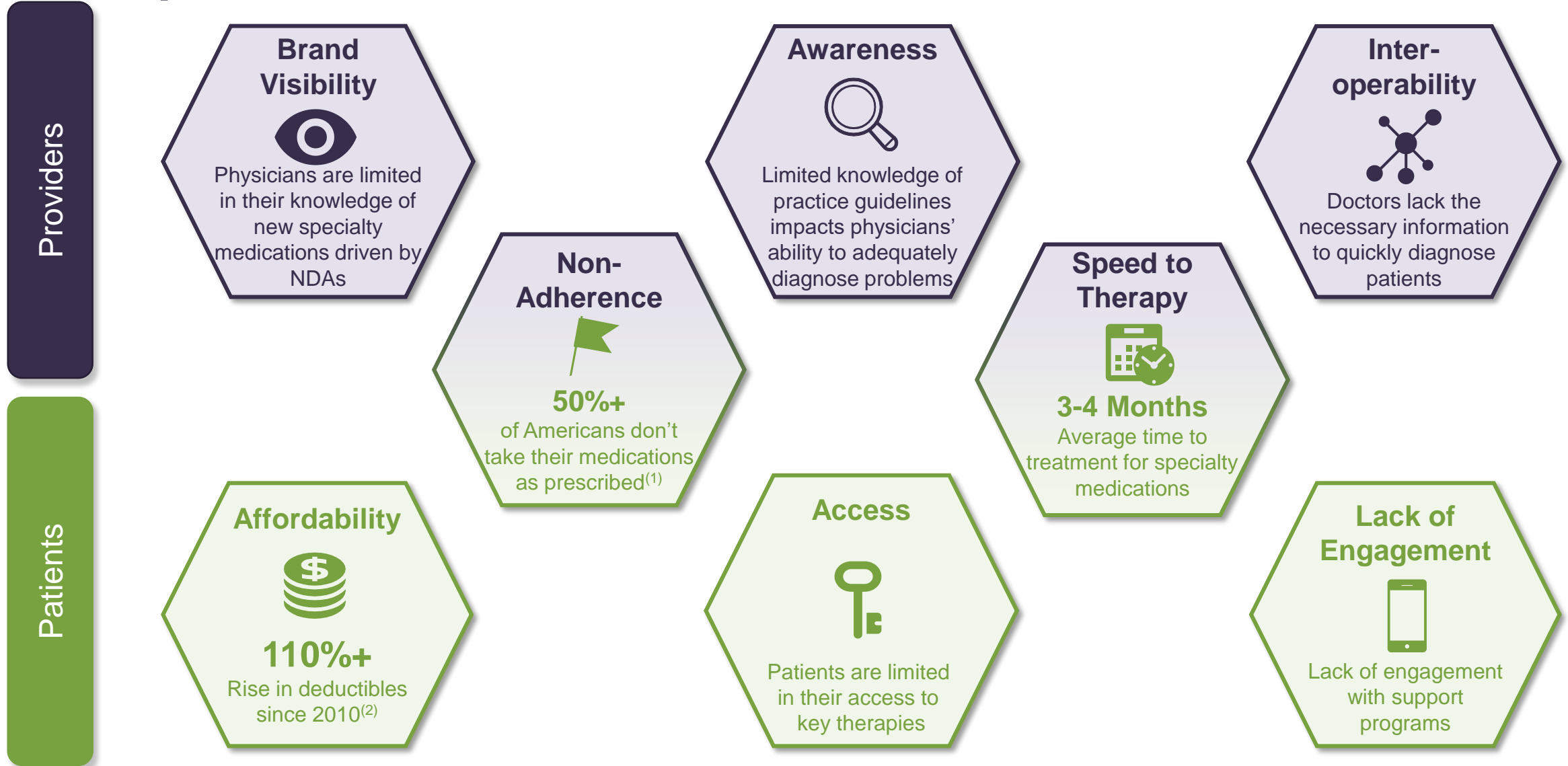
## Affordability



**43-49%** increase of total spend on specialty medications<sup>(6)</sup>

(1) ZS's 2017 AccessMonitor and AffinityMonitor Findings. (2) Center for Disease Control, "Prescription Medication Adherence". (3) U.S Department of Veterans Affairs, "Twelve million patients misdiagnosed yearly in America". (4) RxBenefits, "Don't Ignore the Growing Specialty Medication Trends. (5) Tethered to the EHR: Primary Care Physician Workload Assessment Using EHR Event Log Data and Time-Motion Observations. (6) ASPE Office of Science & Data Policy, "Trends in Prescription Drug Spending, 2016-2021".

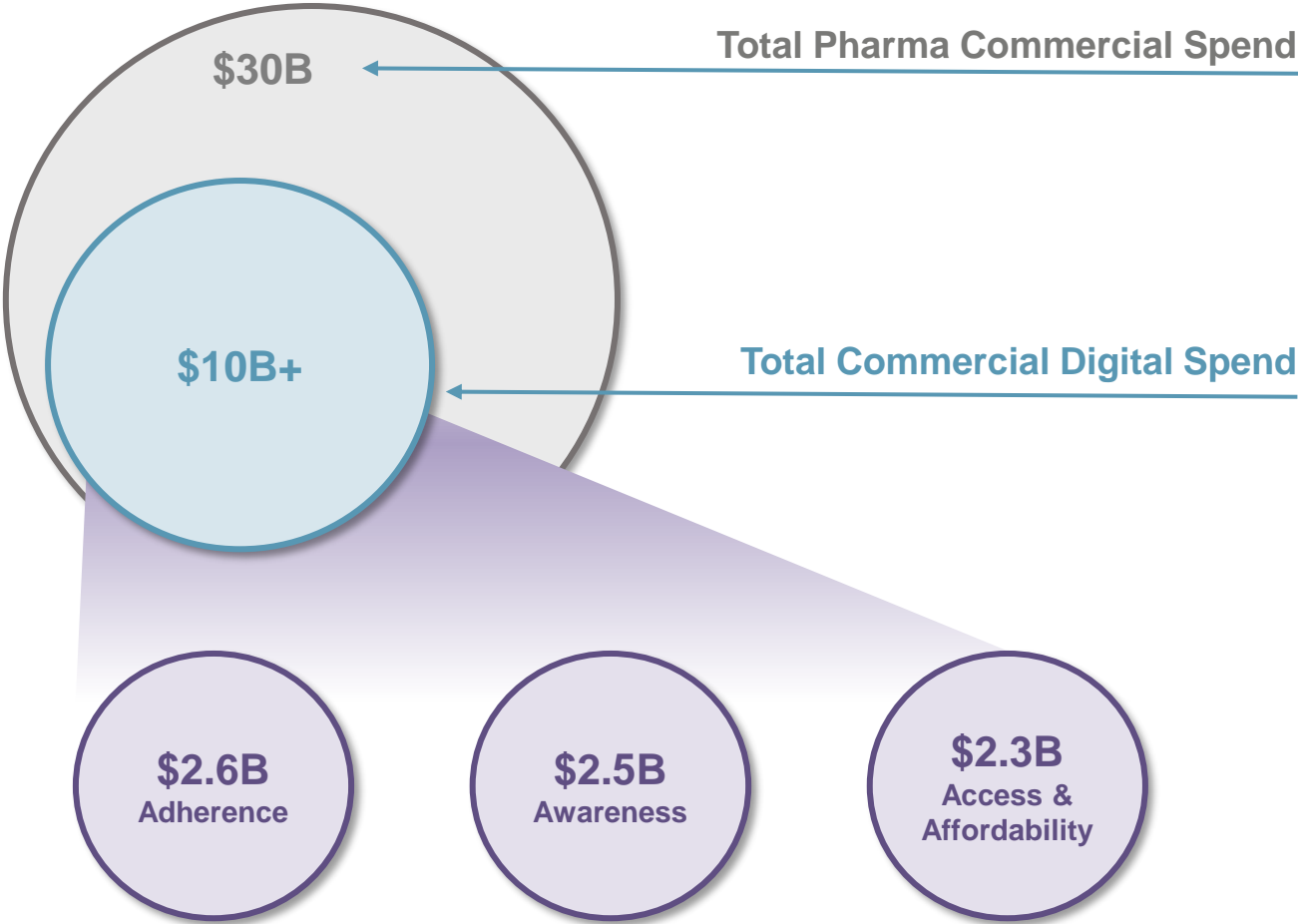
# ... and Providers and Patients Face Similar Issues Around Therapeutics



# Large, Under Penetrated Market With Strong Secular Tailwinds Driven by Increased Pharma Advertising Spend on Digital Channels

Total U.S. Commercial Digital Spend is Approximately \$10bn

Breakdown in Digital Spend<sup>(1)</sup>



OptimizeRx Physician Survey Results<sup>(2)</sup>

**78%**  
of physicians find prescription benefit information useful for finding affordable medication options for patients

**71%**  
of physicians who have access to affordability information check it before writing specialty scripts

**4**  
hours per day spent by physicians and staff in getting patients access to medications

Source: EvaluatePharma.  
(1) IQVIA 2019 US ChannelDynamics and Kantar Media Intelligence, US Healthcare Ad Spend; IQVIA Medicine Use and Spending in the US: A Review of 2016 and Outlook to 2021; Medical Marketing in the United States (<https://jamanetwork.com/journals/jama/fullarticle/2720029>). IQVIA ChannelDynamics Global Reference 2021. (2) OptimizeRx internal data (102 physicians across five different specialties)



# How Does OptimizeRx Solve the Problem?

## Life Sciences Customers

Need access to doctors at the point of care and patients to adhere to therapy

## Physicians

Need information about disease-specific relevant therapies and the ability to access these therapies in the clinical setting

## Patients

Need to access to affordable and relevant therapies and engagement with the provider to ensure adherence

## OptimizeRx

### Technology to Reach Prescriber and Patient

- API Connectivity to leading EHRs, fully integrated into physician clinical workflows
- AI-Driven Digital Platform
- Real World Evidence Decision Support Engine
- Independently verified, measurable ROI and impact on commercial performance of customers

**20**

relevant touchpoints a day with HCPs vs 6.4 / month

**40%+**

monthly script increases when using the platform

**13:1 ROI**

average on pharma-sponsored enterprise programs



# OPRX Positioned to Win

Operating the largest point-of-care (POC) communications network in the nation



Customer demand shift to enterprise digital POC solutions across multiple commercial budget areas



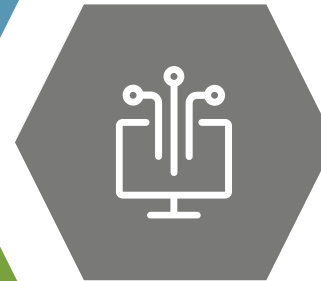
Scalable operating model to achieve \$100's MM in revenue with attractive bottom line



Deeply embedded customer base transitioning to a strategic partner and enterprise contracts



Deep expertise facilitating POC communications technology in a highly complex and well-regulated area of healthcare



# Deeply Embedded Customer Base

Supporting 95% of all top Pharma Manufacturers

abbvie

AMGEN

AstraZeneca

Pfizer

BD

gsk

Lilly

Medtronic

MERCK

NOVARTIS

novo nordisk

SANOFI

Driving long term, sustained marketing return on investment

# Enabling Awareness, Access & Adherence



## Customers

Reach patients and providers digitally



## Physicians

Therapeutic knowledge, Industry connectivity enabling affordability



## Patients

Affordability, adherence, virtual care

## SYMPTOM AWARENESS

## TREATMENT SELECTION

## ADHERENCE



## DIAGNOSIS



Target messages to providers at precise decision points in the clinical workflow



Support access and adherence as early in the patient journey as possible



## PRESCRIBING



Digital health tools provide simple enrollment in financial and Hub support programs so more patients start and stay on therapy



Digital health tools provide education, relevant support, and messaging to patients and caregivers, so they stay on treatment

# Technology Stack + the Nation's Largest POC Communications Network

We innovate point-of-care technology in order to...

## OPRX's POC Platform



## The Nation's Largest POC Communications Network

### Solutions

- HCP Awareness
  - Digital messaging and communication
- Therapy Initiation "Start"
  - Digital enrollment and medical documentation to Hub and pharmacy
- Patient Adherence "Stay"
  - Personalized mobile treatment support

### Network

- 700K+ Health care professionals (HCP)
- +260 HCP-frequented websites and behavior intelligence on +4,300 websites
- Majority of Prescribing physicians



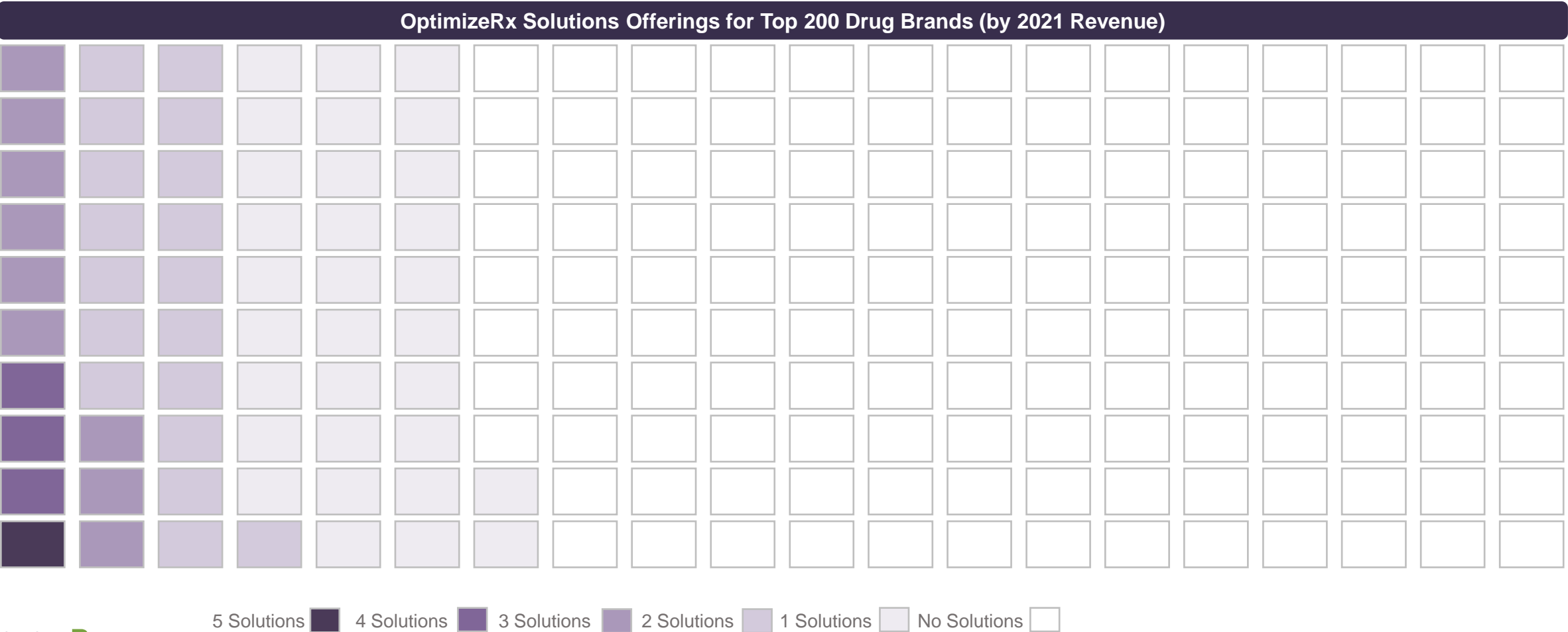
...Facilitate therapy brand awareness, patient access, and adherence



# Growing Presence Within Top Drugs

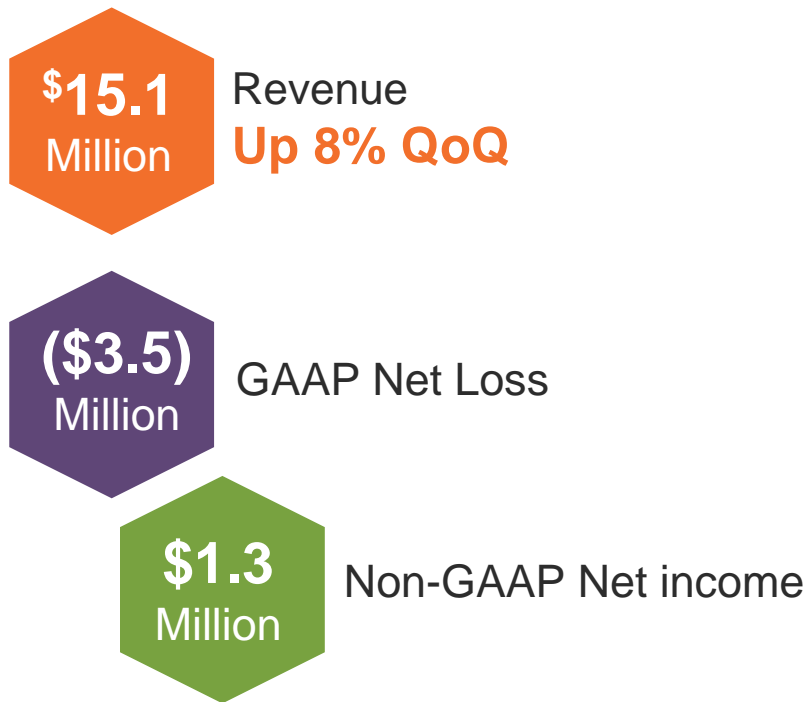
OptimizeRx has significant room to continue to penetrate and grow with the top drugs by sales and volume

- OptimizeRx provides digital solutions for 31% (by count) of the top 200
- Significant identified whitespace for OptimizeRx to continue to penetrate

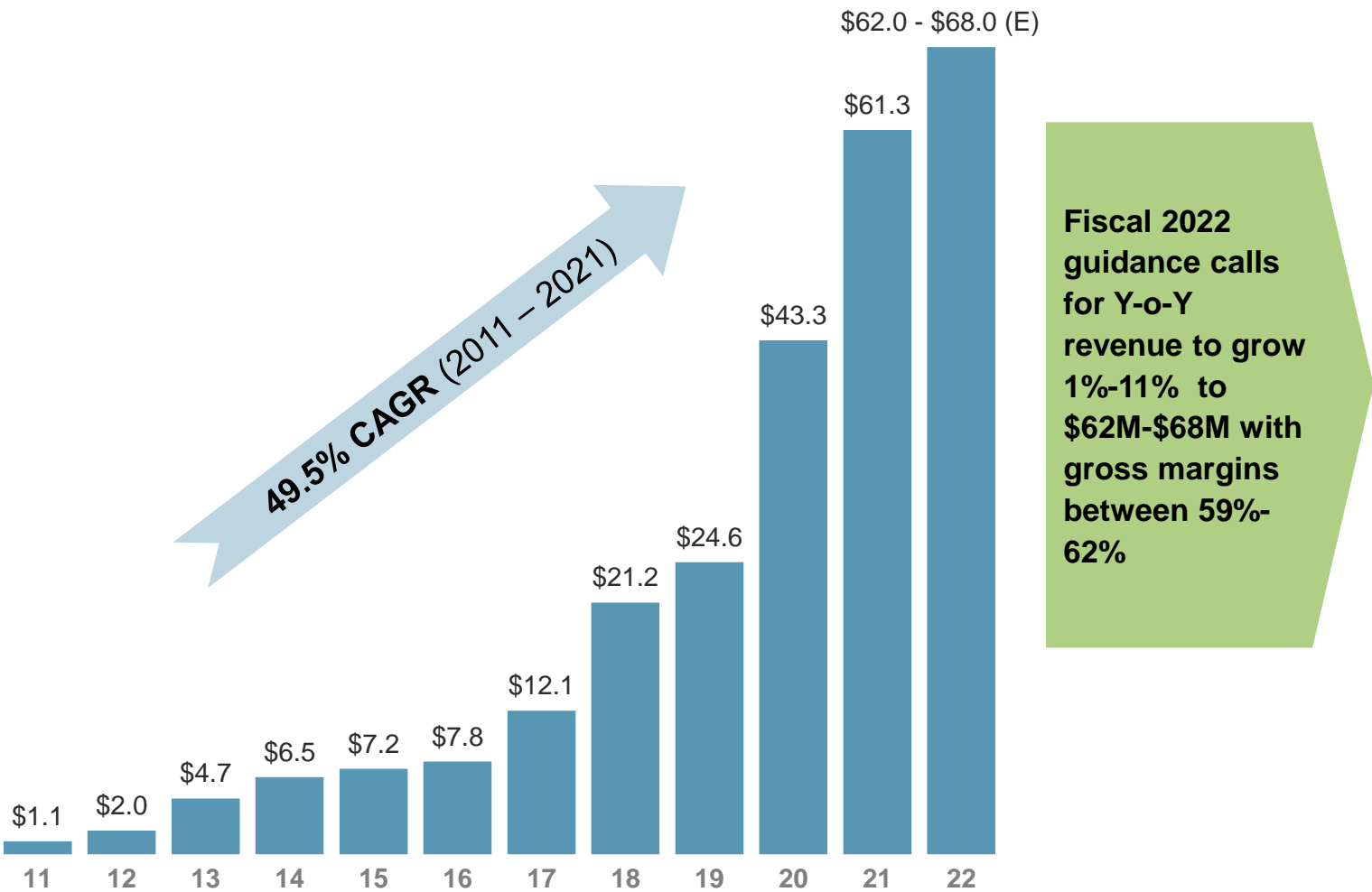


# Strong Financial Momentum

## Q3 2022 Results



## Annual Revenue Growth (\$millions)



# Key Performance Indicators

Our footprint in the top 20 pharmaceutical manufacturers positions us well to compete and win our share of the largest category of addressable commercial spend

KPIs	Trailing Twelve Months September 30	
	2022	2021
Average revenue per top 20 pharmaceutical manufacturer	\$2.2M	\$2.5M
% of top 20 pharmaceutical manufacturers that are customers	95%	90%
% of total revenue attributable to top 20 pharmaceutical manufacturers	66%	79%
Net revenue retention	96%	161%
Revenue per average full-time employee	\$619K	\$741K

## Definition of Key Performance Indicators (KPIs)

- **Top 20 pharmaceutical manufacturers:** Top 20 pharmaceutical manufacturers are based on Fierce Pharma’s [“The top 20 pharma companies by 2020 revenue.”](#)
- **Net revenue retention:** Net revenue retention is a comparison of revenue generated from all customers in the previous period to total revenue generated from the same customers in the following year (i.e., excludes new customer relationships for the most recent year).
- **Revenue per average full-time employee:** We define revenue per average full-time employee (FTE) as total revenue over the last 12 months (LTM) divided by the average number of employees over the LTM .



# Key Takeaways



## Highly Scalable Platform

- Current Commercial team has \$100M+ run rate ability
- High existing network capacity

- Clients are multi-billion-dollar companies
- Secure, compliant, scalable (AWS, HITRUST, HIPPA)

## Proven Healthcare Technology



## Large & Expanding Market Opportunity

- Electronic prescribing adoption
- Digital enablement
- Consumer demand – billions and growing

- Direct integrations
- Deep pharma relationships
- Products become deeply embedded
- Meaningful to all stakeholders

## Sustainable Competitive Advantage



# Thank you!

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# Andrew D'Silva, Senior Vice President of Corporate Finance



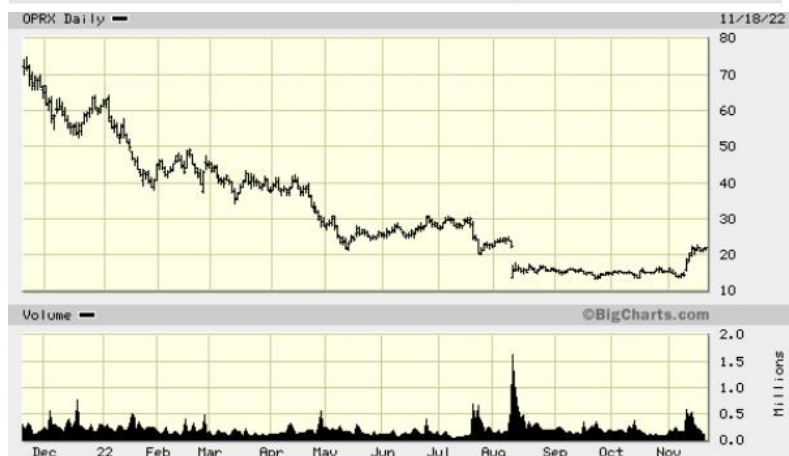
Andrew D'Silva has over a decade of equity research and capital markets experience, and most recently served as a senior healthcare research analyst at B. Riley Securities. Earlier in his career, he was a managing director and part of Merriman Capital's equity research team.

Andrew brings his deep experience in capital markets, and in-depth understanding of the healthcare technology sector to OptimizeRx where he is responsible for helping the Company with its strategic growth, and working alongside the commercial and financial teams in the design of capital allocation strategies to further drive growth.

# Share Data and Key Financial Highlights

(NASDAQ:OPRX)

<b>Stock Price (1/6/23)</b>	<b>\$17.95</b>
52 Week Low-High	\$13.33 – \$57.77
Avg. Vol. (3-mo.)	193,824
Shares Outstanding	17.2M
Public Free Float (est.)	~95.0%
<b>Institutional Holdings</b>	<b>65.8%</b>
Insider Holdings	3.4%
<b>Market Cap</b>	<b>\$307.9M</b>
Enterprise Value	\$229.1M



<b>Net Revenue <i>ttm</i> @ 9/30/22</b>	<b>\$63.1M</b>
Gross Profit <i>ttm</i>	\$38.9M
GAAP Net Income <i>ttm</i>	(\$10.5)M
Non-GAAP Net Income <i>ttm</i>	\$6.0M
<b>Cash and Cash Equivalents<sup>1</sup></b>	<b>\$78.8M</b>
Total Assets @ 9/30/22	\$135.9M
Total Debt @ 9/30/22	\$0.0M
Total Liabilities @ 9/30/22	\$6.3M
Full-time Employees	111

<sup>1</sup>Includes short-term investments  
*ttm* = trailing twelve months ended September 30, 2022.  
*mrq* = most recent quarter as of September 30, 2022.

Sources: Company, BigCharts.com and Yahoo!Finance.

For definition of non-GAAP Net Loss and reconciliation to GAAP, see end of this presentation.



# Reconciliation of Non-GAAP to GAAP Financial Measures (Unaudited)

The Company defines non-GAAP net income as GAAP net income (loss) with an adjustment to add back depreciation, amortization, stock-based compensation, acquisition expenses, income or loss related to the fair value of contingent consideration, and deferred income taxes. Non-GAAP EPS is defined as non-GAAP net income (loss) divided by the number of weighted average shares outstanding on a diluted basis. The Company has provided non-GAAP financial measures to aid investors in better understanding its performance. Management believes that these non-GAAP financial measures provide additional insight into the operations and cash flow of the Company.

Because of varying available valuation methodologies, subjective assumptions and the variety of equity instruments that can impact a Company's non-cash operating expenses, management believes that providing non-GAAP financial measures that exclude non-cash expenses allows for meaningful comparisons between the Company's core business operating results and those of other companies, as well as provides an important tool for financial and operational decision making and for evaluating the Company's own core business operating results over different periods of time.

The Company's non-GAAP net income and non-GAAP EPS measures may not provide information that is directly comparable to that provided by other companies in the Company's industry, as other companies in the industry may calculate such non-GAAP financial results differently. The Company's non-GAAP net income and non-GAAP EPS are not measurements of financial performance under GAAP and should not be considered as an alternative to operating income or as an indication of operating performance or any other measure of performance derived in accordance with GAAP. The Company does not consider these non-GAAP measures to be substitutes for or superior to the information provided by its GAAP financial results.

The table, "Reconciliation of non-GAAP to GAAP Financial Measures," included below, provides a reconciliation of non-GAAP net income for the three and nine months ended September 30, 2022 and 2021.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net Income (Loss)	\$(3,466,792)	\$ 39,894	\$(11,112,604)	\$ (245,383)
Depreciation and amortization	515,828	526,035	1,565,484	1,580,173
Stock-based compensation	4,277,241	1,008,007	11,476,662	2,612,198
Acquisition expense	—	—	22,318	—
Non-GAAP net income (loss)	<u>1,326,277</u>	<u>1,573,936</u>	<u>1,951,860</u>	<u>3,946,988</u>