

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): May 6, 2021

OptimizeRx Corporation

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation)

001-38543

(Commission File Number)

26-1265381

(I.R.S. Employer Identification No.)

400 Water Street, Suite 200, Rochester, MI

(Address of principal executive offices)

48307

(Zip Code)

Registrant's telephone number, including area code: 248.651.6568

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class

Common Stock

Trading symbol

OPRX

Name of each exchange on which registered

Nasdaq Capital Market

## SECTION 2 – FINANCIAL INFORMATION

### Item 2.02 Results of Operations and Financial Condition.

On May 6, 2021, we issued a press release announcing the results of operations for the quarter ended March 31, 2021 and other matters. The press release is furnished with this Current Report on Form 8-K as Exhibit 99.1.

The information furnished under this Item 2.02 and Item 9.01 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any registration statement or other filing under the Securities Act of 1933, as amended, regardless of any general incorporation by reference language in such filing, except as shall be expressly set forth by specific reference in any such filing.

## SECTION 9 – FINANCIAL STATEMENTS AND EXHIBITS

### Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
99.1	<a href="#">Press release, dated May 6, 2021</a>

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**OptimizeRx Corporation**

/s/ Douglas Baker

Douglas Baker  
Chief Financial Officer

Date May 7, 2021

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## OptimizeRx Reports First Quarter 2021 Financial Results, Revenue Up 48% on Rising Enterprise Adoption of Digital Health

- Revenue Up 48% to \$11.2 million, closing on 33 enterprise contracts
- Expanded recurring revenue stream, reaching new base of customers
  - Cash flow positive from operations of \$1.7 million

**ROCHESTER, Mich. – May 6, 2021** – OptimizeRx Corp. (the “Company”) (Nasdaq: OPRX), a leading provider of digital health solutions for life science companies, physicians and patients, reported results for the three months ended March 31, 2021. Quarterly comparisons are to the same year-ago period.

### **Financial Highlights**

- Revenue in the first quarter of 2021 increased 48% to a record \$11.2 million, from \$7.6 million as compared to the same year ago period.
- Gross profit in the first quarter of 2021 increased 41% to \$6.1 million.
- GAAP net loss totaled \$0.6 million or \$(0.04) per basic and diluted share in the first quarter.
- Non-GAAP net income in the first quarter totaled \$0.6 million or \$0.04 per basic and \$0.03 per fully diluted share respectively (see definition of this non-GAAP measure and reconciliation to GAAP, below).
- Cash and cash equivalents totaled \$82.3 million as of March 31, 2021 as compared to \$10.5 million as of December 31, 2020. This was a result of an equity offering in February where we raised \$70.7 million.

### **Operational Highlights**

- Secured new enterprise-level deals for 2021 that provide access to the company’s full suite of solutions and nationwide digital healthcare platform.
  - Enhanced our leadership team by adding a General Counsel & Chief Compliance Officer as well as elevated the Chief Technology Officer to report directly to the CEO.
  - Secured multiple new channel partnerships outside of electronic health record companies for additional reach to oncologists and other specialties.
  - Committed to an inclusion and diversity pledge.
  - Enhanced our patient engagement commercial team to further scale that portion of the business.
  - Consolidated our technology centers of excellence in Croatia.
  - Completed all integration work for previous two acquisitions and paid last earnout payment related to acquisitions.
  - Maintained a no travel, virtual operational plan with a particular focus on training, open communication, and great work culture.
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## **Management Commentary**

“We’ve had a strong start to the new year and are pleased with the Company’s financial and operational performance. We finished the quarter cash flow positive from operations, generating meaningful revenue growth, and closing on client renewals and new business alike,” said OptimizeRx CEO, William Febbo. “The demand for OptimizeRx’s digital health platform and services has increasingly become self-evident as we continue to invest in the business, supporting further enterprise growth well into the near and foreseeable future.

“To put this into perspective, of the 46 enterprise engagements announced at the end of 2020, we closed on 33 of these this quarter, worth \$25 million in annual contract value. What is clear is that the business is highly resistant to macro shocks as the acceleration and adoption of digital health remains a long-term trend.

“In order to support this exciting growth while maintaining operational excellence, we have enhanced the Company’s infrastructure across strategic functions and leadership roles. This expansion of human capital is directly in line with the planned buildout of a vibrantly growing, highly scalable technology business across its sales, technology centers, engagement and new business development lifecycles. The result of our success is not just reflected in our financial results but have been shared in the feedback that we receive from clients and partners. We take pride in the relevance of OptimizeRx’s suite of solutions for the enhancement of stakeholder engagement and alignment to the patient journey both inside and outside of the electronic health record, and daily workflows of physicians and patients accessing our solutions.

Mr. Febbo concluded, “We have been very fortunate to be an early mover and proponent of digital health communications and care management, connecting life sciences to the full care continuum. The growth and recognition that OptimizeRx has earned in the last few years has been truly remarkable and we look forward to continuing to serve patients, healthcare providers and the life sciences while delivering significant shareholder value to our investors.”

## **Q12021 Financial Summary**

**Total revenue** reported for the three months ended March 31, 2021 was approximately \$11.2 million, an increase of 48% over the approximately \$7.6 million from the same period in 2020. The increased revenue resulted from increases in sales in all our solutions.

**Gross margin** decreased to 55% from 57% in the year-ago quarter, with the decrease related to a change in solution mix.

**Operating expenses** totaled \$6.8 million and remained relatively flat from \$6.6 million in the same year-ago quarter. The moderate increase was due to the company’s efforts to expand its solutions and build out its organization for future growth.

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**Net loss** on a GAAP basis was approximately \$0.6 million or \$(0.04) per basic and diluted share, as compared to a net loss of \$2.2 million or \$(0.15) per basic and fully diluted share in the first quarter of 2020.

**Non-GAAP net income** was \$0.6 million or \$0.04 per basic and \$0.03 per fully diluted share, compared to non-GAAP net loss of \$0.8 million or \$(0.06) per basic and fully share in the same year-ago period (see definition of this non-GAAP measure and reconciliation to GAAP, below).

**Cash and cash equivalents** totaled \$83 million as of March 31, 2021, as compared to \$10.5 million as of December 31, 2020. This was a result of an equity offering in February where we raised \$71 million.

#### **Conference Call**

OptimizeRx management will host the presentation, followed by a question-and-answer period.

Date: Thursday, May 6, 2021

Time: 4:30 p.m. Eastern time (1:30 p.m. Pacific time)

Web access: <http://public.viavid.com/index.php?id=144705>

Toll-free dial-in number: 1-800-496-4039

International dial-in number: 1-323-347-3281

Conference ID: 5789519

Please call the conference telephone number five minutes prior to the start time.

A replay of the call will remain available for 12 months via the Investors section of the OptimizeRx website at [www.optimizerx.com/investors](http://www.optimizerx.com/investors).

#### **Definition and Use of Non-GAAP Financial Measures**

This earnings release includes a presentation of non-GAAP net income (loss) and non-GAAP earnings (loss) per share or non-GAAP EPS, both of which are non-GAAP financial measures.

The company defines non-GAAP net income (loss) 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 basic and 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 cashflow of the company.

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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 excludes 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 (loss) 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 (loss) 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 (loss) and non-GAAP EPS for the three months ended March 31, 2021 and 2020.

#### **About OptimizeRx**

OptimizeRx is a digital health company that provides communications solutions for life science companies, physicians and patients. Connecting over half of healthcare providers in the U.S. and millions of patients through a proprietary network, the OptimizeRx digital health platform helps patients afford and stay on medications. The platform unlocks new patient and physician touchpoints for life science companies along the patient journey, from point-of-care, to retail pharmacy, through mobile patient engagement.

For more information, follow the company on Twitter, LinkedIn or visit [www.optimizeRx.com](http://www.optimizeRx.com).

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**Important Cautions Regarding Forward-Looking Statements**

This press release contains forward-looking statements within the definition of Section 27A of the Securities Act of 1933, as amended, and such as in section 21E of the Securities and Exchange Act of 1934, as amended. These forward-looking statements should not be used to make an investment decision. The words 'estimate,' 'possible' and 'seeking' and similar expressions identify forward-looking statements, which speak only as to the date the statement was made. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether because of new information, future events, or otherwise. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted, or quantified. Future events and actual results could differ materially from those set forth in, contemplated by, or underlying the forward-looking statements. The risks and uncertainties to which forward-looking statements are subject include, but are not limited to, the effect of government regulation, competition, and other material risks.

**OptimizeRx Contact**

Doug Baker, CFO  
Tel (248) 651-6568 x807  
dbaker@optimizerx.com

**Media Relations Contact**

Maira Alejandra, Media Relations Manager  
Tel (754) 245-7070  
malejandra@optimizerx.com

**Investor Relations Contact**

Ashley Robinson  
LifeSci Advisors, LLC  
arr@lifesciadvisors.com

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**OPTIMIZERX CORPORATION**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(UNAUDITED)**

	<u>March 31,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 82,278,696	\$ 10,516,776
Accounts receivable, net	14,738,890	17,885,705
Prepaid expenses	3,519,528	4,456,611
Total Current Assets	<u>100,537,114</u>	<u>32,859,092</u>
Property and equipment, net	<u>142,119</u>	<u>148,854</u>
Other Assets		
Goodwill	14,740,031	14,740,031
Technology assets, net	5,049,334	5,251,822
Patent rights, net	2,304,923	2,349,570
Right of use assets, net	422,635	445,974
Other intangible assets, net	4,361,665	4,519,552
Security deposits and other assets	12,859	12,859
Total Other Assets	<u>26,891,447</u>	<u>27,319,808</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 127,570,680</u></u>	<u><u>\$ 60,327,754</u></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities		
Accounts payable – trade	\$ 499,279	\$ 618,250
Accrued expenses	869,791	2,420,361
Revenue share payable	3,493,805	4,969,868
Current portion of lease obligations	119,389	123,220
Current portion of contingent purchase price payable	-	1,610,813
Deferred revenue	448,140	285,795
Total Current Liabilities	<u>5,430,404</u>	<u>10,028,307</u>
Non-current Liabilities		
Lease obligations, net of current portion	<u>305,039</u>	<u>325,533</u>
Total Non-current liabilities	<u>305,039</u>	<u>325,533</u>
Total Liabilities	5,735,443	10,353,840
Commitments and contingencies (See note 7)	-	-
Stockholders' Equity		
Preferred stock, \$0.001 par value, 10,000,000 shares authorized, none issued and outstanding at March 31, 2021 or December 31, 2020	-	-
Common stock, \$0.001 par value, 166,666,667 shares authorized, 17,260,588 and 15,223,340 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	17,261	15,223
Additional paid-in-capital	158,087,090	85,590,428
Accumulated deficit	(36,269,114)	(35,631,737)
Total Stockholders' Equity	<u>121,835,237</u>	<u>49,973,914</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><u>\$ 127,570,680</u></u>	<u><u>\$ 60,327,754</u></u>

**OPTIMIZERx CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(UNAUDITED)**

	For the Three Months Ended March 31,	
	<u>2021</u>	<u>2020</u>
TOTAL REVENUE	\$ 11,229,211	\$ 7,584,602
COST OF REVENUES	<u>5,104,603</u>	<u>3,241,763</u>
GROSS MARGIN	6,124,608	4,342,839
OPERATING EXPENSES	<u>6,762,916</u>	<u>6,602,091</u>
LOSS FROM OPERATIONS	(638,308)	(2,259,252)
OTHER INCOME		
Interest Income	931	55,321
TOTAL OTHER INCOME	<u>931</u>	<u>55,321</u>
LOSS BEFORE PROVISION FOR INCOME TAXES	(637,377)	(2,203,931)
PROVISION FOR INCOME TAXES	<u>-</u>	<u>-</u>
NET LOSS	<u>\$ (637,377)</u>	<u>\$ (2,203,931)</u>
WEIGHTED AVERAGE SHARES OUTSTANDING		
BASIC	<u>16,101,837</u>	<u>14,609,499</u>
DILUTED	<u>16,101,837</u>	<u>14,609,499</u>
NET LOSS PER SHARE		
BASIC	<u>\$ (0.04)</u>	<u>\$ (0.15)</u>
DILUTED	<u>\$ (0.04)</u>	<u>\$ (0.15)</u>

**OPTIMIZERx CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

	For the Three Months Ended March 31,	
	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (637,377)	\$ (2,203,931)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation, amortization and non-cash lease expense	526,180	519,669
Stock-based compensation	582,159	754,512
Stock issued for board service	124,994	100,000
Provision for loss on accounts receivable	20,000	-
Changes in:		
Accounts receivable	3,126,815	(1,643,495)
Prepaid expenses and other assets	937,083	(2,099,448)
Accounts payable	(118,971)	55,105
Revenue share payable	(1,476,063)	1,021,811
Accrued expenses and other liabilities	(1,581,415)	(154,473)
Deferred revenue	162,345	(88,576)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<b>1,665,750</b>	<b>(3,738,826)</b>
<b>CASH FLOWS USED IN INVESTING ACTIVITIES:</b>		
<b>Purchase of intangible assets</b>	(64,693)	-
Purchase of equipment	(19,871)	(15,937)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(84,564)</b>	<b>(15,937)</b>
<b>CASH FLOWS PROVIDED BY FINANCING ACTIVITIES:</b>		
Proceeds from public offering of common stock, net of offering costs	70,671,536	-
Proceeds from exercise of stock options	1,120,011	112,152
Payment of contingent consideration	(1,610,813)	-
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>70,180,734</b>	<b>112,152</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>71,761,920</b>	<b>(3,642,611)</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</b>	<b>10,516,776</b>	<b>18,852,680</b>
<b>CASH AND CASH EQUIVALENTS - END OF PERIOD</b>	<b>\$ 82,278,696</b>	<b>\$ 15,210,069</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION:</b>		
Cash paid for interest	\$ -	\$ -
Cash paid for income taxes	\$ -	\$ -
Lease liabilities arising from right of use assets	\$ -	\$ -

**OPTIMIZERx CORPORATION**  
**RECONCILIATION of NON-GAAP to GAAP FINANCIAL MEASURES**  
**(UNAUDITED)**

	<b>For the Three Months</b>	
	<b>Ended March 31,</b>	
	<b>2021</b>	<b>2020</b>
Net loss	\$ (637,377)	\$ (2,203,931)
Depreciation and amortization	526,180	519,669
Stock-based compensation	707,153	854,512
Non-GAAP net income (loss)	<u>\$ 595,956</u>	<u>\$ (829,750)</u>
Non-GAAP net income (loss) per share		
Basic	<u>\$ 0.04</u>	<u>\$ (0.06)</u>
Diluted	<u>\$ 0.03</u>	<u>\$ (0.06)</u>
Weighted average shares outstanding:		
Basic	<u>16,101,837</u>	<u>14,609,499</u>
Diluted	<u>17,085,582</u>	<u>14,609,499</u>

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