

Issuer Free Writing Prospectus  
Filed Pursuant to Rule 433  
Registration No. 333-192989  
June 17, 2014



Medical Transcription Billing, Corp.  
June 2014

mHealth EHR PM RCM | A Fully Integrated Practice Solution

# Forward Looking Statements



This presentation includes forward-looking statements within the meaning of the federal securities laws. These statements, among other things, relate to our business strategy, goals and expectations concerning our product candidates, future operations, prospects, plans and objectives of management. The words "anticipate", "believe", "could", "estimate", "expect", "intend", "may", "plan", "predict", "project", "will" and similar terms and phrases are used to identify forward-looking statements in this presentation. Our operations involve risks and uncertainties, many of which are outside our control, and any one of which, or a combination of which, could materially affect our results of operations and whether the forward-looking statements ultimately prove to be correct. We have described these risks in our Registration Statement on Form S-1, as amended, filed with the Securities and Exchange Commission. Before you purchase any of our securities, you should read the Registration Statement to obtain more complete information about our operations, business and the risks and uncertainties that we face in implementing our business plan. We assume no obligation to update any forward-looking statements except as required by applicable law.

# Free Writing Prospectus Statement



This presentation highlights basic information about us and the offering. Because it is a summary, it does not contain all of the information that you should consider before investing.

We have filed a registration statement (including a preliminary prospectus) with the SEC for the offering to which this communication relates. The registration statement has not yet become effective. Before you invest, you should read the prospectus in that registration statement and other documents we have filed with the SEC for more complete information about us and this offering.

You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, we or any underwriter or dealer participating in the offering will arrange to send you the prospectus if you request it by calling Brendan Harney at (732) 873-5133 x. 172 or emailing [bharney@MTBC.com](mailto:bharney@MTBC.com).

# Initial Public Offering



## NASDAQ Symbol

- MTBC

## Shares Offered

- 3.0 million (all primary)

## Price Range

- \$9.00 - \$11.00 per share

## Post-Offering Shares Outstanding

- 9.83 million
- 10.28 million with overallotment

## Use of Proceeds

- Cash consideration for the acquisition of target companies
- Fund future acquisitions
- General corporate purposes

## Underwriters

- Chardan Capital Markets
- Aegis Capital Corp.
- Summer Street Research Partners

## Professional Firms

- Auditor: Deloitte & Touche LLP
- Outside Counsel: Fox Rothschild LLP
- Investor Relations: Westwicke Partners

# Investment Highlights



## Healthcare information technology company

- Proprietary, fully integrated, SaaS and service solution
  - Mobile Health ("mHealth")
  - Electronic Health Record ("EHR")
  - Practice Management ("PM")
  - Revenue Cycle Management ("RCM")

## Large, highly fragmented market

- Consolidator in the highly fragmented healthcare IT market
- Over 1,500 RCM companies, none with a 5% market share
- Regulatory changes are driving consolidation
- Over 700 EHRs certified for MU Stage 1; less than 20% certified for MU Stage 2, as of May 1, 2014

## Scalable, cost-efficient business model

- Cloud-based software
- Educated, low-cost offshore labor force with over 1,000 employees

## Predictable recurring revenue with "sticky" customer base

- 95% of revenue visibility at the beginning of each quarter
- 90% renewal rate for clients that utilize our EHR solution

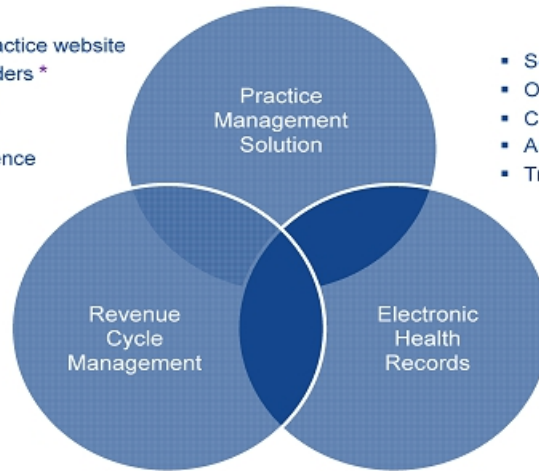
## Highly experienced management team

- Completed and integrated six acquisitions over the past 3 years
- Public company and industry experience

## Solid financial performance

- Track record of six consecutive years of EBITDA-positive operations
- Ability to realize significant operating leverage post-acquisitions

- Development/hosting of practice website
- Patient appointment reminders \*
- Administrative dashboard
- Patient portal \*
- Real time business intelligence



- Secure patient communication portal \*
- Online appointment scheduling \*
- Customizable SMS alerts \*
- Automated preventive care scheduling
- Transcription services \*

- Deductible verification \*
- Eligibility checking \*
- Claims scrubbing \*
- Denial management
- A/R Tracking
- ICD-10 compliant
- Live patient support

- Meaningful Use Stage 2 certified
- Integrated lab orders and results
- Electronic prescribing \*
- Secure messaging \*
- Clinical charting \*
- Drug and allergy alerts
- 24x7 technical support

**mHealth applications extend the core functionality of the EHR, PM and RCM platform to mobile devices**

\* Identifies functionality that is also available through our mHealth applications

# Experienced Leadership Team



## Executive Management

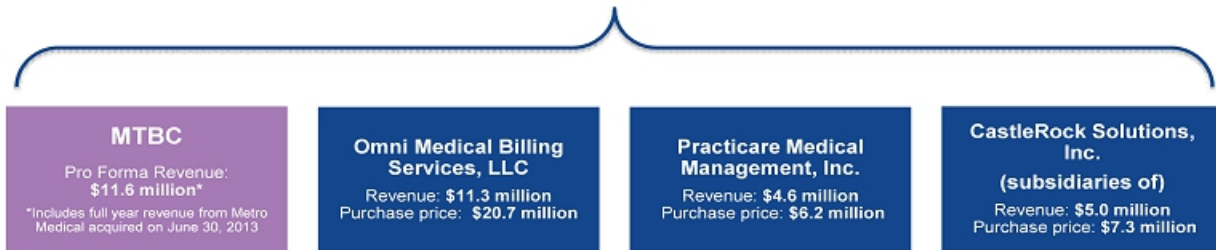
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|---|--|
| <p><b>Mahmud Haq,</b><br/><i>CEO/Chairman</i></p>           | <ul style="list-style-type: none"> <li>▪ Founder, Chairman of the Board and CEO since inception</li> <li>▪ Former CEO of Compass International Services Corporation (NASDAQ: CMPS), where he completed 14 acquisitions in a span of 18 months during 1998-1999</li> <li>▪ Held various senior executive positions at American Express for 12 years including Vice President of Global Risk Management</li> </ul> |
| <p><b>Stephen Snyder,</b><br/><i>President/Director</i></p> | <ul style="list-style-type: none"> <li>▪ Appointed President in 2011 after serving as VP/General Counsel and Chief Operating Officer</li> <li>▪ Completed eight acquisitions at MTBC</li> <li>▪ Writings on healthcare industry, law and policy have been published by American Bar Association and various healthcare industry publications</li> </ul>  |
| <p><b>Bill Korn</b><br/><i>Chief Financial Officer</i></p>  | <ul style="list-style-type: none"> <li>▪ Served as CFO for six other technology companies</li> <li>▪ Former CFO of Antenna Software, Inc. from 2002 – 2012, where he completed five acquisitions</li> <li>▪ Former executive at IBM for 10 years</li> </ul>  |

## Directors

- |                                       |   |
|---------------------------------------|---|
| <p><b>Howard Clark Jr.</b></p>        | <ul style="list-style-type: none"> <li>▪ Former CFO of American Express</li> <li>▪ Former CEO and Vice Chairman of Lehman Brothers</li> </ul>   |
| <p><b>John Daly</b></p>               | <ul style="list-style-type: none"> <li>▪ Former EVP and board member of E.F. Hutton &amp; Company</li> <li>▪ Former head of Private Client Div. and Int'l Equity Capital Markets at Salomon Brothers</li> </ul> |
| <p><b>Cameron Munter</b></p>          | <ul style="list-style-type: none"> <li>▪ Former U.S. Ambassador to Pakistan and Serbia</li> <li>▪ Professor of International Relations at Pomona College</li> </ul>   |
| <p><b>Anne Busquet*</b></p>           | <ul style="list-style-type: none"> <li>▪ Board member of Pitney Bowes and Provista, Inc.</li> <li>▪ Former President of American Express Interactive Services and New Businesses Division</li> </ul>            |
| <p><b>Alexander Tabibi, M.D.*</b></p> | <ul style="list-style-type: none"> <li>▪ CEO and Chairman of TABcom, LLC – an ecommerce company</li> <li>▪ Board member and investor in Omni Medical Billing Services</li> </ul>                                |

\* Effective at the time of the IPO

*To be a leading provider of integrated SaaS and business service solutions to healthcare providers practicing in the ambulatory setting by utilizing leading-edge technology and cost-effective labor*



### Business Overview

- Pro forma TTM Revenue: \$32.5 million
- Headquarters: New Jersey
- 930 practices representing 2,020 providers\*

*\* On a pro forma basis*

*All revenues represent the four quarters ended March 31, 2014.*

### Target Acquisition Terms

- Asset purchases
- Approximately 50% cash, 50% stock
- Price adjustment for lost revenue after one year
- Operating management retained



# Industry Overview



## Fully Integrated Solution



- Revenue: \$632 million\*
- Market Cap: \$4.9 billion\*\*
- NASDAQ: ATHN

\* 4 quarters ended Q1 2014 revenue

\*\*As of close of trading June 6, 2014

## EHR Only Solution



- \$149 million in funding raised
- Provides free EHR
- Potential IPO in 2015

## Niche Market Solution



- Revenue: \$19 million\*
- Market Cap: \$1.2 billion\*\*
- NYSE:CSLT
- Focus on payers, not providers

- The US ambulatory EHR / RCM industry represents a \$13b+ opportunity
- athenahealth is the largest market participant with a market share of only 4.5%
- The Institute of Medicine estimates that 30% of health care spending – roughly \$750 billion – is wasted annually on unnecessary services, excessive administrative costs, fraud, and other problems
- Affordable Care Act and related regulatory / reimbursement changes are creating unprecedented challenges for smaller EHR / RCM vendors
- 9 out of 10 physicians state a preference for a single-source vendor for all EHR, PM and RCM solutions

Source: Black Book Rankings, 2013 User Survey

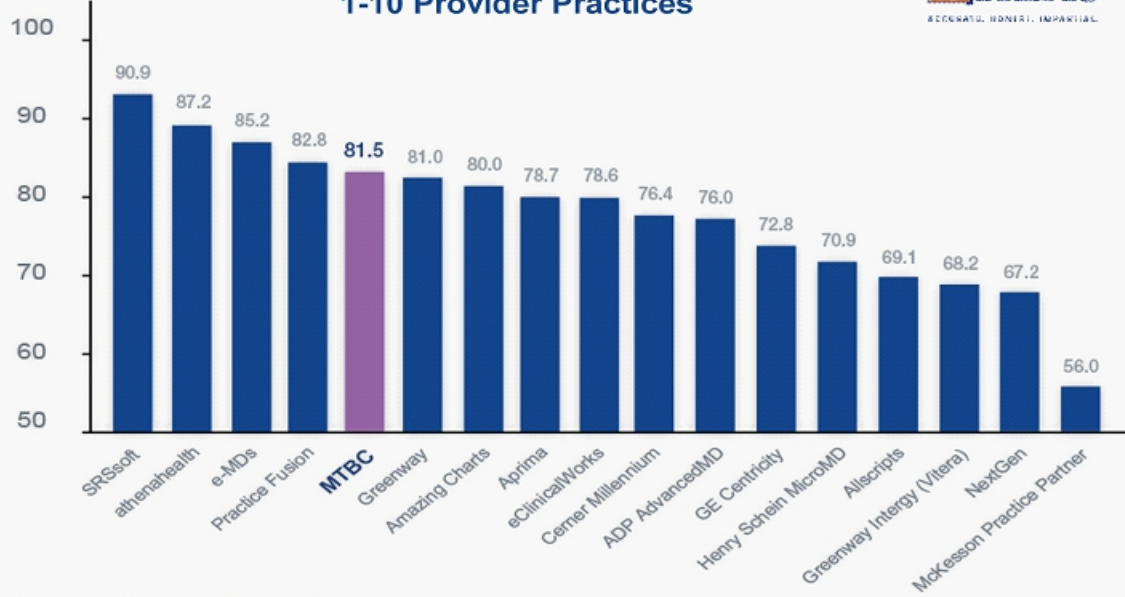
### EHR Meaningful Use Road Map

MU 1 2011-13	Data capture and patient access
MU 2 2014-15	Information exchange & care coordination
MU 3 2016-17	Improved outcomes

### RCM ICD-9 to ICD-10

October, 2015 deadline	Medical codes increasing: 13,600 to 69,000
ICD-10	
Few RCM companies have resources to adapt to ICD-10	Technology necessary to prevent margin erosion

## KLAS EHR Rankings: 1-10 Provider Practices

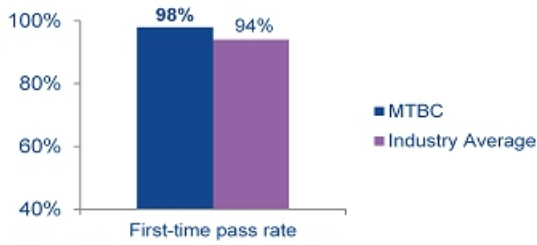


Source: KLAS EMR Report, January 2014

# Performance Based Retention

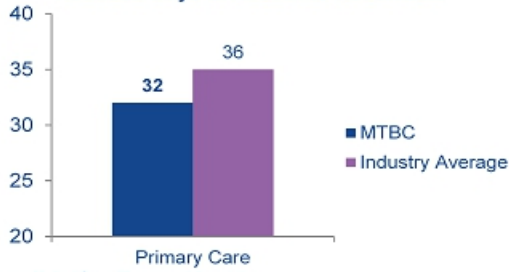


## Higher Claims First-Pass Acceptance Rates



Source: American Medical Association, 2007 industry report

## Reduced Days in Accounts Receivable



Source: Medical Group Management Association

## Annual Renewal Rates\* 2012 - 2013

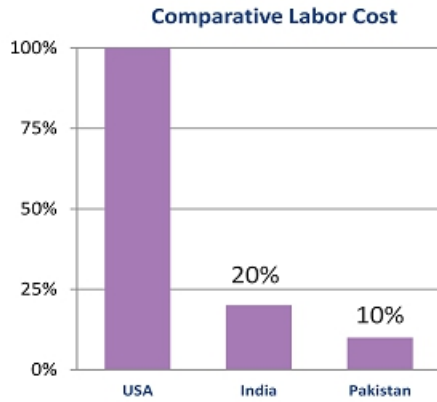


Renewal rates exceed 95% for practices 'meaningfully using' our EHR

**MTBC's focus on customer satisfaction leads to high customer retention**

\* Renewal rate includes acquired practices one year after the date of acquisition and excludes practices that go out of business or are acquired by hospital systems.

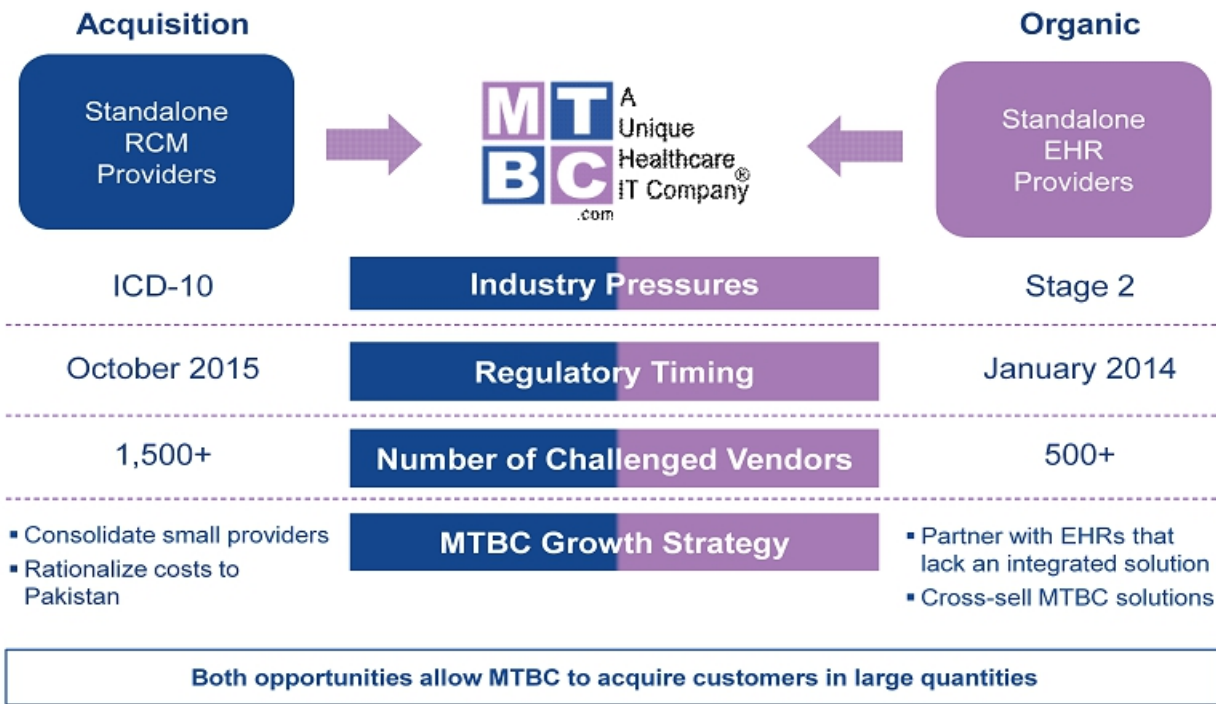
- Pakistan operations allow MTBC to realize significant reductions in expenses of acquired companies, at approximately half the cost of India-based labor



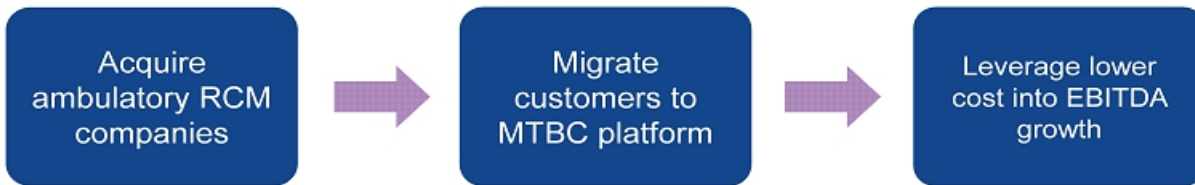
**Pakistan labor costs are approximately one-half the cost of India-based employees**

- Over 1,000 Pakistan-based employees with over 170 dedicated technology professionals
- Highly educated workforce
- Redundant backup facility four hours away
- ISO 27001 certified
- HIPAA compliant





16 acquisition targets identified with  
\$170 million in revenues\*



\* Based on company's preliminary communications with potential targets

# Organic Growth through Channel Partners



- Leading EHR with more than 7,000 attested providers
- Integration between partner's EHR and MTBC's RCM and PM
- Partner promotes MTBC and provides qualified leads



- Regional EHR struggling to attain MU 2 readiness
- MTBC leads MU 2 development and partner integration
- MTBC serves as exclusive referred partner for RCM and PM

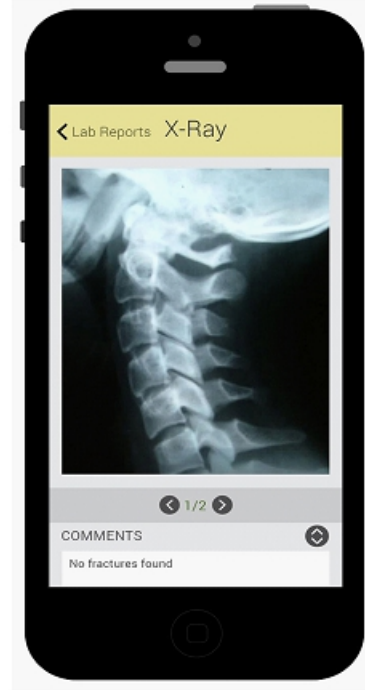
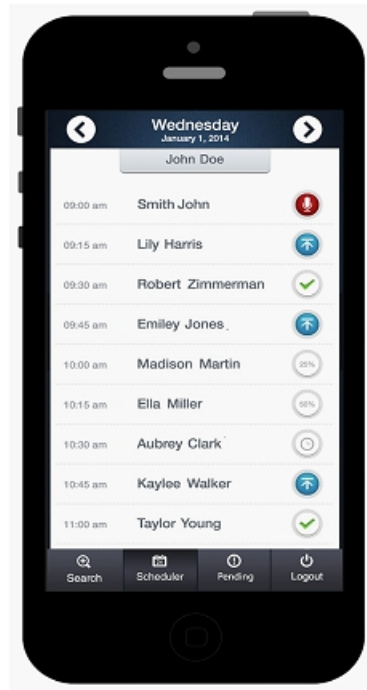
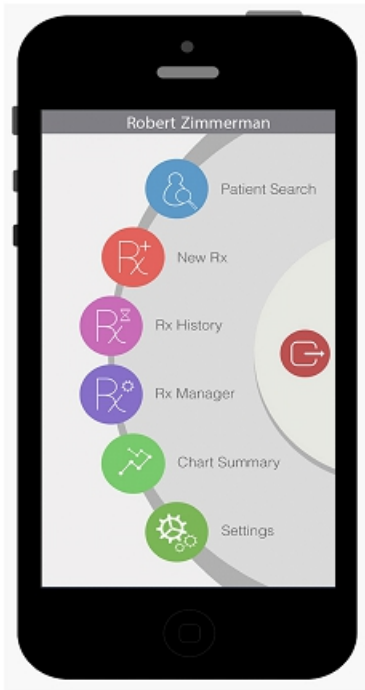


- Provider of paper-based solution pivoting to cloud platform
- Integration between MTBC's EHR and partner's platform
- Partner promotes MTBC's RCM and PM solutions

## Other Integrated Solutions:



- MTBC leverages partners' marketing budgets and converts potential competitors into low-cost channel partners
- 70% of the 500k+ ambulatory physicians practice in MTBC's target market of the 1-10 physician practice groups





JOHN DOE, MD Earn \$ 500 Bonus 909practice | Logout

Welcome Scheduler Daily Tasks Patient Info Reporting Transcription WebPro CareConnector Business Intelligence EHR Forum WebEHR

Dashboard Patient Search Documents Transcription Messages Tasks Labs Rejections

**10 Eligible Instances for TCM**  
The number of claims for Transitional Care Management

**10 Unsigned Charts**  
The number of unsigned charts for the selected provider.

**Cash Register**  
The daily number check, credit card payments, receive office

**3 Refill Requests**  
The number of refill requests from pharmacies, patients, and in-office updates.

**Meaningful Use**  
The completed meaningful use measures in the last 90 days for the selected provider.

**5 Missed Claims**  
The number of uncreated claims for each appointment made.  
2 Draft Claims

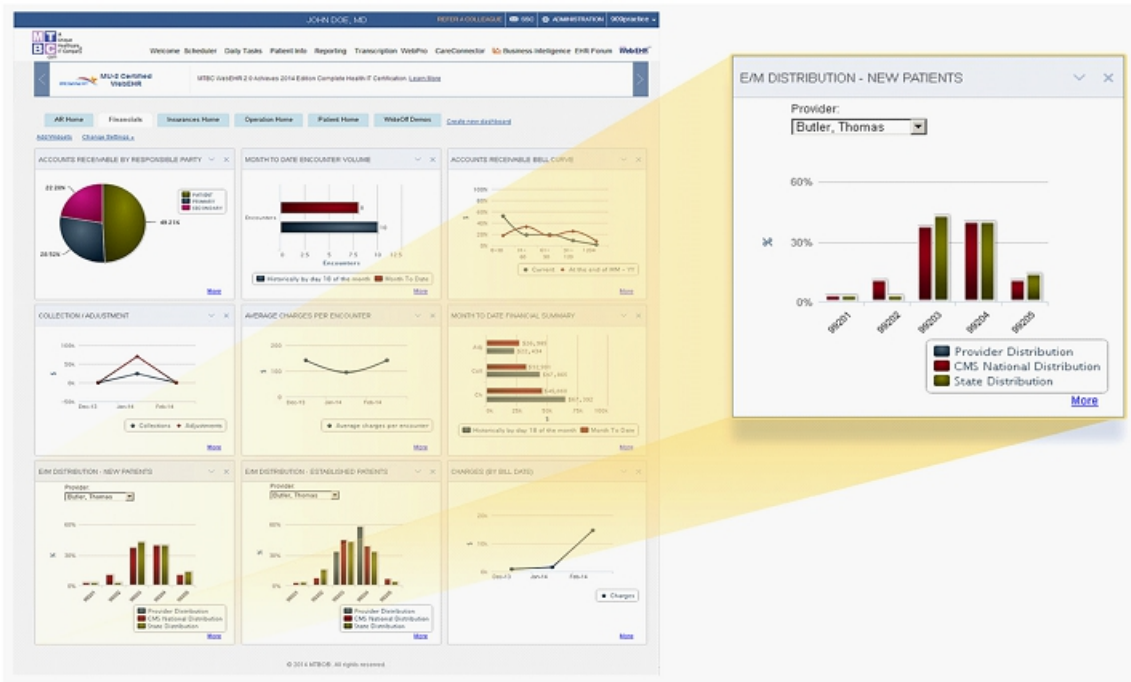
**7 Tasks**  
The number of incomplete tasks assigned to you.

**3 Lab Results**  
The number of unsigned lab results for the selected provider.

**9 Messages**  
The number of unread messages in your inbox.  
5 Patient 1 Office 3 MTBC

Add / Remove Widget

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JOHN DOE, MD    REFER COLLECTOR    @ DOC    @ ADMINISTRATION    @ PRACTICE

Home Schedule Daily Tasks Patient Info Reporting Transaction History CareConnector ID Business Intelligence EHR Forum Web EHR

Registration    Patient: Dr. John Doe, MD, F.C. D.E.A. The Central Health Medical Center has been selected!    **PROFIT \$1,987.65**

ALL NOTICES

**FREE VIEWER**

**UPCOMING**    **MAC Board Updates**    **Presenter**

06 February 2014  
Thursday  
12:00PM (EST)  
Duration: 15 mins

**Successfully Plan 2014 to meet KD 10 and M3 Step 2**  
Get ready to learn about MTBC MAC Board objectives and deadlines regarding...  
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**MY SECURE WORK**

63 OPEN    8 CLOSED    2 UNREAD    73 TOTAL

**NEW PERFORMANCE RATINGS**

99% **YTD Performance**    69% **YTD Performance**

**EPRESCRIPTION**

8 REFILLS    3 EXPIRES    0 PENDING    **NEW PRESCRIPTION**

20 SUCCESSFUL    0 ACKNOWLEDGED    **Rx**

**TODAY'S APPOINTMENTS**

25 TOTAL    0 NEW PATIENT(S)    0 PENDING    0 CONFIRMED

MISSING EMAIL ON: 5

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## Aging Widget



	CURRENT	31-60	61-90	91-120	120+	TOTAL
PATIENT	2,538	1,324	1,709	1,077	2,381	9,029
INSURANCE	22,555	1,806	1,349	1,613	4,146	33,897
<b>TOTAL</b>	<b>26,993</b>	<b>2,369</b>	<b>3,057</b>	<b>2,690</b>	<b>6,527</b>	<b>39,736</b>

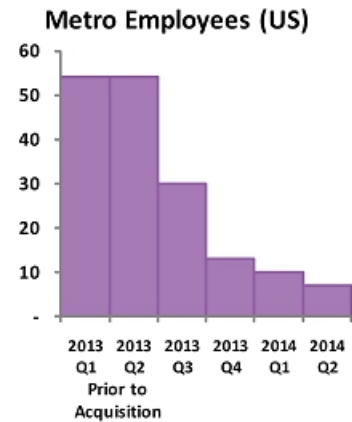
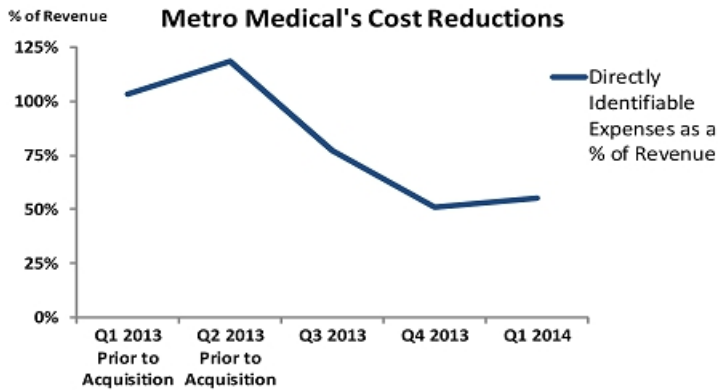
**Standard offered fee for complete, integrated solution is 5% of a practice's revenues, plus a nominal setup fee**

- Pricing is among the most competitive in the industry
- Aligns MTBC with financial goals of customer
- Offering includes an integrated mHealth, EHR, practice management solution and dozens of other business services and applications for one all-inclusive fee
- One year customer contracts, auto-renew unless 90 day notice of cancellation
- All system updates and upgrades are conducted seamlessly through a cloud-based network without additional charges to customer
- Optional services include transcription, coding, consulting, integration with third-party EHR platforms

# Recent Acquisition Case Study

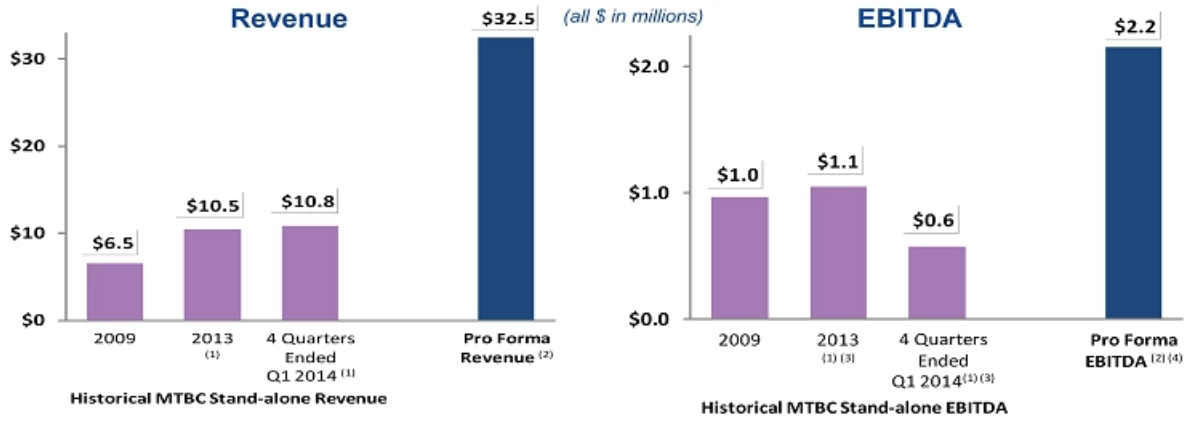


MTBC acquired Metro Medical, with annual revenue of \$3 million, on June 30, 2013 for \$1.5 million



- Reduced directly identifiable expenses from 111% of revenue prior to acquisition to 55% of revenue
- 98% of critical operations workflow moved offshore in the first 60 days
- Monthly operating expenses reduced by 52% within nine months
- US employees reduced from 54 to 7 within one year
- Retained 89% of revenue and migrated 81% of customers to MTBC's software solution in nine months
- Cumulative positive cash flow achieved in December 2013

# Historical and Pro Forma Financials



**NOTES:**

- 1) Historical revenue and EBITDA include acquisition of Metro Medical starting June 30, 2013
  - 2) Pro Forma revenue and EBITDA include acquisition of 3 target companies for the four quarters ended Q1 2014
  - 3) **EBITDA** reduced by non-recurring extraordinary costs to prepare for IPO and acquisitions of target companies: approximately \$300,000 in 2013 and \$500,000 in the 4 quarters ended Q1 2014
  - 4) Pro Forma EBITDA reflects target companies running independently, *with no savings from technology or offshore team*
- \* non-GAAP term

	MTBC Standalone	Pro Forma
EBITDA Margin	10%	7%

# Pro Forma Capitalization



<i>(\$'s in millions)</i>	As of March 31, 2014
	<b>Pro Forma for Acquisitions and IPO</b>
Cash & Cash Equivalents	\$7.8
Working Capital	\$6.2
Long-Term Debt	\$1.0
Total Equity	\$40.2

Note: Pro Forma for Acquisitions and IPO includes a \$30 million IPO as well as conversion of convertible note

Healthcare information technology company

Large, highly fragmented market

Scalable, cost-efficient cloud-based business model

Predictable recurring revenue with “sticky” customer base

Highly experienced management team

Solid financial performance

