



Medical Transcription Billing, Corp.

(NASDAQ: MTBC, MTBCP)

Corporate Presentation – December 2017



For more information, please contact:

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Statement about Free Writing Prospectus



The issuer has filed a registration statement with the SEC for the offering to which this presentation relates. This free writing prospectus relates to the proposed public offering of Series A Preferred Stock of Medical Transcription Billing, Corp. (the "Company"), registered in a Registration Statement on Form S-3 (the "Registration Statement"), Commission File No. 333-210391. This free writing prospectus should be read together with the Registration Statement and the prospectus supplement included in that Registration Statement (including the risk factors described therein), which can be accessed through the following link:

<https://www.sec.gov/Archives/edgar/data/1582982/000149315217014212/0001493152-17-014212-index.htm>

You may also access the Company's annual reports, quarterly and current reports, proxy statements and other information on the SEC website through the following link:

<https://www.sec.gov/cgi-bin/browse-edgar?action=getcompany&CIK=0001582982&type=&dateb=&owner=exclude&count=100>

Before you invest, you should read the Registration Statement and the prospectus supplement and the other documents the Company has filed with the SEC for more complete information about the Company and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov or on MTBC's investor relations web site at ir.mtbc.com. Alternatively, the Company, any underwriter or any dealer participating in the offering will arrange to send you the entire prospectus if you request it by calling Bill Korn (732) 873-5133 x 133 or emailing bkorn@MTBC.com.

Forward-Looking Statements



This presentation contains forward-looking statements within the meaning of the federal securities laws. These statements relate to anticipated future events, future results of operations or future financial performance. In some cases, you can identify forward-looking statements by terminology such as "anticipate", "believe", "continue", "could", "estimate", "expect", "goals", "intend", "likely", "may", "plan", "potential", "predict", "project", "will" or the negative of these terms or other similar terms and phrases.

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. Forward-looking statements in this presentation include, without limitation, statements reflecting management's expectations for future financial performance and operating expenditures, expected growth, profitability and business outlook, increased sales and marketing expenses, and the expected results from the integration of our acquisitions.

Forward-looking statements are only current predictions and are subject to known and unknown risks, uncertainties, and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from those anticipated by such statements. These factors include:

- our ability to manage our growth, including acquiring, partnering with, and effectively integrating acquired businesses into our infrastructure;
- our ability to retain our clients and revenue levels, including effectively migrating new clients and maintaining or growing the revenue levels of our new and existing clients;
- our ability to maintain operations in Pakistan and Sri Lanka in a manner that continues to enable us to offer competitively priced products and services;
- our ability to keep pace with a rapidly changing healthcare industry;
- our ability to consistently achieve and maintain compliance with a myriad of federal, state, foreign, local, payor and industry requirements, regulations, rules, laws and contracts;
- our ability to maintain and protect the privacy of confidential and protected Company, client and patient information;
- our ability to protect and enforce intellectual property rights;
- our ability to attract and retain key officers and employees, and the continued involvement of Mahmud Haq as executive chairman, all of which are critical to growing our business and integrating of our newly acquired businesses;
- our ability to comply with covenants contained in our credit agreement with our senior secured lender, Silicon Valley Bank and other future debt facilities;
- our ability to compete with other companies developing products and selling services competitive with ours, and who may have greater resources and name recognition than we have; and
- our ability to keep and increase market acceptance of our products and services.

Although we believe that the expectations reflected in the forward-looking statements contained in this presentation are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements.

The statements in this presentation are made as of the date of this presentation, and the Company does not assume any obligations to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

Transaction Overview

Issuer	Medical Transcription Billing, Corp.
Exchange: Symbol	NASDAQ Capital Market: MTBCP
Shares Offered	11% Series A Cumulative Redeemable Perpetual Preferred Stock
Dividends	Payable on the 15 th day of each month
Offering Price	\$25.00 per share
Redemption	Redeemable after November 4, 2020 at \$25.00 per share
Offering Size	\$3,250,000
Use of Proceeds	General corporate purposes and additional working capital
Placement Agents	<ul style="list-style-type: none">• H.C. Wainwright & Co.• Boenning & Scattergood

MTBC Investment Highlights

MTBC is a healthcare information technology company that provides a fully integrated suite of proprietary web-based solutions, together with related business services, to healthcare providers

Proprietary, fully integrated, SaaS and service solution

- Mobile Health ("mHealth")
- Electronic Health Records ("EHR")
- Practice Management ("PM")
- Revenue Cycle Management ("RCM")



Consolidator in the highly fragmented healthcare IT market

- Over 1,500 RCM companies, none with greater than 5% market share
- Regulatory changes are driving consolidation

Completed and integrated 15 acquisitions over the last 5 years

- Public company and industry experience
- Distinguished Board of Directors

Cloud-based software

- Educated, cost-effective global team with ~1,800 employees
- 95% revenue visibility at the beginning of each quarter

Positive Adjusted EBITDA

- Record Adjusted EBITDA as a public company in Q2 and Q3 2017

MTBC – Recent News



\$7.4 million Series A Preferred Stock issued on Nasdaq, Nov. 2015 & July 2016

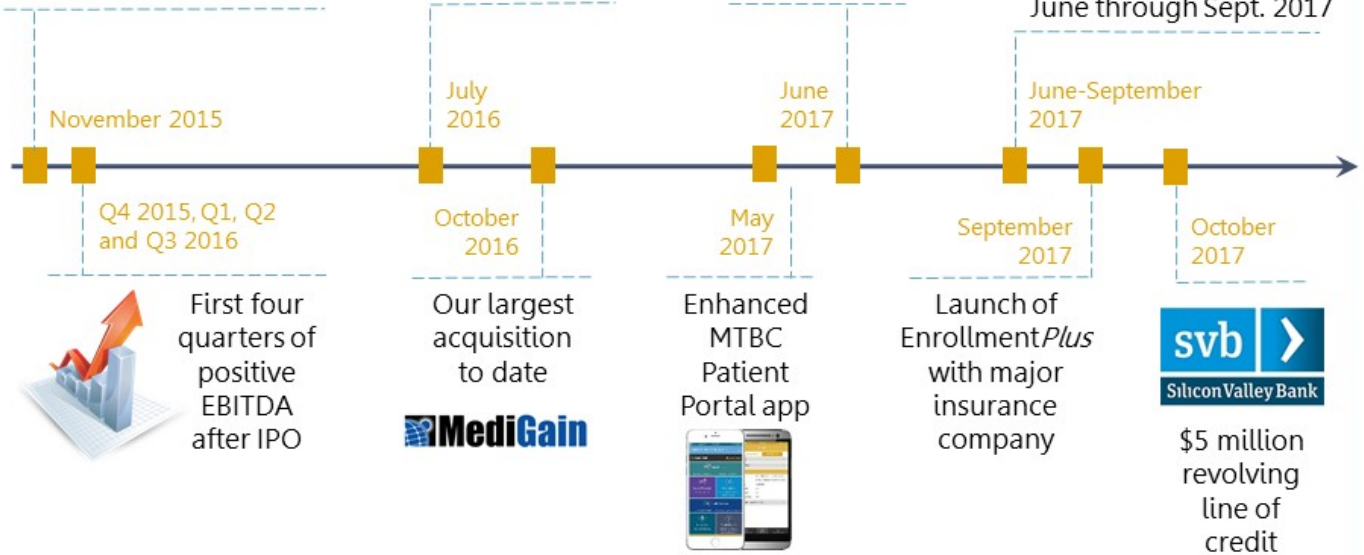


Acquisition of facility and self-pay billing company

Phase 1 launch of talkEHR

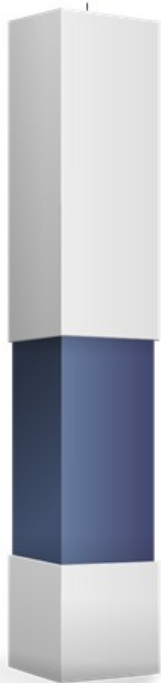


\$15 million additional Series A Preferred Stock issued on Nasdaq June through Sept. 2017



MTBC Equity Snapshot as of December 1, 2017

Common Stock



- Nasdaq: MTBC
- Outstanding: 11,530,591
- Current price: \$2.90
- Market cap: \$33.4 million
- Share structure:
 - Fully diluted: 15,642,659
 - Public float: 5,829,171
 - **Insiders: 49.4%**

Series A Preferred



- Nasdaq: MTBCP
- Outstanding: 929,299
- Current price: \$25.46
- Equity value: \$23.7 million
- Dividend: 11% of par value (\$25.00), paid monthly
- Redeemable after Nov. 2020
- Non-convertible

Experienced Leadership Team



Mahmud Haq

CEO and Chairman of the Board

- Former CEO of Compass International Services Corporation (Nasdaq: CMPS). Completed 14 acquisitions in 18 months during 1998 – 1999, growing revenue from \$87 million at the time of IPO to a run rate of ~\$180 million at the time Compass was acquired by NCO Group, Inc. (Nasdaq: NCOG) for \$112 million of consideration to shareholders
- Held various senior positions at American Express Company (NYSE: AXP) for 12 years including VP of Global Risk Management
- B.S. in Aviation Management, Bridgewater State College. M.B.A. in Finance, Clark University



Stephen Snyder

President and Director

- Joined MTBC in 2005. Formerly served as VP / General Counsel and Chief Operating Officer
- Attorney for 15 years with M&A and healthcare law experience
- Writings on healthcare industry, law and policy have been published by American Bar Association and various healthcare industry publications
- J.D. Rutgers School of Law – Newark, senior editor of law journal



Bill Korn

Chief Financial Officer

- Joined MTBC in 2013
- Former CFO of Antenna Software, Inc. from 2002 – 2012, where he completed 5 acquisitions and was a key contributor to growing the business at a CAGR of 87%
- Former executive at IBM (NYSE: IBM) for 10 years. He was part of the senior management team that created IBM's highly successful services strategy in the 1990's
- A.B. in Economics magna cum laude, Harvard College. M.B.A. Harvard Business School

Note: Reflects roles as of December 1, 2017

Distinguished Board of Directors



Howard Clark Jr.

- Former CFO of American Express Company (NYSE: AXP)
- Former CEO, Chairman and Vice Chairman of Shearson Lehman and Vice Chairman of Barclays Capital



Anne Busquet

- Board member of Pitney Bowes Inc. (NYSE: PBI), Intercontinental Hotels Group plc (LSE: IHG) and Provista Diagnostics, Inc.
- Former President of American Express Interactive Services and New Businesses Division



John Daly

- Former EVP and Director of E.F. Hutton & Company
- Former Head of Private Client Division and Int'l Equity Capital Markets at Salomon Brothers



Cameron Munter

- President and CEO of the East-West Institute
- Former U.S. Ambassador to Pakistan and U.S. Deputy Chief of Mission to Poland

Management plus Board members own 49% of MTBC's common stock

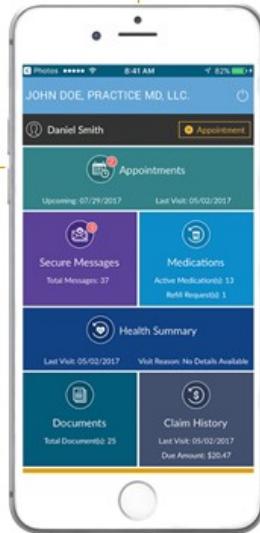
Industry Drivers



Requires providers to leverage technology and expertise like MTBC's to optimize reimbursement



Increases complexity, driving increased demand for MTBC's services



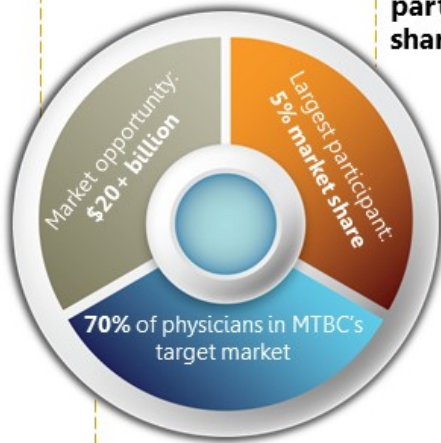
Majority of RCM companies lack the technology and scale to remain competitive in the evolving market

MTBC's technology offers healthcare providers a cost-effective, single-sourced vendor to meet the requirements of a changing regulatory landscape while simultaneously lowering costs

Market Opportunity

The North American EHR / RCM industry represents a \$20+ billion opportunity

athenahealth, Inc. (Nasdaq: ATHN) is the largest market participant with a market share of less than 5%



Approximately 70% of the 500K+ ambulatory physicians practice in MTBC's target market of 1 to 10 physicians

- Mobile Health
- Practice Management
- Revenue Cycle Management
- Electronic Health Record

Primary target market:



Nasdaq: MTBC

TTM Revenue: \$32 M

1 - 10 physicians
70% of physicians



Nasdaq: ATHN

TTM Revenue: \$1.2 B

≥ 11 physicians
30% of physicians

MTBC's Competitive Advantage

Integrated Solution

mHealth
Mobile Health



Electronic Health Records

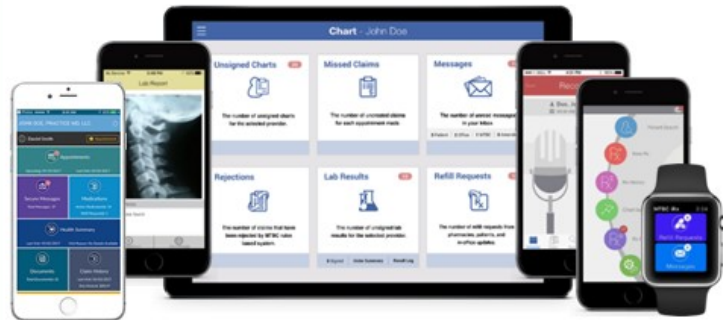


Practice Management



Revenue Cycle Management

Technology Platform

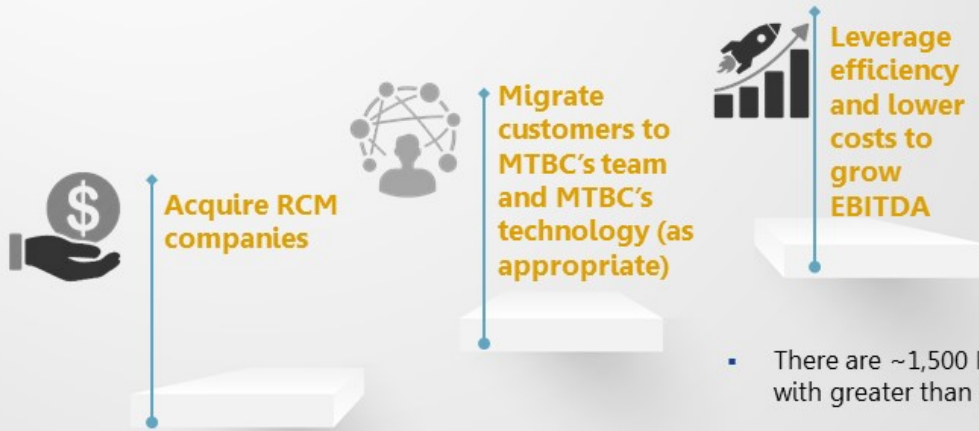


ISO 27001 certified / HIPAA compliant

Global Team

- ~1,700 English-speaking, college educated, employees in Pakistan and Sri Lanka, where the labor costs are significantly less than in the U.S. or India
- Approximately 250 dedicated technology professionals
- Nominated for 2015 U.S. Secretary of State's Award for Corporate Excellence

Acquisitions



Organic Growth



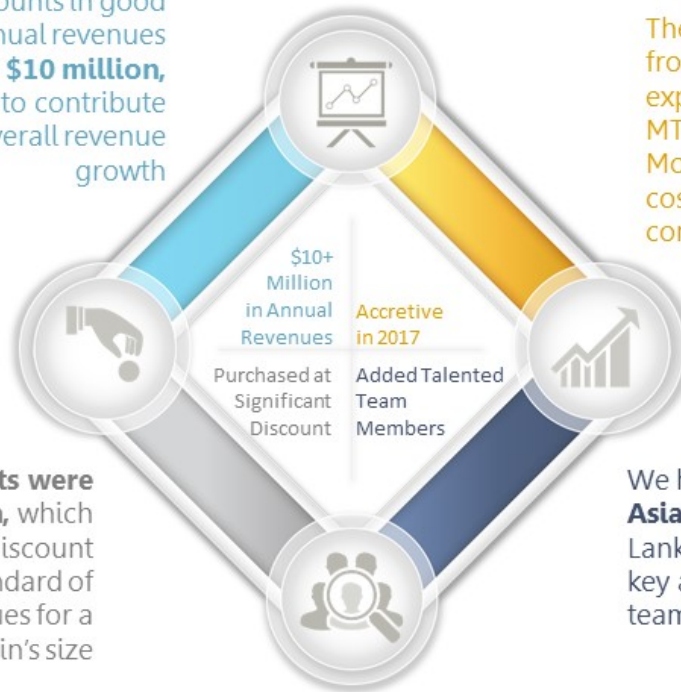
MediGain Acquisition

MTBC's Largest Acquisition to Date



MediGain's accounts in good standing have annual revenues of **more than \$10 million**, which will continue to contribute to MTBC's overall revenue growth

The **incremental profits** from MediGain are expected to greatly exceed MTBC's cost of capital. Most of the integration and cost reductions were complete as of May 2017

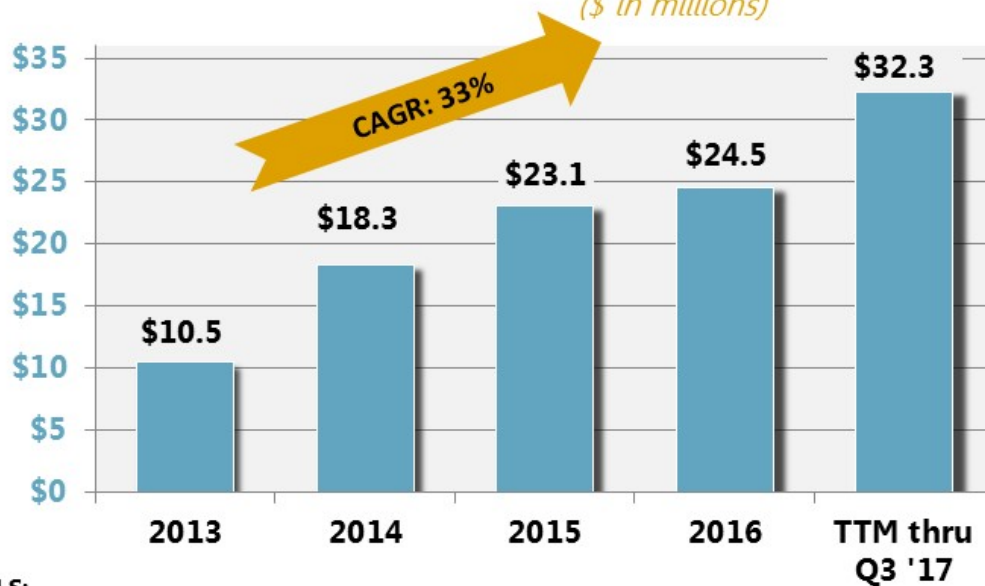


The company's assets were acquired for **\$7 million**, which represents a significant discount to the industry standard of more than 1x revenues for a business of MediGain's size

We have expanded our **Asia-based team** to Sri Lanka, while also making key additions to the U.S. team

Annual Revenues

(\$ in millions)



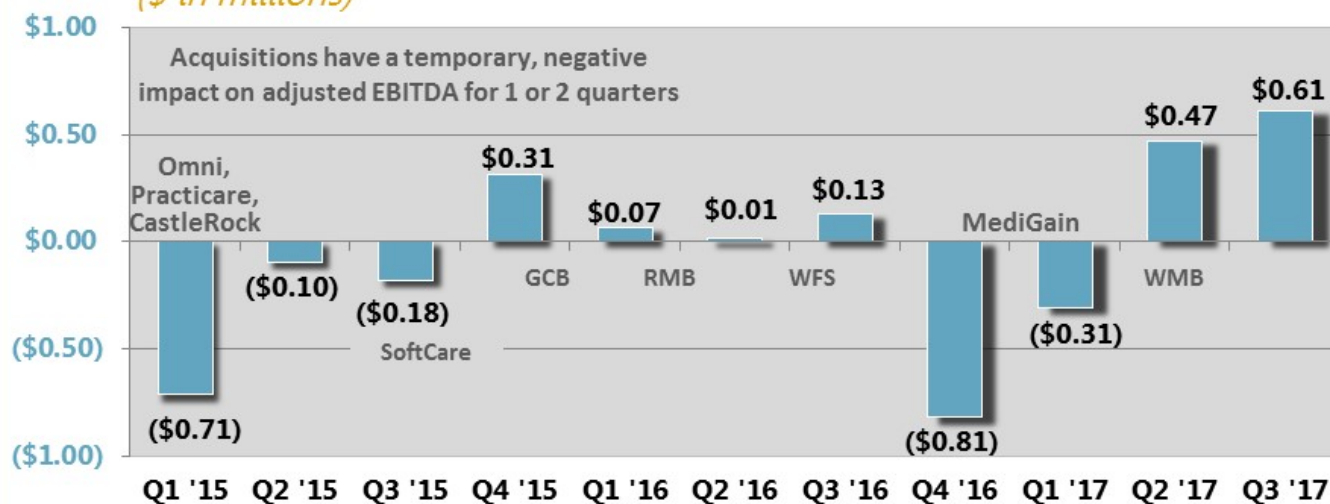
REVENUE DETAILS:

- 1) 88% of revenue is an integrated solution fee as a percentage of payments collected by our clients
- 2) Our effective rate averages approximately 5% of clients' collections
- 3) 4% of revenue from optional ancillary services, including transcription, coding, and consulting
- 4) 8% of revenue from clearinghouse, EDI and recovery services
- 5) Beginning Q4 2016 revenues reflect the acquisition of MediGain
- 6) First nine months' 2017 revenue of \$23.5 million.

Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from anticipated results

Adjusted EBITDA

(\$ in millions)



NOTES:

- Adjusted EBITDA is temporarily negatively impacted by integration of acquired businesses, reflecting ramp-up of offshore costs prior to terminating subcontractors and reducing onshore employees
- Large acquisitions (MediGain and Omni, Practicare and CastleRock on the day of the IPO) typically impact EBITDA for a couple of quarters
- Smaller acquisitions (SoftCare, GCB, RMB and WFS) typically impact EBITDA for a single quarter
- Q4 2016 - Q1 2017 include people, facilities and subcontractor costs, which have since been reduced

(\$ in thousands)

	2015	2016	Q1-Q3 2017
GAAP net loss	\$ (4,688)	\$ (8,797)	\$ (5,382)
Provision for income taxes	138	197	192
Net interest expense	262	646	1,229
Foreign exchange / other expense	(170)	53	(34)
Stock-based compensation expense	629	1,928	334
Depreciation and amortization	4,599	5,108	3,637
Integration and transaction costs	341	976	636
Change in contingent consideration	(1,786)	(716)	151
Adjusted EBITDA	\$ (675)	\$ (605)	\$ 763

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Balance Sheet Snapshot

(\$ in millions)

	December 31, 2016	September 30, 2017	Pro Forma After Financing
Cash	\$3.5	\$2.8	\$5.6
Accounts Receivable	4.3	3.5	3.5
Total Assets	\$28.3	\$24.0	\$26.8
Total Debt	\$14.7	\$2.4	\$2.4
Total Liabilities	21.2	7.4	7.4
Shareholders' Equity	\$7.1	\$16.6	\$19.4

NOTES:

- 1) The September 2017 balance sheet reflects the sale of \$15.3 M of Series A Preferred Stock during 2017, repayment of all \$8 M of Opus Bank senior, secured, term debt and \$5 M payment-in-full to Prudential for MediGain
- 2) All columns show \$2.0 M drawn on our revolving credit line. As of October, 2017, the Company has a \$5.0 M revolving line of credit with Silicon Valley Bank, which replaced the Opus Bank revolver
- 3) **After Financing** assumes we sell \$3.25 M of additional Series A Preferred Stock, with \$2.8 M of net proceeds

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