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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**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): July 7, 2020

**MTBC, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction  
of incorporation)

**001-36529**

(Commission  
File Number)

**22-3832302**

(IRS Employer  
Identification No.)

**7 Clyde Road, Somerset, New Jersey, 08873**  
(Address of principal executive offices, zip code)

**(732) 873-5133**  
(Registrant's telephone number, including area code)

**Not Applicable**

(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 (17 CFR 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))

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

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of exchange on which registered</b>
Common Stock, par value \$0.001 per share	MTBC	Nasdaq Global Market
11% Series A Cumulative Redeemable Perpetual Preferred Stock, par value \$0.001 per share	MTBCP	Nasdaq Global Market

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.

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## Item 2.02 Results of Operations and Financial Condition.

On July 7, 2020, MTBC, Inc. (the “Company”) issued a press release, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

### Explanation of Non-GAAP Financial Measures

The Company reports its financial results in accordance with accounting principles generally accepted in the United States of America, or GAAP. However, management believes that, in order to properly understand the Company’s short-term and long-term financial and operational trends, investors may wish to consider the impact of certain non-cash or non-recurring items, when used as a supplement to financial performance measures in accordance with GAAP. These items result from facts and circumstances that vary in frequency and impact on continuing operations. Management also uses results of operations before such items to evaluate the operating performance of the Company and compare it against past periods, make operating decisions, and serve as a basis for strategic planning. These non-GAAP financial measures provide management with additional means to understand and evaluate the operating results and trends in the Company’s ongoing business by eliminating certain non-cash expenses and other items that management believes might otherwise make comparisons of the Company’s ongoing business with prior periods more difficult, obscure trends in ongoing operations, or reduce management’s ability to make useful forecasts. Management believes that non-GAAP financial measures provide additional means of evaluating period-over-period operating performance. In addition, management understands that some investors and financial analysts find this information helpful in analyzing the Company’s financial and operational performance and comparing this performance to the Company’s peers and competitors.

Management uses adjusted EBITDA to provide an understanding of aspects of operating results before the impact of investing and financing charges and income taxes. Adjusted EBITDA may be useful to an investor in evaluating the Company’s operating performance and liquidity because this measure excludes non-cash expenses as well as expenses pertaining to investing or financing transactions. Management defines “adjusted EBITDA” as the sum of GAAP net income (loss) before provision for (benefit from) income taxes, net interest expense, other (income) expense, stock-based compensation expense, depreciation and amortization, integration costs, transaction costs, restructuring costs and changes in contingent consideration.

Management considers non-GAAP financial measures to be important indicators of the operational strength and performance of the Company’s business and a good measure of the Company’s historical operating trends, in particular the extent to which ongoing operations impact the Company’s overall financial performance.

In addition to items routinely excluded from non-GAAP EBITDA, management excludes or adjusts each of the items identified below from the applicable non-GAAP financial measure referenced above for the reasons set forth with respect to that excluded item:

*Foreign exchange / other expense.* Other expense is excluded because foreign currency gains and losses and other non-operating expenses are expenditures that management does not consider part of ongoing operating results when assessing the performance of the Company’s business, and also because the total amount of the expense is partially outside of the Company’s control. Foreign currency gains and losses are based on global market factors which are unrelated to the Company’s performance during the period in which the gains and losses are recorded.

*Stock-based compensation expense.* Stock-based compensation expense is excluded because this is primarily a non-cash expenditure that management does not consider part of ongoing operating results when assessing the performance of the Company’s business, and also because the total amount of the expenditure is partially outside of the Company’s control because it is based on factors such as stock price, volatility, and interest rates, which may be unrelated to the Company’s performance during the period in which the expenses are incurred. Stock-based compensation expense includes cash-settled awards based on changes in the stock price.

*Transaction costs.* Transaction costs are upfront costs related to acquisitions and related transactions, such as brokerage fees, pre-acquisition accounting costs and legal fees, and other upfront costs related to specific transactions. Management believes that such expenses do not have a direct correlation to future business operations, and therefore, these costs are not considered by management in making operating decisions. Management does not believe such charges accurately reflect the performance of the Company's ongoing operations for the period in which such charges are incurred.

*Integration costs.* Integration costs are severance payments for certain employees relating to the Company's acquisitions and exit costs related to terminating leases and other contractual agreements. Accordingly, management believes that such expenses do not have a direct correlation to future business operations, and therefore, these costs are not considered by management in making operating decisions. Management does not believe such charges accurately reflect the performance of the Company's ongoing operations for the period in which such charges are incurred.

*Restructuring costs.* Restructuring charges primarily represent employee severance costs, remaining lease and termination fees, disposal of property and equipment and professional fees associated with discontinued facilities and operations. Accordingly, management believes that such expenses do not have a direct correlation to future business operations, and therefore, these costs are not considered by management in making operating decisions. Management does not believe such charges accurately reflect the performance of the Company's ongoing operations for the period in which such charges are incurred.

*Changes in contingent consideration.* Contingent consideration represents the amount payable to the sellers of certain acquired businesses based on the achievement of defined performance measures contained in the purchase agreements. Contingent consideration is adjusted to fair value at the end of each reporting period, and changes arise from changes in the forecasted revenues of the acquired businesses.

While management believes that non-GAAP financial measures provide useful supplemental information to investors regarding the underlying performance of the Company's business operations, investors are reminded to consider non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with GAAP. In addition, it should be noted that the Company's non-GAAP financial measures may be different from non-GAAP measures used by other companies, and management may utilize other measures to illustrate performance in the future. Non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's results of operations as determined in accordance with GAAP.

The information furnished pursuant to Item 2.02 of this Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

On July 9, 2020, the Company filed a Sixth Amendment (the "COD Amendment") to Amended and Restated Certificate of Designations, Preferences and Rights (the "Certificate of Designation") of the Company's 11% Series A Cumulative Redeemable Perpetual Preferred Stock ("Series A Preferred Stock") with the Secretary of State of the State of Delaware which was effective upon filing. The COD Amendment increased the number of shares of Series A Preferred Stock from 5,000,000 shares to 6,750,000 shares. No other changes were made to the Certificate of Designation.

The foregoing description of the COD Amendment does not purport to be complete and is qualified in its entirety by reference to the COD Amendment, a copy of which is included as Exhibit 3.1 to this Current Report on Form 8-K and incorporated by reference herein.

**Item 9.01 Financial Statements and Exhibits.**

Exhibit 3.1 [Sixth Amendment to Amended and Restated Certificate of Designations, Preferences and Rights of 11% Series A Cumulative Redeemable Perpetual Preferred Stock.](#)

Exhibit 99.1 [Press Release dated July 7, 2020.](#)

**SIGNATURES(S)**

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.

**MTBC, Inc.**

Date: July 9, 2020

By: /s/ Stephen Snyder  
Stephen Snyder  
Chief Executive Officer

**MTBC, Inc.****SIXTH AMENDMENT TO AMENDED AND RESTATED CERTIFICATE OF DESIGNATIONS, PREFERENCES AND RIGHTS  
OF  
11% SERIES A CUMULATIVE REDEEMABLE PERPETUAL PREFERRED STOCK****Pursuant to Section 151 of the  
Delaware General Corporation Law**

MTBC, Inc., a Delaware corporation (the "Corporation"), hereby certifies that the following resolution was duly adopted by the Board of Directors of the Corporation (the "Board of Directors") pursuant to the authority of the Board of Directors as required by Section 151 of the Delaware General Corporation Law.

WHEREAS, the Amended and Restated Certificate of Incorporation, as amended (the "Amended and Restated Certificate of Incorporation"), provides for a class of its authorized stock known as preferred stock, comprised of 7,000,000 shares, \$0.001 par value per share (the "Preferred Stock"), issuable from time to time in one or more series;

WHEREAS, the Board of Directors is authorized to fix the dividend rights, dividend rate, voting rights, conversion rights, rights and terms of redemption and liquidation preferences of any wholly unissued series of Preferred Stock and the number of shares constituting any such series;

WHEREAS, pursuant to this authority, the Board of Directors previously fixed the rights, preferences, restrictions and other matters relating to the Corporation's 11% Series A Cumulative Redeemable Perpetual Preferred Stock ("Series A Preferred Stock"), consisting of 5,000,000 shares, as evidenced by the Amended and Restated Certificate of Designations, Preferences, and Rights filed with the Secretary of State of the State of Delaware on July 6, 2016, as further amended by the First Amendment to the Amended and Restated Certificate of Designations, Preferences, and Rights filed with the Secretary of State of the State of Delaware on September 21, 2017, as further amended by the Second Amendment to the Amended and Restated Certificate of Designations, Preferences, and Rights filed with the Secretary of State of the State of Delaware on March 23, 2018, as further amended by the Third Amendment to the Amended and Restated Certificate of Designations, Preferences, and Rights filed with the Secretary of State of the State of Delaware on September 25, 2018, as further amended by the Fourth Amendment to the Amended and Restated Certificate of Designations, Preferences, and Rights filed with the Secretary of State of the State of Delaware on January 9, 2020, as further amended by the Fifth Amendment to the Amended and Restated Certificate of Designations, Preferences, and Rights filed with the Secretary of State of the State of Delaware on May 19, 2020 (as amended, the "Existing Certificate");

WHEREAS, the Board of Directors has authorized an increase in the number of shares of Series A Preferred Stock from 5,000,000 shares to 6,750,000 shares; and

WHEREAS, in furtherance of the foregoing, the Board of Directors has deemed it advisable to amend the Existing Certificate.

NOW THEREFORE, BE IT RESOLVED, that pursuant to the authority granted to the Board of Directors in accordance with the provisions of the Amended and Restated Certificate of Incorporation, the Board of Directors hereby authorizes the following amendment to the Existing Certificate:

Paragraph 1 of the Existing Certificate is hereby amended to read in its entirety as follows:

1. Designation and Amount. The shares of such series of Preferred Stock shall be designated as “11% Series A Cumulative Redeemable Perpetual Preferred Stock” and the number of shares constituting such series shall be 6,750,000 shares.

IN WITNESS WHEREOF, the Corporation has caused this Sixth Amendment to the Amended and Restated Certificate of Designations, Preferences, and Rights to be signed in its name and on its behalf on this 9th day of July, 2020.

MTBC, Inc.

By: /s/ Stephen Snyder  
Stephen Snyder  
Chief Executive Officer

**MTBC Increases 2020 Revenue Guidance**

SOMERSET, N.J., July 7, 2020 (GLOBE NEWSWIRE) — MTBC, Inc. (Nasdaq: MTBC) (Nasdaq: MTBCP), a leading provider of cloud-based healthcare IT solutions and services, today announced that it is increasing its 2020 revenue guidance to \$105 - \$107 million, which represents year-over-year revenue growth of approximately 65%, while reaffirming its 2020 adjusted EBITDA guidance of \$12 - \$13 million.

“We’ve had a remarkable first half of the year and we are pleased to increase our revenue guidance, based on our recent Meridian acquisition,” said Stephen Snyder, MTBC CEO. “Moreover, we are better positioned today than ever to continue to grow our revenue and expand margins during the balance of 2020 and beyond.”

“We expect annualized revenue of approximately \$130 - \$135 million during the second half of 2020, which reflects our assumptions regarding a modest and temporary reduction to our normalized run rate revenue due to COVID-19,” said Bill Korn, MTBC CFO. “We expect to achieve approximately \$24 - 25 million of annualized adjusted EBITDA during the second half of 2020, representing an adjusted EBITDA margin of nearly 20%. Our adjusted EBITDA during the first half of 2020 was reduced due to the CareCloud acquisition during January and COVID-19, which reduced the total number of doctor visits during March through June.”

**About MTBC**

MTBC is a healthcare information technology company that provides a full suite of proprietary cloud-based solutions, together with related business services, to healthcare providers and hospitals throughout the United States. Our Software-as-a-Service (or SaaS) platform includes revenue cycle management (RCM), practice management (PM), electronic health record (EHR), telehealth and patient experience management (PXM) solutions for high-performance medical groups. MTBC helps clients increase financial and operational performance, streamline clinical workflows, and make better business and clinical decisions, allowing them to improve patient care while reducing administrative burdens and operating costs. MTBC’s common stock trades on the Nasdaq Global Market under the ticker symbol “MTBC,” and its Series A Preferred Stock trades on the Nasdaq Global Market under the ticker symbol “MTBCP.”

For additional information, please visit our website at [www.mtbc.com](http://www.mtbc.com). To view MTBC’s latest investor presentation, read press releases, and listen to interviews with management, please visit [ir.mtbc.com](http://ir.mtbc.com).

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**Forward Looking Statement**

This press release contains various 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 “may,” “might,” “will,” “should,” “intends,” “expects,” “plans,” “goals,” “projects,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these terms or other comparable terminology.

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We cannot provide any assurances that the transaction described in this press release will be consummated, or that if consummated, it will be consummated on the terms as described in this press release.

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 press release include, without limitation, statements reflecting management's expectations for future financial performance and operating expenditures, expected growth, profitability and business outlook, the impact of the COVID-19 pandemic on our financial performance and business activities, and the expected results from the integration of our acquisitions.

These forward-looking statements are only predictions, are uncertain and involve substantial known and unknown risks, uncertainties and other factors which may cause our (or our industry's) actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all of the risks and uncertainties that could have an impact on the forward-looking statements, including without limitation, risks and uncertainties relating to the Company's ability to manage growth, migrate newly acquired customers and retain new and existing customers, maintain cost-effective global operations, increase operational efficiency and reduce operating costs, predict and properly adjust to changes in reimbursement and other industry regulations and trends, retain the services of key personnel, and other important risks and uncertainties referenced and discussed under the heading titled "Risk Factors" in the Company's filings with the Securities and Exchange Commission. In addition, there is uncertainty about the spread of the COVID-19 virus and the impact it may have on the Company's operations, the demand for the Company's services, and economic activity in general.

The statements in this press release are made as of the date of this press release, even if subsequently made available by the Company on its website or otherwise. 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.

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