

# **DATATRAK INTERNATIONAL, INC.**

## **2023 ANNUAL RESULTS**

### **April 30, 2024**

Datatrak International, Inc. ("Datatrak") (OTC: DTRK) is a SaaS, software-as-a-service, provider of enterprise resource planning ("ERP") software across all industries. Datatrak's subsidiary, Fountayn LLC, is focused on the healthcare and life sciences industries by providing software and data solutions for research studies, electronic medical records, and clinical trials for pharma, biotech, medical device, contract research organizations, sites, hospitals, governments, healthcare organizations, and academic institutions that are customizable and dynamic to fit the needs of various organizations. The company's staff provides full service solutions and support to ensure the success of our customer's objectives.

The company grew revenues and achieved greater efficiency in 2023 and we look forward to continuing the trend in 2024. Revenue growth was about 5% in 2023 compared to the prior year. Revenue for 2023 was \$6,184,265. Earnings per share for 2023 was \$0.45/share, an improvement of \$0.77/share from the prior year. Net income for 2023 was \$2,657,418, an improvement of \$3,545,985 from the prior year. Overall expenses, including direct costs, selling, general, and administrative costs, were reduced by \$3,162,747 in 2023 compared to the prior year despite growing revenues, which indicates significant increases in efficiency and productivity.

#### 2023 Highlights

- Five percent (5%) revenue growth despite industry headwinds. We believe this was the most significant revenue growth for the company in about a decade.
- Earnings per share of \$0.45/share from net income of \$2,657,418, which we believe is the most significant profitability in the company's history.
- New product releases scheduled for 2024 will be the first new product releases by the company in about a decade.
- Closing the company's largest sales contract in a decade that provides seven-figure recurring revenue for the company for the next several years and likely to expand into additional future revenues.

As a result of the company's 2023 performance and the belief that the company's stock is underpriced, the board of directors authorized a stock repurchase program of up to \$250,000 of its common stock through the end of 2024. Under the program, the company may repurchase its shares from time to time in the open market, through privately negotiated transactions, or by other means. The program does not specify a maximum number of shares to be repurchased or obligate the company to repurchase any specific dollar amount or number of shares. The timing and amount of repurchase transactions will be determined by the board based on their evaluation of market conditions, share price and other factors. There is no assurance that the company will repurchase shares and the program may be suspended or discontinued at any time.

*Any forward-looking statements are based on management's expectations, assumptions, estimates and current beliefs concerning the operations, future results and prospects of the Company and are subject to uncertainties and factors which are difficult to predict and, in many instances, are beyond the control of the Company, and which could cause actual results to differ materially from those contemplated in such forward-looking statements. For a list of certain factors that may cause actual results to differ materially from those contemplated in any forward looking statements, please see the Company's report filed with the OTC Markets. The Company undertakes no obligation to update publicly or revise any forward-looking statement whether as a result of new information, future events or otherwise.*

**Datatrak International, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheet (Unaudited)**

	12/31/2023	12/31/2022
<b>Assets</b>		
Current Assets		
Cash and Cash Equivalents	\$ 163,586	\$ 204,963
Marketable Securities	3,643	431,347
Accounts Receivable	2,921,867	805,854
Other Receivables		4,700
Prepaid Expenses	3,914	15,193
Fixed Assets		2,934,407
Notes Due	125,254	382,213
Total Current Assets	3,921,867	4,778,677
Operating Lease Right of Use Asset ("RUA")	99,458	2,092,768
RUA Accumulated Depreciation	(22,009)	(1,267,538)
Property & Equipment	85,444	2,935
Other Assets	236,931	137,997
Total Assets	\$ 4,321,691	\$ 5,744,839
<b>Liabilities</b>		
Current Liabilities		
Notes Payable	\$ 267,412	\$ 750,133
Accounts Payable	1,152,410	748,164
Accrued Expenses	413,882	943,662
Short-Term Deferred Revenue	917,604	345,067
Total Current Liabilities	2,751,308	2,787,026
Long Term Liabilities		
Other Long-Term Liabilities		731,150
Long-Term Deferred Revenue	3,428,908	947,694
Accrued Expenses		503
Total Long-Term Liabilities	3,428,908	1,678,839
Total Liabilities	6,180,216	4,465,865
<b>Shareholder's Equity</b>		
Preferred Shares, no par value; 1,000,000 authorized; 375,000 issued		
Common Stock, no par value; 25,000,000 authorized; 5,889,968 issued	70,116,496	69,498,641
Additional Paid-In Capital	4,000,221	720,853
Retained Earnings	(66,026,639)	(68,688,152)
Treasury Stock	89,636	89,636
Total Shareholder's Equity	(1,858,525)	1,315,368
Total Liability & Shareholder's Equity	\$ 4,321,691	\$ 5,780,715

**Datatrak International, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations (Unaudited)**

	<b>12/31/2023</b>	<b>12/31/2022</b>
Operating Revenues	\$ 6,184,265	\$ 5,925,394
Direct Costs	(969,765)	(2,250,146)
Gross Profit	5,214,500	3,675,248
Selling, General, & Administrative	(3,286,537)	(5,150,903)
Depreciation & Amortization	(67,053)	
Operating Income	1,874,886	(1,475,655)
Interest Income	19,991	59,024
Interest Expense		(37,291)
Capital Gains	16,903	423,772
Dividends	764	141,583
Other Income	744,930	
Tax Expenses	(56)	
Net Income	\$ 2,657,418	\$ (888,567)
Net Income Per Share		
Basic	\$ 0.45	\$ (0.32)
Diluted	\$ 0.38	\$ (0.28)

*Any financial information provided is unaudited and not reviewed. Datatrak International, Inc. is listed on the OTC Markets Pink Sheets Limited Information exchange and is subject to the OTC Market's Pink Basic Disclosure Guidelines, which may provide only limited information.*