

Zynex Announces 126% Order Growth and Increases Q1 and Full-Year Revenue Estimates

ENGLEWOOD, Colo., April 7, 2020 /PRNewswire/ -- Zynex, Inc. (NASDAQ: ZYXI), an innovative medical technology company specializing in manufacturing and selling non-invasive medical devices for pain management, stroke rehabilitation, cardiac monitoring and neurological diagnostics, today announced orders and an increased revenue estimate for Q1 and the full year 2020.

Orders in the first quarter were 126% above the number of orders in the first quarter of 2019 and 3% sequentially above the fourth quarter of 2019. In the fourth quarter of 2019, orders grew 129% year-over-year.

Due to the solid increase in orders and strong collections the Company has updated its previous estimate for the first quarter of 2020 to between \$14.9 and \$15.4 million compared to the previous estimate of between \$14.0 and \$14.5 million. First quarter Adjusted EBITDA is now expected to come in between \$2.8 and \$3.3 million, up half a million from the previous estimate.

The Company is increasing its full year 2020 revenue estimate to between \$78 and \$83 million. The Company previously provided guidance for revenue in the full year 2020 of between \$75 and \$80 million.

The updated revenue estimate is now approximately 72% to 83% above last year's full year revenue of \$45.5 million.

2020 full year estimated adjusted EBITDA remains unchanged at \$15.0 to \$18.0 million.

Thomas Sandgaard, CEO of Zynex said: "Similar to many companies we have seen the impact of the COVID-19 pandemic, not only on the availability of physicians to prescribe our products but also on navigating employee and supply chain issues. March orders were down 15% compared to the average number of orders in January and February 2020, which is a smaller decline than we had expected considering the nationwide impact of COVID-19. The numbers have since stabilized and remain constant through the last 3 weeks of March and the early days of April. This speaks volumes to the relationships our sales force has with many prescribers and the need for them to prescribe non-opioid, non-addictive prescription strength solutions for their patients in pain.

As a reminder, revenue from an order is typically recognized over the time a patient uses our device and related supplies and therefore a short-term slowdown in orders has less impact on revenue and cash collections. Our cash collections in the first quarter of this year were strong which adds to our confidence in the full year estimates.

We continue to add sales reps and train our sales force. In the month of March, we added 32 sales reps and we still expect to reach our goal of filling all 400 territories throughout the US by November of this year.

Our operations continue without interruption despite a few of our employees staying at home due to suspected illnesses or anxiety during this difficult period. Our supply chain remains un-interrupted as we previously secured non-Chinese second sources for all our components and raw materials. In addition, it is our practice to keep several months of finished products on the shelf; have over 4 months of components on-hand for internal assembly and 12-18 months of orders placed with our vendors on top of the in-house materials. It is critical for us to have the ability to ship immediately to a patient in pain.

Our prescription-strength NexWave device is a healthy alternative to prescribing opioids as the first line of defense when treating pain. We continue to add additional sales reps in territories throughout the US that we have not covered previously.

We continue to advocate for pain patients, and for physicians to prescribe our NexWave technology as the first line of defense in treating chronic and acute pain without side effects. We are dedicated to promoting our technology in an effort to remove patient addiction and other side effects from prescription opioids."

About Zynex

Zynex, founded in 1996, markets and sells its own design of electrotherapy medical devices used for pain management and rehabilitation; and the Company's proprietary NeuroMove device designed to help recovery of stroke and spinal cord injury patients. Zynex is also developing a new blood volume monitor for use in hospitals and surgery centers. For additional information, please visit: [Zynex.com](https://zynex.com).

Safe Harbor Statement

This press release contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward looking statements, include among others, statements we make around guidance related to orders, sales and revenue, expected operating results, such as revenue growth and earnings, growth and financial results. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore you should not rely on any of these forward looking statements. The Company makes no express or implied representation or warranty as to the completeness of forward looking statements or, in the case of projections, as to their attainability or the accuracy and completeness of the assumptions from which they are derived. Factors that could cause actual results to materially differ from forward-looking statements include, but are not limited to, the need to obtain FDA clearance and CE marking of new products, the acceptance of new products as well as existing products by doctors and hospitals, larger competitors with greater financial resources, the need to keep pace with technological changes, our dependence on the reimbursement for our products from health insurance companies, our dependence on third party manufacturers to produce our goods on time and to our specifications, implementation of our sales strategy including a strong direct sales force and other risks described in our filings with the Securities and Exchange Commission including the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2019 as well as Forms 10-Q, 8-K and 8-K/A, press releases and the Company's website.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

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