

Zynex Announces Second Quarter 2015 Results

ZYNEX, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(AMOUNTS IN THOUSANDS, EXCEPT NUMBER OF SHARES)

	June 30, 2015 (UNAUDITED)	December 31, 2014
ASSETS		
Current Assets:		
Cash	\$ 87	\$ 63
Accounts receivable, net	2,654	3,189
Inventory, net	1,391	1,935
Prepaid expenses	130	250
Income tax receivable	—	268
Total current assets	4,262	5,705
Property and equipment, net	996	1,276
Deposits	58	2
Intangible assets, net	99	131
Total assets	\$ 5,415	\$ 7,114
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Line of credit	\$ 4,620	\$ 4,442
Current portion of capital leases and other obligations	83	78

Accounts payable and income taxes payable	2,493		2,623	
Deferred revenue	—		112	
Accrued expenses	572		802	
Total current liabilities	7,768		8,057	
Capital leases and other obligations, less current portion	273		311	
Warranty liability	13		13	
Total liabilities	8,054		8,381	
Stockholders' (Deficit) Equity:				
Preferred stock; \$.001 par value, 10,000,000 shares authorized, no shares issued or outstanding	—		—	
Common stock, \$.001 par value, 100,000,000 shares authorized, 31,271,234 shares issued and outstanding	31		31	
Paid-in capital	5,735		5,702	
Accumulated deficit	(8,323	)	(6,934)
Total Zynex, Inc. stockholders' deficit	(2,557	)	(1,201)
Noncontrolling interest	(82	)	(66)
Total stockholders' deficit	(2,639	)	(1,267)
Total liabilities and stockholders' deficit	\$ 5,415		\$ 7,114	

ZYNEX, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED, AMOUNTS IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	Three months ended June 30,		Six months ended June 30,	
	2015	2014	2015	2014
Net revenue:				
Rental	\$ 517	\$ 589	\$ 844	\$ 1,324
Sales	2,556	760	5,412	3,192
	3,073	1,349	6,256	4,516
Operating expenses:				
Cost of revenue - rental	102	268	230	403
Cost of revenue - sales	1,064	903	2,181	1,765
Cost of revenue - write-off of noncore inventory	—	2,655	—	2,655
Selling, general and administrative expense	2,270	2,947	4,980	6,403
Income (loss) from operations	(363	) (5,424	) (1,135	) (6,710
Other income (expense):				
Interest expense	(138	) (144	) (270	) (302
Other income:	—	9	—	9
	(138	) (135	) (270	) (293
Income (loss) before income taxes	(501	) (5,559	) (1,405	) (7,003
Income tax benefit	—	—	—	—
Net income (loss)	(501	) (5,559	) (1,405	) (7,003
Plus: Net (income) loss - noncontrolling interest	8	6	16	20
Net loss - attributable to Zynex, Inc.	\$ (493	) \$ (5,553	) \$ (1,389	) \$ (6,983

Net loss per share – attributable to					
Zynex, Inc.:					
Basic	\$ (0.02	) \$ (0.18	) \$ (0.04	) \$ (0.22)
Diluted	\$ (0.02	) \$ (0.18	) \$ (0.04	) \$ (0.22)
Weighted – average number of					
common shares outstanding:					
Basic	31,271,234	31,171,234	31,271,234	31,171,234	
Diluted	31,271,234	31,171,234	31,271,234	31,171,234	
