

# MERGENT® INDUSTRIAL

NEW LISTING

October 16, 2018



This Supplemental News Report is published as required, is part of the annual MERGENT INDUSTRIAL, OTC AND UNLISTED Manuals and will be included in the bound October 2018 Monthly News Reports and is published on our Website.

## SMART RX SYSTEMS INC

Company Website: [www.smartrxsystems.com](http://www.smartrxsystems.com)

**History:** Incorporated in Florida on June 13, 2013.  
 In Apr. 2016, Co. acquired a Florida licensed pharmacy, Choice Meds USA, Inc.  
 In May 2016, Co. incorporated Smart RX Pharmacy, Inc.  
 In July 2017, Co. acquired Vista Specialty Pharmacy, LLC, from Vista Clinical and Diagnostics, LLC.  
 In Aug. 2017, Co. acquired a 9,000-square foot, 2 story building in Winter Park, FL, which will be utilized as the Corporate Headquarters.  
 In 2018, Co. acquired two additional pharmacies in the State of Texas. One License has been transferred to a Physician Group in Tyler TX, and, the other License is a brick and mortar pharmacy. Both the Pharmacies are wholly owned by Co.  
 In May 2018, Co. also purchased a pharmacy in Leesburg, FL.

**Business Summary:** Smart Rx Systems is a technology company with custom and proprietary technologies, and a management company providing pharmacy related services at the point of care via The Smart PharmAssist™ Kiosk, a trademarked automated medication management system that dispenses medication-on-demand. Co.'s technology was designed and developed to provide access to a live pharmacist for counseling and medication therapy management via video conferencing technology located on the Kiosk, and Co. provides mail order prescriptions as a follow-on service to customers. Each location Co. utilizes its Kiosk is licensed as a pharmacy, and is in full compliance of the FDA, and other Federal and state regulations.

**Property:** Co. maintains its registered office in Lutz, FL in approx. 2,500 sq. ft. of space.

### Subsidiaries

Choice Meds USA, Inc.  
 Smart RX Pharmacy, Inc.  
 Vista Specialty Pharmacy, LLC.

### Officers

Sandeep Mathow, Founder; Chairman; President; Chief Executive Officer  
 Swatantra "Santu" Rohatgi, Vice-Chairman; Chief Financial Officer; Treasurer  
 Frank W. Waters, Contoller  
 Michael Scillia, Secretary

### Directors

Sandeep Mathow, Chairman; Director  
 Swatantra "Santu" Rohatgi, Vice-Chairman; Director  
 Michael Scillia, Advisor - ASG Designee

**Auditors:** Soto Accounting, LLC

**Transfer Agent & Registrar:** Clear Trust LLC

**Shareholder Relations:** Michael V. Scillia, Secretary Tel: 813-384-4233

**No. of Stockholders:** Sept. 7, 2018, 28

**No. of Employees:** Sept. 7, 2018, 16

**Address:** 18946 Dale Mabry Highway Suite 102, Lutz, FL 33548

**Tel:** 954 254-0044

**Web:** [www.smartrxsystems.com](http://www.smartrxsystems.com)

**Email:** [info@smartrxsystems.com](mailto:info@smartrxsystems.com)

**Consolidated Income Statement, Years Ended Dec. 31 (\$):**

	2017	2016 (revised)	2015 (revised)			
Net sales	638,856	387,296	182,141	Property, plant & equipment, net	1,453,902	17,712
Cost of sales	252,236	84,971	86,907	Intangible assets, net	4,918,864	4,254,212
Gross margin	386,620	302,324	95,234	Total assets	9,989,702	4,528,723
Selling, general & administrative expense	326,438	155,777	16,800	Liabilities:		
Wages, consulting & payroll expenses	461,683	183,889	62,290	Accounts payable	300,448	133,645
Travel & entertainment expenses	102,344	74,569	46,712	Accounts payable, related party	16,642	90,797
Software & kiosk expenses	116,400	51,479	...	Current portion of long-term debt	5,773	15,392
Total operating expenses	1,006,865	465,714	125,802	Interest payable	146,498	26,268
Operating income (loss)	(620,246)	(163,389)	(30,568)	Preferred premium payable	1,990,800	110,800
Rental income	30,904	...	...	Total current liabilities	2,460,160	376,902
Preferred premium expense	1,880,000	37,050	73,750	Long-term debt	872,000	...
Preferred interest expenses	120,436	20,084	7,327	Long-term debt, related party	...	118,127
Amortization of intangible assets expense	321,649	271,418	188,127	Total non-current liabilities	872,000	118,127
Depreciation	28,526	13,087	622	Total liabilities	3,332,160	495,030
Total other expenses	(2,350,611)	(341,639)	(269,826)	Original voting common stock	615	615
<b>Net income (loss)</b>	<b>(2,939,953)</b>	<b>(505,028)</b>	<b>(300,394)</b>	Original preferred non voting	1,616	1,617
Year end shares outstanding	723,100	565,800	555,200	Class A voting common stock	10	2
Number of full time employees	16	...	...	Series A founders preferred	27	2
Number of part time employees	14	...	...	Series A+ founders non-voting preferred	22	...
Total number of employees	30	...	...	Class A+ voting common stock	8	...
Number of common stockholders	28	...	...	Special preferred non voting	305	211
				Additional paid-in capital	10,809,135	5,245,489
				Retained earnings (accumulated deficit)	(1,214,242)	(709,214)
				Net income	(2,939,953)	(505,028)
				Total equity	6,657,541	4,033,693

As reported by the Company  
 Restated to reflect correction of accounting errors related to recognition of intangible assets; As reported by the Company;  
 As of September 7, 2018

### Consolidated Balance Sheet, Years Ended Dec. 31 (\$):

	2017	2016 (revised)
Assets:		
Cash & cash equivalents	3,194,021	84,988
Accounts receivable	141,544	9,212
Prepaid expenses	222,203	72,940
Inventories	59,167	15,659
Total current assets	3,616,936	182,798
Long-term marketable securities	...	74,000

**Debt:** Dec. 31, 2017, \$872,000 (excluding current portion) interest only 5-year term mortgage.

**Capital Stock: 1. Smart RX Systems Inc preferred; par \$ 0.0001.**

AUTHORIZED—50,000,000 shs.  
 OUTSTANDING—Dec. 31, 2017, 7,036,000 shs; par \$ 0.0001.(Adjusted to reflect September 2018 offering)  
 OFFERED—(4,500,000 shares) at \$10.00 a share in Sept. 2018. IPO.

**2. Smart RX Systems Inc common; par \$ 0.0001.**

AUTHORIZED—100,000,000 shs.  
 OUTSTANDING—Dec. 31, 2017, 1,223,000 shs; par \$ 0.0001.(Adjusted to reflect September 2018 offering)  
 OFFERED—(500,000 shares) at \$10.00 a share in Sept. 2018. IPO.

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