

August 13, 2020



## **SCWorx Announces New Agreements With Two Healthcare Organizations For Its Suite of Data Management Applications Totaling a Minimum of \$2.2 million over 5 years**

NEW YORK, Aug. 13, 2020 (GLOBE NEWSWIRE) -- SCWorx Corp. (Nasdaq: WORX) announced today the signing of new agreements during the second quarter with two prominent not-for-profit Integrated Delivery Networks (IDN). The first organization is a specialty hospital providing services specifically to children. The second organization is a large fully integrated multi-hospital facility with revenues exceeding \$5 billion annually. Both agreements are for 5 years with a one-time setup, annual license and monthly maintenance fees, totaling approximately \$2.5 million over 5 years. One of the agreements can be terminated by the customer after two years, in which case the minimum total value of both contracts would be approximately \$2.2 million. Both healthcare providers are members of larger associations of similar acute care hospitals. The SCWorx team will endeavor to demonstrate the benefits of the company's services to the other association members.

SCWorx products and services provides healthcare providers granular and highly accurate information that links actual spend data to utilization and ultimately to billing allowing these hospitals to optimize their business and maximize their revenue at a time where it is critical that hospitals operate in the most efficient manner possible.

"Though hospitals nationally have had to go through a significant change in their business models which includes significant spend reductions in business related IT product due to the emergence and persistence of the Covid-19 virus - we continue to experience adoption of our services within the healthcare provider market. These Providers are among the best in the nation according to U.S. News & World Report and are another great addition to our customer base," said Marc Schessel, founder and chief executive officer at SCWorx. "We've seen strong customer traction within academic healthcare providers and these customers are a testament to our ability to support these Providers. We look forward to a long and mutually beneficial relationship." The Company does not expect to incur any additional overhead resulting from these contracts. One of the Agreements is for five years, but the agreement can be terminated after two years and allows for up to three additional one year renewals. The other Agreement is for five years without ability to terminate (except for breach) and can be renewed annually in one year term commitments.

"After an in-depth product comparison process performed by both of these healthcare organizations they chose SCWorx for the delivery of an enterprise wide, data governance and analytics solution." said Mr. Schessel, "We appreciate the confidence the organizations

have placed on our services and our people to deliver these enhanced data services and margin improvement solutions. Our experience, focus and commitment in delivering critical data management services to healthcare providers will greatly benefit these Providers by delivering to them enhanced efficiency, critical system interoperability, sustained long-term savings, and auditable margin improvement.”

### **About SCWorx Corp.**

SCWorx has created The Ultraverse Platform™, an advanced attributed virtualized item data warehouse (“VDW”) utilizing machine learning and artificial intelligence to offer a suite of software-as-a-service based solutions for healthcare providers. The value proposition for customers revolves around full integration of all solution modules with the VDW platform. The solution modules include Virtual Item Master, contract management and request for pricing (RFP) module, automated rebate management module, data interoperability (EMR, MMIS, finance) module, Automated Item Add Portal, Virtual General Ledger, and the data analytics module. SCWorx’s Ultraverse Platform™ creates a single source for information for healthcare providers’ data governance and data analytics for executives.

SCWorx recently formed Direct-Worx to assist its client base in their efforts to acquire Covid-19 related products and services. Direct-Worx has created a Multi-Billion Dollar Healthcare Purchasing Coalition with SCWorx customers.

### **Forward-Looking Statements**

This press release contains “forward-looking statements” that involve substantial risks and uncertainties for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this press release regarding strategy, future operations, future contract renewals and terminations, future financial position, prospects, plans and objectives of management are forward-looking statements. You can identify many (but not all) such forward-looking statements by looking for words such as “assumes,” “approximates,” “believes,” “expects,” “anticipates,” “estimates,” “projects,” “seeks,” “intends,” “plans,” “could,” “would,” “may” or other similar expressions. You should not place undue reliance on these forward-looking statements. Such statements are based on management’s current expectations and involve risks and uncertainties. Actual results and performance could differ materially from those projected in the forward-looking statements as a result of many factors, including, without limitation, early termination of agreements, securing future contracts and orders, future product sourcing, supply disruptions, containing costs, the ability to project future cash utilization and reserves needed for contingent future liabilities and business operations, the availability of sufficient resources of the company to meet its business objectives and operational requirements and other important factors that are detailed in filings with the Securities and Exchange Commission made from time to time by SCWorx, including its Annual Report on Form 10-K for the year ended December 31, 2019, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. Matters described in forward-looking statements may also be affected by other known and unknown risks, trends, uncertainties and factors, many of which are beyond the company’s ability to control or predict. SCWorx undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

**Contact:**

Tim Hannibal  
thannibal@scworx.om

Source: SCWorx Corp.