UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTI ON 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2017

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-36763

MEDOVEX CORP.

(Exact Name of Registrant as Specified in Its Charter)

Nevada	**46-3312262**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification Number)
3060 Royal Boulevard S Ste 150 Alpharetta, Georgia	**30022**
(Address of Principal Executive Offices)	(Zip Code)

(844) 633-6839

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer, "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller Reporting Company [X]
(Do not check if smaller reporting company)	Emerging growth Company [X]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant, based upon the closing price of common stock on the last business day of the most recently completed second fiscal quarter, June 30, 2017, was $11,568,161. The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant, based upon the closing price of

common stock on March 26, 2018 was approximately $10,155,300. Shares of voting stock held by each executive officer, director and 10% stockholders have been excluded from this calculation. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of March 26, 2018, 21,933,013 shares of the registrant's common stock were outstanding.

Documents incorporated by reference: None.

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FORWARD-LOOKING INFORMATION

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements relate to future events or our future financial performance. We have attempted to identify forward-looking statements by terminology including “anticipates,” “believes,” “expects,” “can,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predict,” “should” or “will” or the negative of these terms or other comparable terminology. These statements are only predictions; uncertainties and other factors may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels or activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Our expectations are as of the date this Annual Report is filed, and we do not intend to update any of the forward-looking statements after the date this Annual Report is filed to confirm these statements to actual results, unless required by law.

This Annual Report also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other industry data. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified the statistical and other industry data generated by independent parties and contained in this Annual Report and, accordingly, we cannot guarantee their accuracy or completeness, though we do generally believe the data to be reliable. In addition, projections, assumptions and estimates of our future performance and the future performance of the industries in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. Our actual results could differ materially from those anticipated in the forward-looking statements for many reasons, including, but not limited to, the possibility that we may fail to preserve our expertise in medical device development; that existing and potential distribution partners may opt to work with, or favor the products of, competitors if our competitors offer more favorable products or pricing terms; that we may be unable to maintain or grow sources of revenue; that changes in the distribution network composition may lead to decreases in query volumes; that we may be unable to attain and maintain profitability; that we may be unable to attract and retain key personnel; that we may not be able to effectively manage, or to increase, our relationships with international customers; that we may have unexpected increases in costs and expenses; or that one or more of the other risks described below in the section entitled “Risk Factors” and elsewhere in this Annual Report may occur. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

PART I

ITEM 1. BUSINESS

Overview

MedoveX was incorporated in Nevada on July 30, 2013 as Spinez Corp. MedoveX is the parent company of Debride Inc., ("Debride"), which was incorporated under the laws of Florida on October 1, 2012 but did not commence operations until February 1, 2013. Spinez Corp. changed its name to MedoveX Corp. and effected a 2-for-1 reverse split of its stock in March 2014.

The Company is in the business of designing and marketing proprietary medical devices for commercial use in the United States and Europe. The Company received CE marking in June 2017 for the DenerveX System and it is now commercially available throughout the European Union and several other countries that accept CE marking. The Company's first sale of the DenerveX System occurred in July 2017. The Company plans to seek approval for the DenerveX System from the Food & Drug Administration ("FDA") in the United States.

The DenerveX Device

Our first acquisition was the DenerveX device. We believe that the DenerveX device can be used to encompass several medical applications, including pain relief.

The Company acquired the DenerveX patent on January 31, 2013 from Scott Haufe, M.D. ("Dr. Haufe"), a director of the Company, in exchange for 750,108 shares of common stock in the Company and a 1% royalty on all sales of any product sold based on the patent. In September 2013, we entered into a Co-Development Agreement with James Andrews, M.D. ("Dr. Andrews"), a director of the Company, whereby Dr. Andrews committed to further evaluate the DenerveX device and to seek to make modifications and improvements to such technology. In exchange for such services, the Company agreed to pay Dr. Andrews a royalty equal to two (2%) percent of the DenerveX net sales during the five (5) year term of the Co-Development Agreement. Upon the termination of the term of the Co-Development Agreement, which has a minimum term of five (5) years, then the royalty payable to Dr. Andrews shall be reduced to one (1%) percent of DenerveX net sales after such termination of products covered by any U.S. patent on which Dr. Andrews is listed as a co-inventor; if any such patents are obtained. Such one (1%) percent royalty shall continue during the effectiveness of such patent. Pursuant to the Co-Development Agreement, Dr. Andrews agreed to assign any modifications or improvements to the DenerveX to the Company subject to the royalty rights described above.

We are marketing the product as a disposable, single-use kit which includes all components of the DenerveX device product. In addition to the DenerveX device itself, we have developed a dedicated Electro Surgical Generator, the DenerveX Pro-40, to power the DenerveX device.

The generator is provided to customers agreeing to purchase the DenerveX device and cannot be used for any other purpose.

We accepted a proposal from Devicix, a Minneapolis, Minnesota third party design and development firm, in November 2013, to develop a prototype device. This proposal included a 5-phase development plan, culminating in the production ready prototype that could be used for validation purposes. We have recently completed the final stages of the build and test phase of the device, culminating in receiving CE marking to market the product in Europe. The DenerveX Kit and Pro-40 generator is now in commercial production. We anticipate very minimal, if any, additional build and test related expenses, which consists of product design verification activities, in the future as we launch the DenerveX System in Europe. Through December 31, 2017, we have paid approximately $1,849,000 to Devicix.

In November 2014, we selected Nortech Systems Inc. ("Nortech"), a Minneapolis, Minnesota based FDA registered contract manufacturer, to produce test DenerveX devices from the prototype supplied by Devicix for use in final development and non-clinical testing. The agreement with Nortech includes agreed upon per unit prices for delivery of the devices. Actual work on development of the final units began in November 2014. Through December 31, 2017, we have paid approximately $890,000 to Nortech. We are now in commercial production.

Also in November 2014, we engaged Bovie Medical Corporation ("Bovie"), a Delaware Corporation, to develop the Electro Surgical Generator and provide post production support services. Per our agreement with Bovie, we are invoiced based on deliverables produced by Bovie, which was originally supposed to amount to $295,000 upon completion of all the deliverables. Through December 31, 2017, we have paid approximately $422,000 to Bovie for production services. The original $295,000 agreement was a base number along the pathway of development. Additional requirements were incurred as the research and development process progressed and as a result certain prices increased and additional costs were incurred to further customize the DenerveX System.

The Company has completed the final stages of the development and verification of the DenerveX Device and the DenerveX Pro-40 power generator as a system, and the DenerveX System is presently being manufactured and sold in the jurisdictions where it has been approved for sale.

Streamline, Inc. **Divestiture**

In May 2016, the Board of Directors authorized management to seek buyers for Streamline, Inc., ("Streamline"), the Company's wholly owned subsidiary acquired in March 2015. The Company sold all Streamline related assets on December 7, 2016 (the "Closing"). This transaction provided funds needed to complete the development and launch of the Company's primary product, the DenerveX System, and the decision to sell the Streamline assets helped raise part of the necessary funds required for continuing operations of the Company in a non-dilutive manner to existing shareholders.

The transaction resulted in the immediate receipt of $500,000 in cash, and a $150,000 receivable to the Company due on or before January 1, 2018. The Company subsequently received the $150,000 per the terms of the asset purchase agreement on January 2, 2018.

The terms of the agreement also required that for each of the calendar years ending December 31, 2018 and December 31, 2019 (each such calendar year, a "Contingent Period"), a contingent payment in cash (each, a "Contingent Payment") equal to five percent (5%) of the total net sales received by the acquiring party from the sale of "IV suspension system" products in excess of 100 units during each Contingent Period. Each such Contingent Payment is payable to the Company by the acquiring party by no later than March 31st of the subsequent year; provided, however, that the total aggregate amount of all Contingent Payments owed by the acquiring party to the Company for all Contingent Periods will not exceed $850,000. The Company is yet to receive any Contingent Payments.

Competition

Developing and commercializing new products is highly competitive. The market is characterized by extensive research and clinical efforts and rapid technological change. We face intense competition worldwide from medical device, biomedical technology and medical products and combination products companies, including major medical products companies. We may be unable to respond to technological advances through the development and introduction of new products. Most of our existing and potential competitors have substantially greater financial, marketing, sales, distribution, manufacturing and technological resources. These competitors may also be in the process of seeking FDA or other regulatory approvals, or patent protection, for new products. Our competitors may commercialize new products in advance of our products. Our products also face competition from numerous existing products and procedures, which currently are considered part of the standard of care. We believe that the principal competitive factors in our markets are:

- the quality of outcomes for medical conditions;
- acceptance by surgeons and the medical device market generally;
- ease of use and reliability;
- technical leadership and superiority;
- effective marketing and distribution;
- speed to market; and
- product price and qualification for coverage and reimbursement.

We will also compete in the marketplace to recruit and retain qualified scientific, management and sales personnel, as well as in acquiring technologies and licenses complementary to our products or advantageous to our business.

We are aware of several companies that compete or are developing technologies in our current and future products areas. With regard to the DenerveX System, we believe that our principal competitors include device manufacturers Cosman Medical Inc., Stryker Corporation and Spembly Medical Systems. We may also face competition from developing, but potentially untested technologies such as Zyga's GLYDER device. In order to compete effectively, our products will have to achieve widespread market acceptance, receive adequate insurance coverage and reimbursement, be cost effective and be simultaneously safe and effective.

Customers

Healthcare providers, physicians and third-party payors in the United States and elsewhere play a primary role in the recommendation and prescription of any products for which we obtain marketing approval.

We sell to local distributors in the countries where we currently sell the DenerveX System with the exception of Germany, where we sell directly to hospitals and providers.

Intellectual Property

A key element of our success depends on our ability to identify and create proprietary medical device technologies. In order to proactively protect those proprietary technologies, we intend to continue to develop and enforce our intellectual property rights in patents, trademarks and copyrights, as available through registration in the United States and internationally, as well as through the use of trade secrets, domain names and contractual agreements such as confidentiality agreements and proprietary information agreements.

Currently, our intellectual property rights include the intellectual property acquired from Debride, Inc., which includes the U.S. Patent 8,167,879 B2 (the "Patent"). The Patent was originally filed in 2009 and was issued on May 1, 2012. We intend to leverage the Patent to the fullest extent possible through market development and prosecution of our rights under the Patent.

In addition, we have filed 33 additional US and International patents, of which 21 are pending, 8 are pending published, and 4 have been granted. These patents cover a total of 885 claims both in the United States and Internationally.

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file, the patent term is 20 years from the earliest date of filing a non-provisional patent application. In the United States, a patent's term may be shortened if a patent is terminally disclaimed over another patent or as a result of delays in patent prosecution by the patentee, and a patent's term may be lengthened by patent term adjustment, which compensates a patentee for administrative delays by the U.S. Patent and Trademark Office in granting a patent.

We intend to continually re-assess and refine our intellectual property strategy in order to fortify our position in our market space in the United States and internationally. To that end, we are prepared to file additional patent applications should our intellectual property strategy require such filings and/or where we seek to adapt to competition or seize business opportunities.

Many biotechnology companies and academic institutions are competing with us in the medical device field and filing patent applications potentially relevant to our business. Internally, we have established business procedures designed to maintain the confidentiality of our proprietary information, including the use of confidentiality agreements with employees, independent contractors, consultants and companies with which we conduct business. Also, we generally require employees to assign patents and other intellectual property to us as a condition of employment with us.

In order to contend with the possibility of third party intellectual property conflicts, we review and assess the third-party intellectual property landscape for competitive and other developments that may inform or impact our intellectual property development and commercialization strategies. We may find it necessary or prudent to obtain licenses from third party intellectual property holders. Where licenses are readily available at reasonable cost, such licenses are considered a normal cost of doing business. In other instances, however, where a third party holds relevant property and is a direct competitor, a license might not be available on commercially reasonable terms or available at all. We will attempt to manage the risk that such third party intellectual property may pose by conducting, among other measures, freedom-to-operate studies to guide our early-stage research away from areas where we are likely to encounter obstacles in the form of third party intellectual property.

Government Regulations

Government authorities in the United States, at the federal, state and local level, and in other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of products such as those we are developing. Any product that we develop must be approved by the FDA before they may be legally marketed in the United States and by the appropriate foreign regulatory agency before they may be legally marketed in foreign countries.

European Union and Other Country Approvals

The Company received CE marking in June 2017 for the DenerveX System. It can now be sold throughout the European Union and countries that accept CE Mark.

Aside from the European Union, we may seek regulatory approval for commercialization of the DenerveX System from Columbia, Peru, Argentina, Mexico, Turkey, Israel, New Zealand, Australia and other countries. The documentation required to accompany the CE Mark to obtain regulatory approval in the aforementioned countries may include copies of the ISO 13485 certification, the SGS certificate of approval and a statement of Good Manufacturing Practices ("GMP").

FDA Regulation

The DenerveX System and any other product we may develop must be approved or cleared by the FDA before it is marketed in the United States. Before and after approval or clearance in the United States, our products are subject to extensive regulation by the FDA under the Federal Food, Drug, and Cosmetic Act and/or the Public Health Service Act, as well as by other regulatory bodies.

FDA regulations govern, among other things, the development, testing, manufacturing, labeling, safety, storage, record-keeping, market clearance or approval, advertising and promotion, import and export, marketing and sales, and distribution of medical devices and products.

In the United States, the FDA subjects medical products to rigorous review. If we do not comply with applicable requirements, we may be fined, the government may refuse to approve our marketing applications or to allow us to manufacture or market our products, and we may be criminally prosecuted. Failure to comply with the law could result in, among other things, warning letters, civil penalties, delays in approving or refusal to approve a product, product recall, product seizure, interruption of production, operating restrictions, suspension or withdrawal of product approval, injunctions, or criminal prosecution.

FDA Approval or Clearance of Medical Devices

In the United States, medical devices are subject to varying degrees of regulatory control and are classified in one of three classes depending on the extent of controls the FDA determines are necessary to reasonably ensure their safety and efficacy:

- Class I: general controls, such as labeling and adherence to quality system regulations;
- Class II: special controls, pre-market notification (often referred to as a 510(k) application), specific controls such as performance standards, patient registries, post market surveillance, additional controls such as labeling and adherence to quality system regulations; and
- Class III: special controls and approval of a pre-market approval ("PMA") application.

In general, the higher the classification, the greater the time and cost to obtain approval to market. There are no "standardized" requirements for approval, even within each class. For example, the FDA could grant 510(k) status, but require a human clinical trial, a typical requirement of a PMA. They could also initially assign a device Class III status, but end up approving a device as a 510(k) device if certain requirements are met. The range of the number and expense of the various requirements is significant. The quickest and least expensive pathway would be 510(k) clearance with a review of existing data. The longest and most expensive path would be a PMA with extensive randomized human clinical trials. We cannot predict how the FDA will classify the DenerveX device, nor predict what requirements will be placed upon us to obtain market approval or clearance, or even if they will allow marketing of the DenerveX device at all. However, we believe the pathway that will be required by the FDA will be somewhere between the two extremes described above.

We intend to apply to the FDA for 510(k) clearance for our DenerveX device. However, it is very possible the FDA will deny this request and require the more expensive de novo classification process or possibly the PMA process. It is possible that the company may choose to directly pursue the de novo classification process without filing a 510K which could reduce the overall FDA review time. The Company has budgeted based on the assumption that the PMA process will be required.

To request marketing authorization by means of a 510(k) clearance, we must submit a pre-market notification demonstrating that the proposed device is substantially equivalent to another currently legally marketed medical device, has the same intended use, and is as safe and effective as a currently legally marketed device and does not raise different questions of safety and effectiveness than does a currently legally marketed device.

510(k) submissions generally include, among other things, a description of the device and its manufacturing, device labeling, medical devices to which the device is substantially equivalent, safety and biocompatibility information, and the results of performance testing.

In some cases, a 510(k) submission must include data from human clinical studies. We believe that other medical devices which have been approved by the FDA have many aspects that are substantially similar to the DenerveX device, which may make obtaining 510(k) clearance possible. Marketing may commence only when the FDA issues a clearance letter finding substantial equivalence.

After a device receives 510(k) clearance, any product modification that could significantly affect the safety or effectiveness of the product, or that would constitute a significant change in intended use, requires a new 510(k) clearance or, if the device would no longer be substantially equivalent, would require PMA. In addition, any additional claims the Company wished to make at a later date, such as the permanent relief of pain, may require a PMA. If the FDA determines that the product does not qualify for 510(k) clearance, they will issue a Not Substantially Equivalent letter, at which point the Company must submit and the FDA must approve a PMA or a de Novo classification before marketing can begin.

During the review of a 510(k) submission, the FDA may request more information or additional studies and may decide that the indications for which we seek approval or clearance should be limited. In addition, laws and regulations and the interpretation of those laws and regulations by the FDA may change in the future. We cannot foresee what effect, if any, such changes may have on us.

Clinical Trials of Medical Devices

One or more clinical trials may be necessary to support an FDA submission. Clinical studies of unapproved or un-cleared medical devices or devices being studied for uses for which they are not approved or cleared (investigational devices) must be conducted in compliance with FDA requirements. If an investigational device could pose a significant risk to patients, the sponsor company must submit an Investigational Device Exemption, or "IDE" application to the FDA prior to initiation of the clinical study. An IDE application must be supported by appropriate data, such as animal and laboratory test results, showing that it is safe to test the device on humans and that the testing protocol is scientifically sound. The IDE will automatically become effective 30 days after receipt by the FDA unless the FDA notifies the company that the investigation may not begin. Clinical studies of investigational devices may not begin until an institutional review board ("IRB") has approved the study.

During any study, the sponsor must comply with the FDA's IDE requirements. These requirements include investigator selection, trial monitoring, adverse event reporting, and record keeping. The investigators must obtain patient informed consent, rigorously follow the investigational plan and study protocol, control the disposition of investigational devices, and comply with reporting and record keeping requirements. We, the FDA, or the IRB at each institution at which a clinical trial is being conducted, may suspend a clinical trial at any time for various reasons, including a belief that the subjects are being exposed to an unacceptable risk. During the approval or clearance process, the FDA typically inspects the records relating to the conduct of one or more investigational sites participating in the study supporting the application.

Post-Approval Regulation of Medical Devices

After a device is cleared or approved for marketing, numerous and pervasive regulatory requirements continue to apply. These include:

- the FDA Quality Systems Regulation ("QSR"), which governs, among other things, how manufacturers design, test, manufacture, exercise quality control over, and document manufacturing of their products;
- labeling and claims regulations, which prohibit the promotion of products for unapproved or "off-label" uses and impose other restrictions on labeling; and
- the Medical Device Reporting regulation, which requires reporting to the FDA of certain adverse experiences associated with use of the product.

We will continue to be subject to inspection by the FDA to determine our compliance with regulatory requirements.

Manufacturing cGMP Requirements

Manufacturers of medical devices are required to comply with FDA manufacturing requirements contained in the FDA's current Good Manufacturing Practices ("cGMP") set forth in the quality system regulations promulgated under section 520 of the Food, Drug and Cosmetic Act. cGMP regulations require, among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation. Failure to comply with statutory and regulatory requirements subjects a manufacturer to possible legal or regulatory action, including the seizure or recall of products, injunctions, consent decrees placing significant restrictions on or suspending manufacturing operations, and civil and criminal penalties. Adverse experiences with the product must be reported to the FDA and could result in the imposition of marketing restrictions through labeling changes or in product withdrawal. Product approvals may be withdrawn if compliance with regulatory requirements is not maintained or if problems concerning safety or efficacy of the product occur following the approval.

International Regulation

We are subject to regulations and product registration requirements in many foreign countries in which we may seek to sell our products, including in the areas of product standards, packaging requirements, labeling requirements, import and export restrictions and tariff regulations, duties and tax requirements. The time required to obtain clearance required by foreign countries may be longer or shorter than that required for FDA clearance, and requirements for licensing a product in a foreign country may differ significantly from FDA requirements.

European Good Manufacturing Practices

In the European Union, the manufacture of medical devices is subject to good manufacturing practice ("GMP"), as set forth in the relevant laws and guidelines of the European Union and its member states. Compliance with GMP is generally assessed by the competent regulatory authorities. Typically, quality system evaluation is performed by a Notified Body, which also recommends to the relevant competent authority for the European Community CE Marking of a device. The Competent Authority may conduct inspections of relevant facilities, and review manufacturing procedures, operating systems and personnel qualifications. In addition to obtaining approval for each product, in many cases each device manufacturing facility must be audited on a periodic basis by the Notified Body. Further inspections may occur over the life of the product.

Our third-party manufacturers have ISO certification which is generally one of the requirements for approval under the guidelines established in the European Union.

United States Anti-Kickback and False Claims Laws

In the United States, there are Federal and state anti-kickback laws that prohibit the payment or receipt of kickbacks, bribes or other remuneration intended to induce the purchase or recommendation of healthcare products and services. Violations of these laws can lead to civil and criminal penalties, including exclusion from participation in Federal healthcare programs. These laws are potentially applicable to manufacturers of products regulated by the FDA as medical devices, and hospitals, physicians and other potential purchasers of such products. Other provisions of Federal and state laws provide civil and criminal penalties for presenting, or causing to be presented, to third-party payers for reimbursement, claims that are false or fraudulent, or which are for items or services that were not provided as claimed. In addition, certain states have implemented regulations requiring medical device and pharmaceutical companies to report all gifts and payments of over $50 to medical practitioners. This does not apply to instances involving clinical trials.

Although we intend to structure our future business relationships with clinical investigators and purchasers of our products to comply with these and other applicable laws, it is possible that some of our business practices in the future could be subject to scrutiny and challenge by Federal or state enforcement officials under these laws.

Research, Product Development and Technical Operations Expense

Research and development costs and expenses consist primarily of fees paid to external service providers, laboratory testing, supplies, costs for facilities and equipment, and other costs for research and development activities. Research and development expenses are recorded in operating expenses in the period in which they are incurred. Estimates have been used in determining the expense liability of certain costs where services have been performed but not yet invoiced.

We monitor levels of performance under each significant contract for external service providers for activities through communications with the service providers to reflect the actual amount expended.

Employees

As of December 31, 2017, we had 13 total employees, 12 of which were full-time employees. None of our employees are represented by a union and we believe our employee relations to be good.

Available Information

Our website, *www.MedoveX.com,* provides access, without charge, to our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments to those reports as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission ("SEC"). The information provided on our website is not part of this report and is therefore not incorporated by reference unless such information is otherwise specifically referenced elsewhere in this report.

Materials filed by the Company with the SEC may be read and copied at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website at *www.sec.gov* that contains reports, proxy and information statements, and other information regarding our company that we file electronically with the SEC.

ITEM 1A. RISK FACTORS

Not applicable to smaller reporting companies.

ITEM 1B. UNRESOLVED STAFF COMMENTS

Not applicable to smaller reporting companies.

ITEM 2. PROPERTIES

The Company pays TAG Aviation, a company owned by CEO Jarrett Gorlin, for executive office space in Atlanta, GA at a rate of $2,147 per month plus related utilities. The rental rate is 90% of the amount billed to TAG Aviation by the owner of the property.

The Company has a commercial building lease agreement with Sugar Oak Kimball Royal, LLC. The thirty-six month lease, having commenced on August 1, 2015, provides for the lease by the Company of approximately 2,358 square feet of space in Alpharetta, GA. Base annual rent is initially set at approximately $2,750 per month.

We believe our existing facilities are suitable for Company operations.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

Our common stock was approved for quotation on the OTCQB exchange on November 16th, 2017, following the delisting from the Nasdaq Capital Market on November 15th, 2017. The following table sets forth the range of high and low sales prices of the common stock for each period indicated:

Market and Market Prices of Common Stock (per common share)

	2017	
By Quarter	**High**	**Low**
First	$ 1.58	$ 1.04
Second	1.48	0.84
Third	1.26	0.84
Fourth	1.19	0.47

	2016	
By Quarter	**High**	**Low**
First	$ 1.51	$ 0.85
Second	2.25	1.01
Third	1.70	1.25
Fourth	1.73	1.33

On March 26, 2018, the price per share of the Company's common stock had a high of $0.53 per share, and a low of $0.53 per share. The Company had approximately 178 holders of record of common stock as of March 26, 2018.

Dividends

We have not declared or paid any cash dividends on our common stock and presently intend to retain our future earnings, if any, to fund the development and growth of our business and, therefore, do not anticipate paying any cash dividends in the foreseeable future.

Securities Authorized for Issuance under Equity Compensation Plans

As of December 31, 2017, we have granted an aggregate of 1,314,059 options to purchase common stock under the Plan at a weighted average price of $1.51 per share to certain employees, consultants and our outside directors.

Recent Sales of Unregistered Securities; Uses of Proceeds from Registered Securities

On February 9, 2017, we conducted a private placement offering to selected accredited investors of units of our securities (each, a "Unit" and collectively, the "Units"). Each Unit had a purchase price of $100,000 and consisted of (i) 96,154 shares of the Company's common stock, par value $0.001 per share, at a purchase price of $1.04 per share, and (ii) a warrant to purchase 48,077 shares of common stock. Each warrant is exercisable for a period of five (5) years from the date of issuance at an exercise price of $1.50 per share, subject to adjustment. At the closing, we issued an aggregate of 3,071,634 shares of our common stock, 9,399 shares of our Series A Preferred Stock and warrants to purchase up to 2,005,769 shares for total gross proceeds of $3,022,000. In addition, we converted an additional $1,150,000 of debt into our securities on the same terms as the offering. In connection with the closing of the offering, we issued to Laidlaw & Company (UK) Ltd., who acted as placement agent of the offering, five-year warrants to purchase up to 405,577 shares of our common stock at an exercise price of $1.50 per share. The forgoing securities were issued in reliance upon the exception from registration pursuant to Section 4(a)(2) under the Securities Act, as amended, and Regulation D promulgated thereunder.

On July 14, 2017, we entered into a securities purchase agreement with selected accredited investors Pursuant to the terms of the securities purchase agreement, we sold an aggregate of 2,956,043 shares of common stock and warrants to purchase up to 1,478,022 shares of our common stock for total gross proceeds of $2,690,686. The warrants are exercisable for a period of five (5) years commencing on the six (6) month anniversary from the date of issuance at an exercise price of $1.15 per share. The warrants are exercisable on a cashless basis in the event that the underlying shares are not subject to an effective registration statement.

On February 26, 2018, we entered into a securities purchase agreement with selected accredited investors. Pursuant to the terms of the securities purchase agreement, we sold an aggregate of 770,000 shares of our common stock and warrants to purchase up to 385,000 shares of our common stock for total gross proceeds of $308,000. The warrants are exercisable for a period of five (5) years beginning on the six (6) month anniversary from the date of issuance at an exercise price of $0.75 per share. The warrants are exercisable on a cashless basis in the event that the underlying shares are not subject to an effective registration statement.

In the July 2017 offering and the February 2018 offering, the shares offered were registered in the Company's registration statement on Form S-3 (Reg. NO.217411) and the Warrants were issued in reliance upon the exemption from registration pursuant to Section 4(a)(2) under the Securities Act, as amended, and Regulation D, promulgated thereunder.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

ITEM 6. SELECTED FINANCIAL DATA

Not required for smaller reporting company.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Overview

MedoveX Corp. (the "Company" or "MedoveX"), was incorporated in Nevada on July 30, 2013 as SpineZ Corp. ("SpineZ") and changed its name to MedoveX Corp. on March 20, 2014. MedoveX is the parent company of Debride Inc. ("Debride"), which was incorporated under the laws of the State of Florida on October 1, 2012. The Company is in the business of designing and marketing proprietary medical devices for commercial use in the United States and Europe. The Company received CE marking in June 2017 for the DenerveX System and it is now commercially available throughout the European Union and several other countries that accept CE marking. The Company's first sale of the DenerveX System occurred in July 2017. The Company plans to seek approval for the DenerveX System from the Food & Drug Administration ("FDA") in the United States.

The DenerveX System

Our first acquisition was the DenerveX device. We believe that the DenerveX device can be used to encompass several medical applications, including pain relief.

The Company acquired the DenerveX patent on January 31, 2013 from Scott Haufe, M.D. ("Dr. Haufe"), a director of the Company, in exchange for 750,108 shares of common stock in the Company and a 1% royalty on all sales of any product sold based on the patent. In September 2013, we entered into a Co-Development Agreement with James Andrews, M.D. ("Dr. Andrews"), a director of the Company, whereby Dr. Andrews committed to further evaluate the DenerveX device and to seek to make modifications and improvements to such technology. In exchange for such services, the Company agreed to pay Dr. Andrews a royalty equal to two (2%) percent of the DenerveX net sales during the five (5) year term of the Co-Development Agreement. Upon the termination of the term of the Co-Development Agreement, which has a minimum term of five (5) years, then the royalty payable to Dr. Andrews shall be reduced to one (1%) percent of DenerveX net sales after such termination of products covered by any U.S. patent on which Dr. Andrews is listed as a co-inventor; if any such patents are obtained. Such one (1%) percent royalty shall continue during the effectiveness of such patent. Pursuant to the Co-Development Agreement, Dr. Andrews agreed to assign any modifications or improvements to the DenerveX to the Company subject to the royalty rights described above.

We are marketing the product as a disposable, single-use kit which includes all components of the DenerveX device product. In addition to the DenerveX device itself, we have developed a dedicated Electro Surgical Generator, the DenerveX Pro-40, to power the DenerveX device.

The generator is provided to customers agreeing to purchase the DenerveX device and cannot be used for any other purpose.

We accepted a proposal from Devicix, a Minneapolis, Minnesota third party design and development firm, in November 2013, to develop a prototype device. This proposal included a 5-phase development plan, culminating in the production ready prototype that could be used for validation purposes. We have recently completed the final stages of the build and test phase of the device, culminating in receiving CE marking to market the product in Europe. The DenerveX Kit and Pro-40 generator is now in commercial production.

We anticipate very minimal, if any, additional build and test related expenses, which consists of product design verification activities, in the future as we launch the DenerveX System in Europe. Through December 31, 2017, we have paid approximately $1,849,000 to Devicix.

In November 2014, we selected Nortech Systems Inc. ("Nortech"), a Minneapolis, Minnesota based FDA registered contract manufacturer, to produce test DenerveX devices from the prototype supplied by Devicix for use in final development and non-clinical testing. The agreement with Nortech includes agreed upon per unit prices for delivery of the devices. Actual work on development of the final units began in November 2014. Through December 31, 2017, we have paid approximately $890,000 to Nortech. We are now in commercial production.

Also in November 2014, we engaged Bovie Medical Corporation ("Bovie"), a Delaware Corporation, to develop the Electro Surgical Generator and provide post production support services. Per our agreement with Bovie, we are invoiced based on deliverables produced by Bovie, which was originally supposed to amount to $295,000 upon completion of all the deliverables. Through December 31, 2017, we have paid approximately $422,000 to Bovie for production services. The original $295,000 agreement was a base number along the pathway of development. Additional requirements were incurred as the research and development process progressed and as a result certain prices increased and additional costs were incurred to further customize the DenerveX System. We are also in commercial production of the generator.

The Company has completed the final stages of the development and verification of the DenerveX Device and the DenerveX Pro-40 power generator as a system, and the DenerveX System is presently being manufactured and sold.

Regulatory Approval

The Company received CE marking in June 2017 for the DenerveX System. It can now be sold throughout the European Union and countries that accept CE Mark. In the future, the Company will seek marketing clearance from the FDA for commercialization of the DenerveX System in the US.

Aside from the European Union, we may seek regulatory approval for commercialization of the DenerveX System from Columbia, Peru, Argentina, Mexico, Turkey, Israel, New Zealand, Australia and other countries. The documentation required to accompany the CE Mark to obtain regulatory approval in the aforementioned countries may include copies of the ISO 13485 certification, the SGS certificate of approval and a statement of Good Manufacturing Practices ("GMP").

Streamline, Inc. Divestiture

In May 2016, the Board of Directors authorized management to seek buyers for Streamline, Inc., ("Streamline"), the Company's wholly owned subsidiary acquired in March 2015. The Company sold all Streamline related assets on December 7, 2016 (the "Closing").

This transaction provided funds needed to complete the development and launch of the Company's primary product, the DenerveX System, and the decision to sell the Streamline assets helped raise part of the necessary funds required for continuing operations of the Company in a non-dilutive manner to existing shareholders.

The transaction resulted in the immediate receipt of $500,000 in cash, and a $150,000 note receivable to the Company due on or before January 1, 2018. The Company subsequently received the $150,000 per the terms of the asset purchase agreement on January 2, 2018.

The terms of the agreement also required that for each of the calendar years ending December 31, 2018 and December 31, 2019 (each such calendar year, a "Contingent Period"), a contingent payment in cash (each, a "Contingent Payment") equal to five percent (5%) of the total net sales received by the acquiring party from the sale of "IV suspension system" products in excess of 100 units during each Contingent Period. Each such Contingent Payment is payable to the Company by the acquiring party by no later than March 31st of the subsequent year; provided, however, that the total aggregate amount of all Contingent Payments owed by the acquiring party to the Company for all Contingent Periods will not exceed $850,000.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which we have prepared in accordance with United States generally accepted accounting principles. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting periods.

On an ongoing basis, we evaluate our estimates and judgments, including those described in greater detail below.

We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are described in more detail in the notes to our consolidated financial statements included elsewhere in this report, we believe that the following accounting policies are the most critical to aid you in fully understanding and evaluating our financial condition and results of operations.

Fair Value Measurements

We measure certain non-financial assets at fair value on a non-recurring basis. These non-recurring valuations include evaluating assets such as long-lived assets and non-amortizing intangible assets for impairment; allocating value to assets in an acquired asset group; and applying accounting for business combinations.

We use the fair value measurement framework to value these assets and report the fair values in the periods in which they are recorded or written down.

The fair value measurement framework includes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair values in their broad levels. These levels from highest to lowest priority are as follows:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2: Quoted prices in active markets for similar assets or liabilities or observable prices that are based on inputs not quoted on active markets, but corroborated by market data; and
- Level 3: Unobservable inputs or valuation techniques that are used when little or no market data is available.

The determination of fair value and the assessment of a measurement's placement within the hierarchy requires judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various cost, market, or income valuation methodologies applied to unobservable management estimates and assumptions. Management's assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include: estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. We may also engage external advisors to assist us in determining fair value, as appropriate.

Although we believe that the recorded fair value of our financial instruments is appropriate at December 31, 2017, these fair values may not be indicative of net realizable value or reflective of future fair values.

Goodwill and Impairment of Long-Lived Assets

Goodwill is the excess of the purchase price over the fair value of net assets of acquired businesses. Goodwill is tested for impairment annually or whenever an event occurs or circumstances change that would indicate that the carrying amount may be impaired. The test for impairment requires us to make several estimates about fair value. Our estimates associated with the goodwill impairment test are considered critical due to the amount of goodwill recorded on our consolidated balance sheets and the judgment required in determining fair value.

Other intangible assets include trademarks and purchased technology. Intangible assets with a definite life are amortized on a straight-line basis, as appropriate, with estimated useful lives ranging from five to seven years, and are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable.

Definite-lived intangible assets are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable.

Income Taxes

The Company uses the liability method of accounting for income taxes, which requires recognition of temporary differences between financial statement and income tax bases of assets and liabilities, measured by enacted tax rates. A valuation allowance is recorded to reduce deferred tax assets when necessary.

We file income tax returns in the U.S. federal jurisdiction and certain state jurisdictions. The tax years that could be subject to audit are 2014, 2015 and 2016.

Revenue Recognition and Sales Returns, Discounts and Allowances

We recognize revenue in accordance with generally accepted accounting principles as outlined in the Financial Accounting Standard Board's ("FASB") Accounting Standards Codification ("ASC") 606, Revenue From Contracts with Customers, which the Company elected to early adopt. ASC 606 requires that five basic criteria be met before revenue can be recognized: (i) identify the contract with the customer; (ii) identity the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price; and (v) recognize revenue when or as the entity satisfied a performance obligation.

The Company sells the DenerveX System through a combination of direct sales and independent distributors in international markets. The Company recognizes revenue when title to the goods and risk of loss transfers to customers, provided there are no material remaining performance obligations required of the Company or any matters of customer acceptance. We only record revenue when collectability is reasonably assured.

Revenue recognition occurs at the time product is shipped to customers from the third-party distribution warehouse located in Berlin, Germany. Our stocking distributors, who sell the products to their customers or sub-distributors, contractually take title to the products and assume all risks of ownership at the time of shipment. Our stocking distributors are obligated to pay us the contractually agreed upon invoice price within specified terms regardless of when, if ever, they sell the products.

Our direct customers do not have any contractual rights of return or exchange other than for defective product. A portion of the Company's revenue is generated from inventory maintained at hospitals or physician's offices.

The Company records estimated sales returns, discounts and allowances as a reduction of net sales in the same period revenue is recognized. The company does not have any estimated sales returns or allowances as of December 31, 2017. The Company recorded $52 in sales discounts at December 31, 2017.

Translation of Foreign Currencies

The Company's revenues and expenses transacted in foreign currencies are translated as they occur at exchange rates in effect at the time of each transaction. Realized gains and losses on foreign currency transactions are recorded as a component of other income or expense, net on the Company's consolidated statements of operations. As the Company commenced sales of the DenerveX System in July 2017, the Company recorded an immaterial amount in foreign currency exchange for the year ended December 31, 2017.

Assets and liabilities of the Company denominated in foreign currencies are translated at the exchange rate in effect as of the balance sheet date and are recorded as a separate component of accumulated other comprehensive income or loss in the shareholders' equity section of the Company's consolidated balance sheet. As of December 31, 2017, the Company recorded an immaterial amount in unrealized foreign currency translation, As such, we did not present this as a separate component of accumulated other comprehensive income in the shareholders' equity section of the Company's consolidated balance sheet.

Stock-Based Compensation

A summary of significant assumptions used to estimate the fair value of the equity awards granted in 2017 and 2016 follows:

Stock-based compensation expense for the years ended December 31, 2017 and 2016 includes both common stock and stock options granted to certain employees, consultants, and directors and has been recorded as general and administrative expenses. We follow the provisions of the ASC Topic 718, *Compensation- Stock Compensation* which requires the measurement and recognition of compensation expense for all stock-based payment awards made to employees and non-employee directors, including employee stock options.

Stock compensation expense based on the fair value on the grant date estimated in accordance with the provisions of ASC 718 is generally recognized as an expense over the requisite service period.

The stock grant prices and the option prices were set at the estimated fair value of the common stock on the date of grant using the market approach. Under the market approach, the fair value of the common stock was determined to be the value of the stock on the date of the grant.

We utilize the Black-Scholes valuation method to recognize compensation expense over the vesting period for stock options. The expected life represents the period that our stock option-based compensation awards are expected to be outstanding.

We use a simplified method provided in Securities and Exchange Commission release, *Staff Accounting Bulletin No. 110,* which averages an award's weighted average vesting period and contractual term for "plain vanilla" share options. The expected volatility was estimated by analyzing the historic volatility of similar public biotech companies.

The Company uses, and will continue to use in the future, the historic volatility of similar biotech companies until we have either a sufficient amount of historical information regarding the volatility of our own share price or other traded financial instruments are available to derive an implied volatility to support an estimate of expected volatility. No dividend payouts were assumed as we have not historically paid, and do not anticipate paying, dividends in the foreseeable future.

The risk-free rate of return reflects the weighted average interest rate offered for US treasury rates over the expected term of the options.

The significant assumptions used to estimate the fair value of the stock option-based equity awards granted in 2017 are;

Grant date	February 3	March 28
Fair value of options granted	$ 0.5775	$ 0.6856
Expected term (years)	6	6
Risk-free interest rate	2.10%	2.11%
Volatility	52.31%	51.86%
Dividend yield	None	None

During 2017, the Company granted options to purchase 189,159 shares of common stock, and 465,389 shares of common stock were granted. Total equity awards granted in 2017 was 654,548.

RESULTS OF OPERATIONS

Overview

We started operations late in 2013. We anticipate that our quarterly and annual results of operations will be impacted for the foreseeable future by several factors, including the ramp-up in sales of our prototype product in Europe, approval of the product by the Food & Drug Administration ("FDA") in the United States, and the rate of adoption of our product by medical professionals. The Company received CE marking in June 2017 for the DenerveX System and it is now commercially available throughout the European Union and several other countries that accept CE marking. The Company's first sale of the DenerveX System occurred in July 2017. On December 7, 2016, we sold Streamline after the Board authorized management to find a buyer in May 2016. Due to these factors, we believe that period to period comparisons of our results of operations are not a good indication of our future performance.

The following table sets forth our results of operation for the years ended December 31, 2017 and 2016:

	2017	2016
Revenues	$ 207,396	$ —
Less: Discounts Allowed	(52)	—
Cost of Goods Sold	(162,837)	—
Gross Profit	44,507	—
Operating Expenses:		
General and administrative	4,721,893	4,872,626
Sales and marketing	865,377	391,698
Research and development	491,076	1,126,535
Depreciation and amortization	27,100	11,267
Impairment of goodwill	—	6,455,645
Total operating expenses	6,105,446	12,857,771
Operating Loss	(6,060,939)	(12,857,771)
Other Income	957	—
Other Expenses:		
Interest expense	395,332	455,304
Total Other Expenses	395,332	455,304
Loss from Continuing Operations	(6,455,314)	(13,313,075)
Discontinued Operations		
Loss from discontinued operations	1,163	477,497
Impairment loss	—	1,584,048
Disposal loss	—	852,864
Total Loss from Discontinued Operations	(1,163)	(2,914,409)
Net Loss	$ (6,456,477)	$ (16,227,484)

Revenue; Cost of Revenue and Gross Profit

The Company's first sale of the DenerveX System occurred in July 2017. The Company recorded revenue for the year ended December 31, 2017 of $207,396.

The Company sells the DenerveX System through a combination of direct sales and independent distributors in international markets. The Company recognizes revenue at the time product is shipped to customers from the third-party distribution warehouse in Berlin, Germany. We believe this action satisfies the performance obligation as outlined in new revenue recognition standards.

The DenerveX Device is manufactured by Nortech in Minneapolis, MN and subsequently shipped to the third-party warehouse in packages of five units per one package. Our independent distributors then order the DenerveX Devices as single units at specified prices as outlined in their distribution agreements. The international distribution agreements also specify the pricing for which the independent distributor is to sell the DenerveX Device to their end-user customers.

The Pro-40 Generator is manufactured in Bulgaria and shipped to the third-party warehouse as single units. The generators are typically provided for use to customers at no cost, however, demo units can be purchased by customers for which the Company records revenue.

Our independent distribution customers place initial purchase orders for minimum stocking quantities of both the DenerveX Devices and Pro-40 Generators as agreed upon per their signed international distribution agreements. Subsequent stocking orders are required to be placed initially at specified dates and quantities based upon projected end-user sales volumes. Stocking orders thereafter are required to be placed quarterly based off actual end-user sales volumes.

Cost of sales as a percentage of revenue was approximately 79% resulting in a gross profit margin of approximately 21%.

Operating Expenses

We classify our operating expenses into four categories: research & development, sales & marketing, general & administrative expense and depreciation and amortization expense.

Research and Development Costs and Expenses

Research and development costs and expenses consist primarily of fees paid to external service providers, laboratory supplies, costs for facilities and equipment, and other costs for research and development activities.

Research and development expenses are recorded in operating expenses in the period in which they are incurred. Estimates have been used in determining the liability of certain costs where services have been performed but not yet invoiced.

We monitor levels of performance under each significant contract for external service providers, including the extent of patient enrollment and other activities through communications with the service providers to reflect the actual amount expended.

Advertising

During 2017, the Company incurred approximately $332,000 in advertising expenses compared to approximately $224,000 in 2016. Advertising expenses consists primarily of fees paid to vendors for tradeshows and consultants in correlation with the launch of the DenerveX in Europe.

General and Administrative Expenses

During 2017, the Company incurred approximately $1,850,000 in personnel costs, compared to approximately $1,780,000 in 2016. Professional fees were approximately $1,651,000 in 2017 and $1,453,000 in 2016 which consisted primarily of professional costs related to the development of the DenerveX System. Travel expenses were approximately $299,000 during 2017 and $226,000 in 2016.

We anticipate that our general and administrative expenses will continue at a comparable rate in the future to support clinical trials, commercialization of our product candidate and continued costs of operating as a public company.

Depreciation & Amortization

Depreciation and amortization expense are recorded in the period in which they are incurred. During 2017, the Company recognized approximately $27,100 in depreciation expense, compared to approximately $11,300 in 2016.

No amortization expense was recognized during 2017. During 2016, the Company recognized approximately $190,000 in amortization expense from amortizing the intangible assets acquired in the Streamline acquisition prior to Streamline being classified as held for Sale in May 2016 when the recognition of amortization expense ceased. Amortization expense is included in the total loss from discontinued operations at December 31, 2016.

Liquidity and Capital Resources

Since our inception, we have incurred losses and anticipate that we will continue to incur losses in the foreseeable future.

While we expect our research and development costs for the DenerveX System to diminish, we also anticipate increased expenditures for clinical trials to obtain FDA approval of the DenerveX System as well as expenses related to the commercial launch of the DenerveX system. We will need additional cash to fully fund these activities.

Our independent registered public accounting firm has included an explanatory paragraph with respect to our ability to continue as a going concern in its report on our consolidated financial statements as of and for the years ended December 31, 2017 and 2016.

The presence of the going concern explanatory paragraph suggests that we may not have sufficient liquidity or minimum cash levels to operate the business.

Sources of Liquidity

Equity

On February 9, 2017, the Company entered into a Unit Purchase Agreement with selected accredited investors whereby the Company had the right to sell in a private placement a minimum of $3,000,000 and up to a maximum of $5,000,000 of Units. Each Unit had a purchase price of $100,000 and consisted of (i) 96,154 shares of the Company's common stock, par value $0.001 per share at a purchase price of $1.04 per share, and (ii) a warrant to purchase 48,077 shares of common stock. Each warrant has an initial exercise price of $1.50 per share and is exercisable for a period of five (5) years from the date of issuance. Investors had the option to request shares of the Company's Series A Convertible Preferred Stock (the "Series A Preferred Stock") in lieu of common stock, on a basis of one share of preferred stock for every one hundred shares of common stock.

The offering resulted in gross proceeds of $3,022,000 and resulted in the issuance of an aggregate of 1,631,730 shares of common stock, 12,740 shares of Series A Preferred Stock and warrants to purchase 2,005,761 shares of common stock. The placement agent collected an aggregate of approximately $350,000 in total fees related to the offering and warrants to purchase an aggregate of 405,577 shares of common stock at a price of $1.50 per share.

Each share of Series A Preferred Stock may be converted into shares of fully paid and non-assessable shares of common stock at a rate of one hundred shares of the Company's common stock for every share of Series A Preferred Stock.

On July 14, 2017, the Company entered into a Securities Purchase Agreement with selected accredited investors whereby the Company sold an aggregate of 2,956,043 shares of common stock and 1,478,022 warrants to purchase common stock. The Offering resulted in $2,690,686 in gross proceeds to the Company. The placement agent collected $188,000 in total fees related to the offering. The common stock shares were sold at $0.91 per share which was the closing price of the Company's common stock on July 13, 2017, the day prior to the agreement. Each warrant has an exercise price of $1.15 and is exercisable for a period of five years commencing six months from the date of issuance.

Debt

On February 9, 2017, the Company's $1,150,000 short-term note payable was converted into an aggregate of 165,865 shares of common stock and 9,399 shares of Series A Preferred Stock, eliminating the Company's debt obligation. The debt was converted into shares at $1.04 per share. The share price of which the debt was converted was the offering price of the Company's stock in the February private placement. Each share of Series A Preferred Stock may be converted into shares of fully paid and non-assessable shares of common stock at a rate of one hundred shares of the Company's common stock for every share of Series A Preferred Stock.

As consideration for converting the debt, the noteholders' agreed to receive common stock in lieu of the 200,000 warrants to purchase common stock that were issued in conjunction with the short-term loan.

As a result, the 200,000 warrants associated with the related debt as noted above were cancelled, and the Company issued an aggregate of 200,000 shares of common stock to the noteholders'. The closing price of the Company's stock on February 9, 2017, the day the shares were issued, was $1.04 per share. The fair value of the common stock issued was approximately $208,000.

The Company is exploring other fundraising options presently, however, since we believe that the likelihood of obtaining traditional debt financing at our stage of development is low, our source of funds in the foreseeable future will likely be from the sale of capital stock or a type of structured capital arrangement involving either equity or a combination of debt with an equity component.

Cash Flows

Net cash used in operating activities was approximately $5,590,000 during the year ended December 31, 2017, compared to approximately $5,427,000 in 2016. Net cash used in investing activities was approximately $17,000 during the year ended December 31, 2017, compared to net cash provided by investing activities of approximately $415,000 during the year ended December 31, 2016. Net cash provided by financing activities was approximately $4,959,000 during the year ended December 31, 2017, compared to approximately $4,335,000 in 2016.

The Company had approximately $245,000 and $893,000 of cash on hand at December 31, 2017 and 2016, respectively.

Results of Continued Operations

Year Ended December 31, 2017 Compared to the Year Ended December 31, 2016

The Company's first sale of the DenerveX System occurred in July 2017. The Company recorded $207,396 and $162,837, respectively, in revenue and cost of goods sold for the year ended December 31, 2017. The Company did not record any revenue for the year ended December 31, 2016.

Total operating expenses decreased approximately $6,753,000, or 52%, to approximately $6,105,000 for the year ended December 31, 2017, as compared to approximately $12,858,000 for the year ended December 31, 2016.

Prior year comparison of the results of operating expenses are not a good comparison to current year as the results of continuing operations for the prior year ended December 31, 2016 includes a write down of $6,455,645 in goodwill recorded in connection with the disposal of Streamline Inc. in December 2016.

Excluding impairment charges, total operating expenses incurred during 2017 were more comparable to the total operating expenses incurred during 2016. Total operating expenses decreased approximately $277,000, or 4%, to approximately $6,105,000 for the year ended December 31, 2017, as compared to approximately $6,402,000 for the year ended December 31, 2016.

Results of Discontinued Operations

Streamline's results of operations have been classified as discontinued operations for all periods presented. Our discontinued operations generated net losses of approximately $1,000 and $2,914,000 for the years ended December 31, 2017 and 2016, respectively.

Funding Requirements

We anticipate our cash expenditures will remain consistent as diminishing research and development costs will be offset by the cost of clinical trials to obtain FDA approval and moving forward with the recent commercialization of the DenerveX System. We expect future cash flow expenditures to increase if the FDA requires a de novo regulatory path, instead of a 510(k) approval. We also continue to incur similar costs as we continue to operate as a publicly traded entity.

To the extent our available cash is insufficient to satisfy our long-term operating requirements, we will need to seek additional sources of funds from the sale of equity or debt securities or through a credit facility, or we will need to modify our current business plan. There can be no assurances that we will be able to obtain additional financing on commercially reasonable terms, if at all.

The sale of additional equity or convertible debt securities would likely result in dilution to our current stockholders.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements as defined in Regulation S-K Item 303(a)(4) during the periods presented, investments in special-purpose entities or undisclosed borrowings or debt. Additionally, we are not a party to any derivative contracts or synthetic leases.

Contractual Obligations and Commercial Commitments

The Company has long term contractual obligations for the two promissory notes issued to the Bank of North Dakota New Venture Capital Program and North Dakota Development Fund. Both notes were assumed in conjunction with the consummation of the Streamline acquisition on March 25, 2015 and require combined monthly payments of $5,661 through August 2019.

The Company rents commercial office space in Alpharetta, GA. Base annual rent was initially set at $2,750 per month and the lease term ends July 31, 2018.

The Company also currently reimburses its CEO, Jarrett Gorlin, for the lease of executive office space at a cost of $2,147 per month, which it believes is at fair market value.

The Company has consulting agreements with three sales, marketing, and distribution consultants in Europe who provide consulting services for aggregate compensation amounting to approximately €27,500 (approximately $33,000) per month. The consulting agreements, while subject to modifications, commenced at separate dates and will also terminate at separate dates through April 30, 2019.

The Company has a non-exclusive distribution center agreement through June 2019 with a logistics service provider in Berlin, Germany, pursuant to which they manage and coordinate the DenerveX System products which the Company exports to the EU. The Company pays a fixed monthly fee of €2,900 (approximately $3,500) for all accounting, customs declarations and office support, and a variable monthly fee ranging from €1,900 to €6,900 (approximately $2,300 to $8,300), based off volume of shipments, for logistics, warehousing and customer support services.

Nasdaq Delisting

As a result of the Company's ongoing non-compliance with Nasdaq's minimum stockholders' equity requirement, on November 14, 2017, the Company received notification from Nasdaq that the listing qualification department had determined to delist the Company's shares from the Nasdaq Stock Market. As reported in the Form 8-K dated November 14, 2017, Nasdaq completed the delisting and the Company's shares were suspended from trading on the Nasdaq Stock Market on November 16, 2017. The Company did not appeal the Panel's decision and is now listed with OTC Markets Inc., currently trading on the OTCQB exchange.

Changes in Board of Directors and Certain Officers

On August 16, 2017 the Company received a resignation letter from Mr. Steve Gorlin from his position as a director and Co-Chairman of the Board of Directors of the Company. There were no disagreements between Mr. Gorlin and the Company.

On August 16, 2017, the Board appointed Mr. Jesse Crowne to fill Mr. Gorlin's vacancy and to serve as a director and Co-Chairman of the Company's Board of Directors.

On August 16, 2017, Jeffery Wright resigned from his position as Chief Financial Officer of the Company. The resignation is not in connection with any known disagreement with the Company on any matter relating to the Company's operations, policies or practices. Mr. Wright remains with the Company as its Controller which is deemed to be an executive officer position.

On August 16, 2017, the Board appointed Charles Farrahar to serve as the Company's Chief Financial Officer.

On February 2, 2018, the Company received a resignation letter from Mr. Patrick Kullmann from his position as Chief Operating Officer of the Company. There were no disagreements between Mr. Kullmann and the Company. Mr. Kullmann will continue to work with the Company in an advisory capacity through July 31, 2018.

Indemnification

We have agreements whereby we indemnify our officers and directors for certain events or occurrences while the officer or director is or was serving, at our request, in such capacity, to the maximum extent permitted under the laws of the State of Nevada.

The maximum potential amount of future payments we could be required to make under these indemnification agreements is unlimited. However, we maintain directors and officers insurance coverage that may contribute, up to certain limits, a portion of any future amounts paid for indemnification of directors and officers. We believe the estimated fair value of these indemnification agreements in excess of applicable insurance coverage is minimal. Historically, we have not incurred any losses or recorded any liabilities related to performance under these types of indemnities.

Additionally, in the normal course of business, we have made certain guarantees, indemnities and commitments under which we may be required to make payments in relation to certain transactions. These indemnities include intellectual property and other indemnities to our customers and distribution network partners in connection with the sales of our products, and indemnities to various lessors in connection with facility leases for certain claims arising from such facility or lease.

It is not possible to determine the maximum potential loss under these guarantees, indemnities and commitment due to our limited history of prior indemnification claims and the unique facts and circumstances involved in each particular provision.

Recently Adopted Accounting Standards

In May 2014, the FASB issued ASU 2014-09, “Revenue Recognition - Revenue from Contracts with Customers” (ASU 2014-09) that requires companies to recognize revenue when a customer obtains control rather than when companies have transferred substantially all risks and rewards of a good or service. This update is effective for annual reporting periods beginning on or after December 15, 2017 and interim periods therein and requires expanded disclosures. The Company adopted the amendments of ASU 2014-09 effective quarter ended September 30, 2017. The adoption of this standard did not have a material impact on our consolidated financial statements.

In July 2015, the FASB issued ASU 2015-11, “Inventory (Topic 330),” which requires inventory measured using any method other than last-in, first-out or the retail inventory method to be subsequently measured at the lower of cost or net realizable value, rather than the lower of cost or market. ASU No. 2015-11 is effective for fiscal years beginning after December 15, 2016, including interim periods within those years. The Company adopted the amendments of ASU 2015-11 effective January 1, 2017. The adoption of this standard did not have a material impact on our consolidated financial statements.

In November 2015, FASB issued ASU No. 2015-17, Balance Sheet Classification of Deferred Taxes. ASU 2015-17 simplifies the presentation of deferred taxes by requiring deferred tax assets and liabilities be classified as noncurrent on the balance sheet. ASU 2015-17 is effective for public companies for annual reporting periods beginning after December 15, 2016, and interim periods within those fiscal years. The guidance may be adopted prospectively or retrospectively and early adoption is permitted. The adoption of this standard did not have a material impact on our condensed consolidated financial statements.

Jumpstart Our Business Startups Act of 2012

The JOBS Act permits an “emerging growth company” such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies.

We are choosing to “opt out” of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not Applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO THE FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors
MedoveX Corp. and Subsidiaries

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of MedoveX Corp and Subsidiaries (the "Company") as of December 31, 2017 and 2016, and the related consolidated statements of operations, changes in stockholders' equity (deficit) and cash flows for the years then ended (collectively referred to as the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and 2016, and the results of their operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 15 to the consolidated financial statements, the Company has an accumulated deficit and has incurred significant operating losses and has a working capital deficit. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to this matter are also discussed in Note 15. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Company's auditor since 2015.

/s/ Frazier & Deeter, LLC

Frazier & Deeter, LLC

Atlanta, Georgia
March 30, 2018

MEDOVEX CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2017	December 31, 2016
Assets		
Current Assets		
Cash	$ 245,026	$ 892,814
Accounts receivable	157,069	—
Other receivables	86,888	—
Inventory	294,714	—
Prepaid expenses	204,532	364,822
Short-term receivable	150,000	—
Total Current Assets	1,138,229	1,257,636
Long Term Receivable	—	150,000
Property and Equipment, net of accumulated depreciation	87,173	97,590
Deposits	2,751	2,751
Total Assets	$ 1,228,153	$ 1,507,977
Liabilities and Stockholders' Equity (Deficit)		
Current Liabilities		
Interest payable	$ 69,222	$ 69,222
Accounts payable	196,171	225,725
Accounts payable to related parties	12,319	—
Accrued liabilities	64,000	459,800
Notes payable, current portion	132,294	126,086
Short-term note payable, net of debt discount	—	970,240
Unearned revenue	1,048	—
Total Current Liabilities	475,054	1,851,073
Long-Term Liabilities		
Notes payable, net of current portion	38,990	103,742
Deferred rent	688	1,179
Total Long-Term Liabilities	39,678	104,921
Total Liabilities	514,732	1,955,994
Stockholders' Equity (Deficit)		
Preferred stock - $.001 par value: 500,000 shares authorized, 12,740 shares issued and outstanding at December 31,2017, no shares issued issued and outstanding at December 31, 2016	13	—
Common stock - $.001 par value: 49,500,000 shares authorized, 21,163,013 and 14,855,181 shares issued and outstanding at December 31, 2017 and December 31, 2016, respectively	21,163	14,855
Additional paid-in capital	33,509,648	25,898,054
Accumulated deficit	(32,817,403)	(26,360,926)
Total Stockholders' Equity (Deficit)	713,421	(448,017)
Total Liabilities and Stockholders' Equity (Deficit)	$ 1,228,153	$ 1,507,977

See notes to consolidated financial statements

MEDOVEX CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the year ended December 31,	
	2017	**2016**
Revenues	$ 207,396	$ —
Less: Discounts allowed	(52)	—
Cost of Goods Sold	(162,837)	—
Gross Profit	44,507	—
Operating Expenses		
General and administrative	4,721,893	4,872,626
Sales & Marketing	865,377	391,698
Research and development	491,076	1,126,535
Depreciation and amortization	27,100	11,267
Impairment of goodwill	—	6,455,645
Total Operating Expenses	6,105,446	12,857,771
Operating Loss	(6,060,939)	(12,857,771)
Other Income	957	—
Other Expenses		
Interest expense	395,332	455,304
Total Other Expenses	395,322	455,304
Loss from Continuing Operations	(6,455,314)	(13,313,075)
Discontinued Operations		
Loss from discontinued operations	1,163	477,497
Impairment loss	—	1,584,048
Disposal loss	—	852,864
Total Loss from Discontinued Operations	(1,163)	(2,914,409)
Net Loss	$ (6,456,477)	$ (16,227,484)
Loss per share – Basic and Diluted		
Continued Operations	$ (0.34)	$ (1.00)
Discontinued Operations	—	(0.22)
Net Loss per share	$ (0.34)	$ (1.22)
Weighted average outstanding shares used to compute basic and diluted net loss per share	19,142,795	13,250,789

See notes to consolidated financial statements

MEDOVEX CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY (DEFICIT)
For the year ended December 31, 2017 and 2016

	Common Stock		Preferred Stock		Due From	Additional Paid-in	Accumulated	Total Stockholders' Equity
	Shares	Amount	Shares	Amount	Stockholder	Capital	Deficit	(Deficit)
Balance – December 31, 2015	11,256,175	$ 11,256	—	$ —	$ (20,000)	$20,164,911	$ (10,133,442)	$ 10,022,725
Conversion of promissory note on January 25, 2016	552,041	552	—	—	—	1,071,961	—	1,072,513
Warrant price modification on January 25, 2016	—	—	—	—	—	18,050	—	18,050
Warrant price modification on February 16, 2016	—	—	—	—	—	7,670	—	7,670
Receivable portion of note of convertible debt	—	—	—	—	20,000	—	—	20,000
Issuance of common stock pursuant to a private placement completed in April 2016	1,211,703	1,212	—	—	—	800,435	—	801,647
Issuance of warrants pursuant to a private placement completed in April 2016	—	—	—	—	—	374,623	—	374,623
Issuance of common stock in exchange for consulting services in April 2016	37,500	38	—	—	—	47,962	—	48,000
Issuance of common stock pursuant to a private placement completed in August 2016	1,083,333	1,083	—	—	—	975,526	—	976,609
Issuance of warrants pursuant to a private placement completed in August 2016	—	—	—	—	—	323,391	—	323,391
Issuance of common stock in exchange for consulting services in August 2016	60,000	60	—	—	—	76,740	—	76,800
Issuance of warrants pursuant to a term loan completed in September 2016	—	—	—	—	—	135,971	—	135,971
Issuance of common stock in exchange for consulting services in September 2016	83,000	83	—	—	—	124,417	—	124,500
Issuance of common stock pursuant to a private placement completed in December 2016	571,429	571	—	—	—	999,429	—	1,000,000
Stock based compensation	—	—	—	—	—	776,968	—	776,968
Net loss	—	—	—	—	—	—	(16,227,484)	(16,227,484
Balance – December 31, 2016	14,855,181	$ 14,855	—	$ —	$ —	$25,898,054	$ (26,360,926)	$ (448,017)
Issuance of common stock in exchange for BOD fees in January 2017	173,912	174	—	—	—	239,826	—	240,000
Issuance of common stock pursuant to a private placement completed in February 2017	1,631,730	1,632	—	—	—	1,207,032	—	1,208,664
Issuance of preferred stock pursuant to a private placement completed in February 2017	—	—	12,740	13	—	943,673	—	943,686
Issuance of warrants pursuant to a private placement completed in February 2017	—	—	—	—	—	465,709	—	465,709
Issuance of common stock pursuant to the conversion of a short term note in February 2017	165,865	166	—	—	—	145,753	—	145,919
Issuance of preferred stock pursuant to the conversion of a short term note in February 2017	—	—	9,399	9	—	826,865	—	826,874
Issuance of warrants pursuant to the conversion of a short term note in February 2017	—	—	—	—	—	177,207	—	177,207
Issuance of common stock pursuant to warrant cancellations in February 2017	200,000	200	—	—	—	207,800	—	208,000
Issuance of common stock pursuant to preferred stock conversion in March 2017	414,663	415	(4,147)	(4)	—	(411)	—	—
Issuance of common stock pursuant to preferred stock conversion in April 2017	525,240	525	(5,252)	(5)	—	(520)	—	—
Issuance of common stock pursuant to a private placement completed in July 2017	2,956,043	2,956	—	—	—	2,019,670	—	2,022,626

Issuance of warrants pursuant to a private placement completed in July 2017	—	—	—	—	—	446,561	—	446,561
Issuance of common stock in exchange for BOD Fees in October 2017	115,389	115	—	—	—	134,885	—	135,000
Issuance of common stock in exchange for consulting services in October 2017	74,990	75	—	—	—	80,925	—	81,000
Issuance of common stock in exchange for consulting services in December 2017	50,000	50	—	—	—	33,450	—	33,500
Stock based compensation	—	—	—	—	—	683,169	—	683,169
Net loss	—	—	—	—	—	—	(6,456,477)	(6,456,477)
Balance – December 31, 2017	21,163,013	$ 21,163	12,740	$ 13	$ —	$33,509,648	$ (32,817,403)	$ 713,421

See notes to consolidated financial statements

MEDOVEX CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31,	
	2017	**2016**
Cash Flows from Operating Activities		
Net loss	$ (6,456,477)	$ (16,227,484)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	27,100	11,396
Amortization of intangible assets	—	189,522
Amortization of debt discount	31,773	357,297
Debt conversion expense	355,985	68,694
Intangible asset impairment loss	—	1,584,048
Goodwill impairment loss	—	6,455,645
Disposal loss	—	852,864
Stock based compensation	683,169	776,968
Straight-line rent adjustment	(491)	688
Common stock issued for consulting services	114,500	249,300
Non-cash directors fees	—	20,000
Adjustment of fair value of warrant modification	—	25,720
Changes in operating assets and liabilities, net of effects of acquisition and disposition:		
Accounts receivable	(157,069)	33,045
Other receivables	(86,888)	—
Prepaid expenses	229,632	(128,400)
Inventory	(294,714)	—
Unearned revenue	1,048	—
Accounts payable	(29,554)	(52,584)
Interest payable	—	(3,670)
Accounts payable to related parties	12,319	—
Accrued liabilities	(20,800)	359,483
Net Cash Used in Operating Activities	(5,590,467)	(5,427,468)
Cash Flows from Investing Activities		
Proceeds from disposition of, net assets of Streamline Inc.	—	500,000
Expenditures for property and equipment	(16,682)	(85,133)
Net Cash (Used in) Provided by Investing Activities	(16,682)	414,867
Cash Flows from Financing Activities		
Principal payments under note payable obligation	(127,885)	(136,022)
Proceeds from issuance of common stock, net of offering costs	3,838,671	2,778,256
Proceeds from issuance of warrants, net of offering costs	1,248,575	833,985
Proceeds from issuance of short term debt	—	859,029
Net Cash Provided by Financing Activities	4,959,361	4,335,248
Net Decrease in Cash	(647,788)	(677,353)
Cash - Beginning of period	892,814	1,570,167
Cash - End of period	$ 245,026	$ 892,814
Cash paid for interest	$ 7,161	$ 11,469
Non-cash investing and financing activities		
Finance agreement for insurance policy	$ 69,343	$ 66,582
Conversion of note and accrued interest to common stock and preferred stock	826,874	1,072,513
Conversion of short-term loan to common stock	145,919	
Issuance of warrants for conversion of note	177,207	—
Issuance of common stock for consulting services	114,500	249,300
Common stock issued for board fees	375,000	—
Issuance of common stock for preferred stock conversion	931	—
Issuance of common stock warrants for placement agent fees	153,688	—
Repayment of due from stockholder through forgone director fees	—	20,000
Note receivable from disposition of Streamline	—	150,000

See notes to consolidated financial statements

Note 1 - Organization

Description of Business

MedoveX Corp. (the "Company" or "MedoveX"), was incorporated in Nevada on July 30, 2013 as SpineZ Corp. ("SpineZ") and changed its name to MedoveX Corp. on March 20, 2014. MedoveX is the parent company of Debride Inc. ("Debride"), which was incorporated under the laws of the State of Florida on October 1, 2012. The Company is in the business of designing and marketing proprietary medical devices for commercial use in the United States and Europe. The Company received CE marking in June 2017 for the DenerveX System and it is now commercially available throughout the European Union and several other countries that accept CE marking. The Company's first sale of the DenerveX System occurred in July 2017. The Company plans to seek approval for the DenerveX System from the Food & Drug Administration ("FDA") in the United States.

In May 2016, the Board of Directors authorized management to seek buyers for Streamline, Inc., the Company's wholly owned subsidiary acquired in March 2015. In December 2016, the Company entered into a definitive asset purchase agreement pursuant to which the Company agreed to sell all Streamline assets upon consummation of the divestiture (the "Closing"). The Closing occurred immediately following the execution of the asset purchase agreement on December 7, 2016. (See Note 10)

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation And Principles of Consolidation

The accompanying consolidated financial statements include the accounts of MedoveX Corp., its wholly-owned subsidiary, Debride, as well as its wholly owned subsidiary, Streamline Inc. ("Streamline"). All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

In preparing the financial statements, generally accepted accounting principles in the United States ("U.S. GAAP") requires disclosure regarding estimates and assumptions used by management that affect the amounts reported in financial statements and accompanying notes. Actual results could differ from those estimates.

Cash

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Company's cash balances at December 31, 2017 and 2016 consists of funds deposited in checking accounts with commercial banks.

Accounts Receivable, Sales Returns, Discounts and Allowances

Accounts receivable primarily represent amounts due from customers for which revenue has been recognized. Generally, the Company does not require collateral or any other security to support its receivables.

The Company records estimated sales returns, discounts and allowances as a reduction of net sales in the same period revenue is recognized. The allowance is estimated for trade accounts receivable based on the expected collectability of accounts receivable after considering the Company's historical collection experience and the length of time an account is outstanding. The adequacy of this allowance is reviewed each reporting period and adjusted as necessary. As the Company only commenced sales in July 2017, all outstanding trade receivables were deemed collectable, thus, no allowance for doubtful accounts was recorded at December 31, 2017 and 2016.

Other Receivables

Other receivables include input and importation value added tax (VAT) paid by the Company for conducting business in the European Union ("EU") and for importing goods from outside the EU.

Inventory

Inventories consist of only finished goods and are valued at the lower of cost or net realizable value, using the first-in, first-out (FIFO) method.

Property and Equipment

Property and equipment are stated at cost and are depreciated using the straight-line method over the estimated useful lives of the related assets, generally three to five years. Repairs and maintenance are expensed as incurred. Improvements and betterments, which extend the lives of the assets, are capitalized.

Leases

The Company recognizes rent expense on a straight-line basis over the term of the lease. The lease term commences on the date the Company takes possession of or controls the physical use of the property. Deferred rent is included in non-current liabilities on the balance sheet.

Revenue Recognition

The Company has elected to early adopt Financial Accounting Standard Board's ("FASB") Accounting Standards Codification ("ASC") 606, Revenue From Contracts with Customers. Under ASC 606, the Company applies a new 5-step revenue recognition process as promulgated, the core principle of which necessitates companies to recognize revenue when a customer obtains control rather than when companies have transferred substantially all risks and rewards of a good or service.

Identify the contract with the customer

Medovex has two types of customers: distributors, and individual hospitals and practitioners.

Distributors:

We currently have distribution agreements with distributors located in Italy, Austria, Colombia, Scandinavia, Brazil, Israel, Australia, Turkey, Spain, Switzerland, Chile, Taiwan, Poland, Slovakia, the Czech Republic and the United Kingdom. For each distributor, a standardized distribution agreement is executed and is the definitive contract between the Company and the customer. Each distribution agreement details the pricing, order placement, stocking requirements, terms of payment, and shipping terms under which the DenerveX System will be shipped to the distributor. The distributor places orders for additional product, but all these orders are subject to the terms of the Distribution Agreement.

Direct Customers:

In Germany, all our customers are direct hospitals and individual practitioners. Sales in Germany are solicited by and placed with third party contractors on behalf of Medovex. Medovex has sales agreements with each third party sales representative selling the DenerveX System. Each sales agreement details the price at which the DenerveX System must be sold to the customer. A purchase order from the customer is required before the Company will ship product to the customer. This purchase order contains all the terms and conditions of the sale and is considered the definitive contract for this type of sale.

Identify the performance obligation in the contract

Our stocking distributors, who sell the DenerveX System to their customers or sub-distributors, contractually take title to the products and assume all risks of ownership at the time of shipment. The Company has no further obligations once the product is shipped. Our stocking distributors are obligated to pay us the contractually agreed upon invoice price within specified terms regardless of when, if ever, they sell the products. Since no right of return exists, the product is not considered consigned inventory. For direct sales to hospitals and practitioners in Germany, the obligation is met when the product is shipped. Our direct customers do not have any contractual rights of return or exchange other than for defective product or shipping error.

Determine the transaction price

DenerveX Kit:

The DenerveX kit consists of one (1) Denervex handheld device, one (1) K-Wire, one (1) dilator, one (1) tissue stabilizer, (1) one portal tube and one (1) portal driver. The product is marketed as a disposable, single-use kit which includes all of the components packaged together.

The transaction price for the DenerveX Kit is specifically outlined in the standardized distribution agreements for all distributors at a price of $492.50 per kit (each). The standardized distribution agreements also contain provisions for the purchase of demo-units at a transaction price of $246.25 per kit (each). The sales transaction price for one (1) DenerveX Kit is stated in US dollars for all distribution customers.

The transaction price for the DenerveX Kit is specifically outlined in the standardized sales rep agreements for all sales contractors at a price of €1,100 per kit (each). The sales price for one (1) DenerveX Kit is stated in euros for all German sales.

Pro-40 Generators:

The DenerveX device requires a custom generator for power and cannot be used for any other purpose. For each initial order of the DenerveX Kit, a generator is provided to each customer at no charge. The Company does not recognize any revenue for the no-charge generator units. The units are removed from inventory and recognized as a cost of sales at the time of shipment. Customers may order demo generators, however, the Company charges for these units.

The transaction price for the demo generators is specifically outlined in the standardized distribution agreement for all distributors at a price of $2,500 per unit.

Allocate the transaction price

In the Company's case, 100% of the transaction price is recorded as revenue.

Recognize revenue when or as the entity satisfies a performance obligation

Revenue recognition occurs at the time product is shipped, FOB shipping, to all customers from the third-party distribution warehouse located in Berlin, Germany.

For Medovex, this is considered the point at which the customer gains control of the Denervex device and there are no remaining material performance obligations. If something abnormal were to happen to the product in transit, the matter would be handles with the carrier, however, the sale would remain intact.

Research and Development

Research and development costs are expensed as incurred.

Advertising

The Company expenses all sales and marketing costs as incurred. For the years ended December 31, 2017 and 2016, advertising costs were approximately $332,000 and $224,000, respectively.

Translation of Foreign Currencies

The Company's revenues and expenses transacted in foreign currencies are translated as they occur at exchange rates in effect at the time of each transaction. Realized gains and losses on foreign currency transactions are recorded as a component of other income or expense, net on the Company's consolidated statements of operations. As the Company commenced sales of the DenerveX System in July 2017, the Company recorded an immaterial amount in foreign currency exchange for the year ended December 31, 2017.

Assets and liabilities of the Company denominated in foreign currencies are translated at the exchange rate in effect as of the balance sheet date and are recorded as a separate component of accumulated other comprehensive income or loss in the shareholders' equity section of the Company's consolidated balance sheet. The Company recorded an immaterial amount in unrealized foreign currency translation as of December 31, 2017, as such, we did not present as a separate component of accumulated other comprehensive income in the shareholders' equity section of the Company's consolidated balance sheet.

Income Taxes

The Company uses the liability method of accounting for income taxes, which requires recognition of temporary differences between financial statement and income tax bases of assets and liabilities, measured by enacted tax rates. A valuation allowance is recorded to reduce deferred tax assets when necessary.

Stock-Based Compensation

The Company maintains a stock option incentive plan and accounts for stock-based compensation in accordance with ASC 718, *Compensation - Stock Compensation.* The Company recognizes share-based compensation expense, net of an estimated forfeiture rate, over the requisite service period of the award to employees and directors. As required by fair value provisions of share-based compensation, employee and non-employee share-based compensation expense recognized is calculated over the requisite service period of the awards and reduced for estimated forfeitures.

Loss per Share

Basic loss per share is computed on the basis of the weighted average number of shares outstanding for the reporting period. Diluted loss per share is computed on the basis of the weighted average number of common shares plus dilutive potential common shares outstanding using the treasury stock method. Any potentially dilutive securities are anti- dilutive due to the Company's net losses. For the years presented, there is no difference between the basic and diluted net loss per share: 7,194,215 warrants and 1,314,059 common stock options outstanding were considered anti-dilutive and excluded for the years presented.

Discontinued Operations

As more fully described in Note 10, in May 2016, management was authorized to locate a buyer for Streamline Inc., the Company's wholly owned subsidiary acquired in March 2015, by the Board of Directors. Streamline's results of operations have been classified as discontinued operations for all periods presented.

Fair Value Measurements

We measure certain non-financial assets at fair value on a non-recurring basis. These non-recurring valuations include evaluating assets such as long-lived assets and non-amortizing intangible assets for impairment; allocating value to assets in an acquired asset group; and applying accounting for business combinations.

We use the fair value measurement framework to value these assets and report the fair values in the periods in which they are recorded or written down.

The fair value measurement framework includes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair values in their broad levels. These levels from highest to lowest priority are as follows:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities;

- Level 2: Quoted prices in active markets for similar assets or liabilities or observable prices that are based on inputs not quoted on active markets, but corroborated by market data; and

- Level 3: Unobservable inputs or valuation techniques that are used when little or no market data is available.

The determination of fair value and the assessment of a measurement's placement within the hierarchy requires judgment. Level 3 valuations often involve a higher degree of judgment and complexity. Level 3 valuations may require the use of various cost, market, or income valuation methodologies applied to unobservable management estimates and assumptions. Management's assumptions could vary depending on the asset or liability valued and the valuation method used. Such assumptions could include: estimates of prices, earnings, costs, actions of market participants, market factors, or the weighting of various valuation methods. We may also engage external advisors to assist us in determining fair value, as appropriate.

Although we believe that the recorded fair value of our financial instruments is appropriate, these fair values may not be indicative of net realizable value or reflective of future fair values.

Goodwill And Impairment of Long-Lived Assets

Goodwill is the excess of the purchase price over the fair value of net assets of acquired businesses. Goodwill is tested for impairment annually or whenever an event occurs or circumstances change that would indicate that the carrying amount may be impaired. The test for impairment requires us to make several estimates about fair value. Our estimates associated with the goodwill impairment test are considered critical due to the amount of goodwill recorded on our consolidated balance sheets and the judgment required in determining fair value.

Other intangible assets include trademarks and purchased technology. Intangible assets with a definite life are amortized on a straight-line basis, as appropriate, with estimated useful lives ranging from five to seven years, and are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable.

Definite-lived intangible assets are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount of an intangible asset may not be recoverable.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist solely of cash. At times throughout the year, the Company may maintain certain US bank account balances in excess of FDIC insured limits. The Company may also maintain German bank account balances in excess of Germany's deposit guarantee regulations within the framework of the German Banks' Compensation Scheme. At December 31, 2017, the Company did not have cash deposits that exceeded federally insured deposit limits in the US or Germany. At December 31, 2016, the Company had only US cash deposits that exceeded federally insured deposit limits. The Company believes that its funds are deposited in high credit quality financial institutions. The Company has not experienced any losses in such accounts to date and believes it is not exposed to any significant credit risk associated with its cash deposits.

Recently Issued Accounting Pronouncements

The Company considers the applicability and impact of all ASUs issued, both effective and not yet effective.

In May 2014, the FASB issued ASU 2014-09, "Revenue Recognition - Revenue from Contracts with Customers" (ASU 2014-09) that requires companies to recognize revenue when a customer obtains control rather than when companies have transferred substantially all risks and rewards of a good or service. This update is effective for annual reporting periods beginning on or after December 15, 2017 and interim periods therein and requires expanded disclosures. The Company adopted the amendments of ASU 2014-09 effective quarter ended September 30, 2017. The adoption of this standard did not have a material impact on our consolidated financial statements.

In July 2015, the FASB issued ASU 2015-11, "Inventory (Topic 330)," which requires inventory measured using any method other than last-in, first-out or the retail inventory method to be subsequently measured at the lower of cost or net realizable value, rather than the lower of cost or market. ASU No. 2015-11 is effective for fiscal years beginning after December 15, 2016, including interim periods within those years. The Company adopted the amendments of ASU 2015-11 effective January 1, 2017. The adoption of this standard did not have a material impact on our consolidated financial statements.

In November 2015, FASB issued ASU No. 2015-17, Balance Sheet Classification of Deferred Taxes. ASU 2015-17 simplifies the presentation of deferred taxes by requiring deferred tax assets and liabilities be classified as noncurrent on the balance sheet. ASU 2015-17 is effective for public companies for annual reporting periods beginning after December 15, 2016, and interim periods within those fiscal years. The guidance may be adopted prospectively or retrospectively and early adoption is permitted. The adoption of this standard did not have a material impact on our condensed consolidated financial statements.

In February 2016, FASB issued ASU No. 2016-02, Leases (Topic 842). The core principle of Topic 842 is that a lessee should recognize the assets and liabilities that arise from leases. ASU 2016-02 is effective for public companies for annual reporting periods beginning after December 15, 2018, and interim periods within those fiscal years. The guidance may be adopted prospectively or retrospectively and early adoption is permitted. The Company is currently assessing the impact the adoption of ASU 2016-02 will have on its consolidated financial statements.

Note 3 – Inventory

Inventories consist only of finished goods and are valued at the lower of cost or net realizable value, using the first-in, first-out (FIFO) method.

Inventories consisted of the following items as of December 31, 2017, and December 31, 2016:

	December 31, 2017	December 31, 2016
Split Return Electrodes	$ 1,868	$ —
Denervex device	111,596	—
Pro-40 generator	181,250	—
Total	$ 294,714	$ —

Note 4 - Property and Equipment

Property and equipment consists of the following:

	Useful Life	December 31, 2017	December 31, 2016
Furniture and fixtures	5 years	$ 67,777	$ 65,987
Computers and software	3 years	31,738	19,928
Leasehold improvements	5 years	35,676	32,593
		135,191	118,508
Less accumulated depreciation		(48,018)	(20,918)
Total		$ 87,173	$ 97,590

Depreciation and amortization expense, excluding depreciation and amortization from Streamline, Inc., amounted to $27,100 for the year ended December 31, 2017 and $11,267 for the year ended December 31, 2016.

Note 5 – Patent Assignment and Contribution Agreements

On February 1, 2013, the Company issued 750,108 shares of common stock to Scott Haufe, M.D. ("Dr. Haufe") pursuant to the terms of a Contribution and Royalty Agreement dated January 31, 2013 between the Company and Dr. Haufe. This agreement provides for the Company to pay Dr. Haufe royalties equal to 1% of revenues earned from sales of any and all products derived from the use of the DenerveX technology. Royalties are payable to Dr. Haufe within 30 days after the close of each calendar quarter based on actual cash collected from sales of applicable products. The royalty period expires on September 6, 2030.

The Company also executed a co-development agreement for the DenerveX technology with royalty provisions with James R. Andrews, M.D., as more fully described in Note 12.

During 2017, the Company incurred an aggregate of approximately $1,600 in expenses under both the royalty and co-development agreements, of which approximately $1,000 was included in accounts payable at December 31, 2017. No royalties were paid in 2016.

Note 6 - Equity Transactions

Private Placements

On February 9, 2017, the Company entered into a Unit Purchase Agreement with selected accredited investors whereby the Company had the right to sell in a private placement a minimum of $3,000,000 and up to a maximum of $5,000,000 of units. Each Unit had a purchase price of $100,000 and consisted of (i) 96,154 shares of the Company's common stock, par value $0.001 per share at a purchase price of $1.04 per share, and (ii) a warrant to purchase 48,077 shares of common stock. Each warrant has an initial exercise price of $1.50 per share and is exercisable for a period of five (5) years from the date of issuance. Investors had the option to request shares of the Company's Series A Convertible Preferred Stock (the "Series A Preferred Stock") in lieu of common stock, on a basis of one share of preferred stock for every one hundred shares of common stock.

The offering resulted in gross proceeds of $3,022,000 and resulted in the issuance of an aggregate of 1,631,730 shares of common stock, 12,740 shares of Series A Preferred Stock and warrants to purchase 2,005,761 shares of common stock. The placement agent collected an aggregate of approximately $350,000 in fees related to the offering and warrants to purchase an aggregate of 405,577 shares of common stock at a price of $1.50 per share.

Each share of Series A Preferred Stock may be converted into shares of fully paid and non-assessable shares of common stock at a rate of one hundred shares of the Company's common stock for every share of Series A Preferred Stock.

On July 14, 2017, the Company entered into a Securities Purchase Agreement with selected accredited investors whereby the Company sold an aggregate of 2,956,043 shares of common stock and 1,478,022 warrants to purchase common stock. The Offering resulted in $2,690,686 in gross proceeds to the Company. The placement agent collected $188,000 in total fees related to the offering. The common stock shares were sold at $0.91 per share which was the closing price of the Company's common stock on July 13, 2017, the day prior to the agreement. Each warrant has an exercise price of $1.15 and is exercisable for a period of five years commencing six months from the date of issuance.

Debt Conversion

On February 9, 2017, the Company's $1,150,000 short-term note payable was converted into an aggregate of 165,865 shares of common stock and 9,399 shares of Series A Preferred Stock, eliminating the Company's debt obligation. The debt was converted into shares at $1.04 per share, which was the offering price of the Company's stock in the February private placement. Each share of Series A Preferred Stock may be converted into shares of fully paid and non-assessable shares of common stock at a rate of one hundred shares of the Company's common stock for every share of Series A Preferred Stock.

As consideration for converting the debt, the noteholders' agreed to receive common stock in lieu of the 200,000 warrants to purchase common stock that were issued in conjunction with the short-term loan.

As a result, the 200,000 warrants were cancelled, and the Company issued to the noteholders' an aggregate of 200,000 shares of common stock. The closing price of the Company's stock on February 9, 2017, the day the shares were issued, was $1.04 per share. The fair value of the common stock issued was approximately $208,000.

preferred Stock Conversion

On March 28, 2017, 4,147 shares of Series A Preferred Stock were converted into an aggregate of 414,663 restricted shares of authorized common stock, par value $0.001 per share.

On April 21, 2017, 5,252 shares of Series A Preferred Stock were converted into an aggregate of 525,240 restricted shares of authorized common stock, par value $0.001 per share.

Stock-Based Compensation Plan

2013 Stock Option Incentive Plan

On October 14, 2013, shareholders approved the MedoveX Corp. 2013 Stock Incentive Plan (the "Plan"). Under the Plan, the Company may grant incentive stock options to employees and non-statutory stock options to employees, consultants, and directors for up to 1,150,000 shares of common stock. On November 10, 2016, shareholders approved a 500,000 share increase in the number of shares available for issuance under the Plan, from 1,150,000 to 1,650,000 shares. On October 28, 2017, shareholders approved a 1,000,000 share increase in the number of shares available for issuance under the Plan, from 1,650,000 to 2,650,000 shares.

The stock options are exercisable at a price equal to the market value on the date of the grant. The Plan gives full authority for granting options, determining the type of options granted, and determining the fair market value of the options to the Plan Administrator.

The Company has the right, but not obligation, to repurchase any shares obtained through exercise of an option from terminated Plan participants. The Company has 90 days from the date of termination to exercise it's repurchase right. The Company must pay the Fair

Market Value ("FMV") of the shares if the termination was for any reason other than for cause, or the option price (if less than FMV of the shares) if the termination is for cause. The FMV is determined by the Plan Administrator on the date of termination.

During 2017, the Company granted options to purchase 189,159 shares of common stock to certain employees. The options vest as follows: 25% on the date of grant and 25% on each of the next three anniversaries. The options granted were at the market value of the common stock on the date of the grant.

We utilize the Black-Scholes valuation method to recognize compensation expense over the vesting period. The expected life represents the period that our stock-based compensation awards are expected to be outstanding.

We use a simplified method provided in Securities and Exchange Commission release, *Staff Accounting Bulletin No. 110,* which averages an award's weighted average vesting period and contractual term for "plain vanilla" share options. The expected volatility was estimated by analyzing the historic volatility of similar public biotech companies in an early stage of development.

No dividend payouts were assumed as we have not historically paid, and do not anticipate paying, dividends in the foreseeable future. The risk-free rate of return reflects the weighted average interest rate offered for US treasury rates over the expected term of the options.

The significant assumptions used to estimate the fair value of the equity awards granted are;

Grant date	February 3	March 28
Fair value of options granted	$ 0.5775	$ 0.6856
Expected term (years)	6	6
Risk-free interest rate	2.10%	2.11%
Volatility	52.31%	51.86%
Dividend yield	None	None

For the years ended December 31, 2017 and 2016, the Company recognized approximately $486,000 and $777,000, respectively, as compensation expense with respect to stock options.

A summary of the Company's share-based compensation activity and related information is as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Term (Years)
Outstanding at 12/31/2015	380,000	$ 3.95	9.1
Granted	744,900	$ 1.24	9.52
Exercised	—	—	—
Cancelled	—	—	—
Outstanding at 12/31/2016	1,124,900	$ 2.15	9.0
Granted	189,159	$ 1.17	9.10
Exercised	—	—	—
Cancelled	—	—	—
Outstanding at 12/31/2017	1,314,059	$ 2.01	8.19
Exercisable at 12/31/2017	954,740	$ 2.08	8.13

As of December 31, 2017, there were 359,319 shares of time-based, non-vested stock. Unrecognized compensation cost amounts to approximately $184,000 as of December 31, 2017 and will be recognized as an expense on a straight-line basis over a remaining weighted average service period of 1.73 years. The fair value of vested share-based compensation at December 31, 2017 and 2016 was approximately $544,000 and $697,000, respectively.

Common stock issuance

In November 2016, the Board authorized the issuance of shares of common stock to all Board members, both current and former, in an amount equivalent to $240,000, representing their accrued but unpaid directors' fees as of December 31, 2016. In January 2017, the Company issued an aggregate of 173,912 shares at $1.38 per share, which was the average closing price of the Company's stock during 2016, to fulfill this obligation. The closing price of the Company's stock on January 17, 2017, the day the shares were issued, was $1.16 per share.

In August 2017, the Board authorized the issuance of shares of common stock to all Board members, both current and former, in an amount equivalent to $135,000, representing their accrued but unpaid directors' fees as of September 30, 2017. In October 2017, the Company issued an aggregate of 115,389 shares at $1.17 per share, which was the average closing price of the Company's stock through September 30, 2017, to fulfill this obligation. The closing price of the Company's stock on October 30, 2017, the day the shares were issued, was $1.09 per share.

In August 2017, the Board approved an aggregate stock grant of 300,000 restricted common shares from the 2013 Stock Option Plan.

Of the 300,000 shares granted, 175,000 of the shares are to be issued to the Company's investor relations consultant as follows; 25% on August 17, 2017, the date of grant, 40% 4 months from the date of grant, and 35% 1 year from the date of grant. The Company recognized approximately $81,000 as compensation expense with respect to the stock grant for the year ended December 31, 2017.

The remaining 125,000 shares, of the 300,000 shares granted, are to be issued to a member of the Company's Board of Directors as follows; 25% on August 17, 2017, the date of grant, 25% in 1 year from the date of grant and 50% 2 years from the date of grant. The Company recognized approximately $34,000 as compensation expense with respect to the stock grant for the year ended December 31, 2017.

Note 7 – Commitments

Operating Leases

Office Space

The Company pays TAG Aviation, a company owned by its Chief Executive Officer, Jarrett Gorlin ("Mr. Gorlin") for office space that is currently being used as the Company's principal business location plus utilities (see "Related Party Transactions") on a monthly basis. Base rental payments under this arrangement are $2,147 per month. Rent expense and utilities cost paid to TAG Aviation amounted to approximately $34,600 and $30,400 for the years ended December 31, 2017 and 2016, respectively.

On July 8, 2015, the Company entered into a 3 year lease agreement for a commercial building which commenced on August 1, 2015.

Total lease expense for the year ended December 31, 2017 and 2016 was approximately $35,000 and $34,000, respectively, related to this lease. Future minimum lease payments under this rental agreement are approximately as follows:

For the year ended:

December 31, 2018	21,000
	$ 21,000

Equipment

The Company entered into a non-cancelable 36-month operating lease agreement for equipment on April 22, 2015. The agreement is renewable at the end of the term and requires the Company to maintain comprehensive liability insurance.

Total lease expense for the years ended December 31, 2017 and 2016 was approximately $2,600. Future minimum lease payments under this operating lease agreement are approximately as follows:

For the year ended**:**

December 31, 2018	800
	$ 800

Consulting Agreements

In January 2017, the consulting agreement with one of the Company's founding stockholders to provide business development consulting services was modified from $5,000 per month to $10,000 per month and initially extended through January 2018, however, was modified and terminated effective October 31, 2017. The Company paid $95,000 for the year ended December 31, 2017 under the agreement. The Company paid $55,000 for the year ended December 31, 2016 under the agreement.

In July 2017, the Company modified the consulting agreement with the sales, marketing, and distribution consultant in Latin America. The agreement to provide consulting services was modified from $5,000 per month to $7,000 per month and extended through December 31, 2017. The Company paid $66,000 and $10,000, respectively, for the years ended December 31, 2017 and 2016 under this agreement.

On August 23, 2017, the Company retained a consulting firm to provide advisory services specific to matters with respect to potential mergers and acquisitions over a nine-month period at a fee of $75,000. The fee is payable in quarterly installments of $25,000 beginning at the start of the advisory period and every three months thereafter. The engagement was originally set to terminate on May 10, 2018, however was terminated early effective December 31, 2017. The Company paid $25,000 in 2017 under the agreement.

The Company has consulting agreements with three sales, marketing, and distribution consultants in Europe who provide consulting services for aggregate compensation amounting to approximately €27,500 (approximately $33,000) per month. The consulting agreements, while subject to modifications, commenced at separate dates and will also terminate at separate dates through April 30, 2019. The Company paid approximately $238,000 and $85,000, respectively, for the years ended December 31, 2017 and 2016.

Employment Agreements

The Company entered into Employment Agreements with each of its five executive officers for aggregate compensation amounting to approximately $1,064,000 and $984,000, per annum, plus customary benefits for the years ended December 31, 2017 and 2016, respectively. These employment agreements, having commenced at separate dates, are for terms of three years which began in October 2013 and ends in January 2018.

The agreements provide for the Company to pay six months of severance in the event of (i) the Company's termination of an executive's employment without cause, (ii) the resignation by an executive for good reason, (iii) a change in control of the Company, (iv) a material reduction in an executive's duties, or (v) a requirement that an executive move their primary work location more than 50 miles.

Co-Development Agreement

In September 2013, the Company executed a Co-Development Agreement with James R. Andrews, M.D. ("Dr. Andrews") to further evaluate, test and advise on the development of products incorporating the use of the patented technology. In exchange for these services the Company is obligated to pay Dr. Andrews a royalty of 2% of revenues earned from applicable product sales over a period of 5 years. If Dr. Andrews is listed as inventor of any Improvement Patent on the DenerveX device during the 5-year term, he would continue to receive a 1% royalty after the 2% royalty expires for the duration of the effectiveness of the Improvement Patent. See Note 5.

Generator development agreement

The Company is obligated to reimburse Bovie up to $295,000 for the development of the Pro-40 electrocautery generator. For the year ended December 31, 2017 and 2016, the Company paid approximately $33,200 and $102,400, respectively, under this agreement. Through December 31, 2017, we have paid approximately $422,000 to Bovie for production services. The original $295,000 agreement was a base number along the pathway of development. Additional requirements were incurred as the research and development process progressed and as a result certain prices increased and additional costs were incurred to further customize the DenerveX System. We are currently manufacturing the generator for sales.

Distribution center and logistic services agreement

The Company has a non-exclusive distribution center agreement through June 2019 with a logistics service provider in Berlin, Germany, pursuant to which they manage and coordinate the DenerveX System products which the Company exports to the EU. The Company pays a fixed monthly fee of €2,900 (approximately $3,500) for all accounting, customs declarations and office support, and a variable monthly fee ranging from €1,900 to €6,900 (approximately $2,300 to $8,300), based on volume of shipments, for logistics, warehousing and customer support services. Total expenses paid under the distribution center and logistics agreement was approximately $75,700 for the year ended December 31, 2017.

Note 8 – Short Term Liabilities

Finance Agreement

The Company entered into a commercial insurance premium finance and security agreement in December 2017. The agreement finances the Company's annual D&O insurance premium. Payments are due in quarterly installments of approximately $24,000 and carry an annual percentage interest rate of 5.98%.

The Company had an outstanding premium balance of approximately $68,000 at December 31, 2017 related to the agreement, which is included in notes payable, current portion in the consolidated balance sheets.

Promissory Notes

In conjunction with the consummation of the Streamline acquisition in March 2015, the Company assumed two promissory notes for approximately $135,000 and $125,000 payable to the Bank of North Dakota New Venture Capital Program and North Dakota Development Fund, both outside non-related parties. Assumption of the liabilities was not included as part of the asset purchase agreement that was executed in December 2016. Thus, the Company retained the promissory notes upon consummation of the divestiture.

Payments on both of the notes are due in aggregate monthly installments of approximately $5,700 and carry an interest rate of 5%. Both of the notes have a maturity date of August 1, 2019. The promissory notes had outstanding balances of approximately $104,000 and $165,000 at December 31, 2017 and December 31, 2016, respectively.

Expected future payments related to the promissory notes as of December 31, 2017, are approximately as follows:

For the year ended:

2018	64,000
2019	45,000
	$ 109,000

The Company paid interest expense related to the promissory notes for the year ended December 31, 2017 and 2016 in the amount of approximately $7,000 and $10,000, respectively. The Company had unpaid accrued interest in the amount of approximately $69,000 at December 31, 2017 and 2016 related to the promissory notes.

Short Term Note Payable

On September 13, 2016, the Board of Directors approved a resolution authorizing the Company to obtain a secured nine-month term loan for the principal amount of $1,150,000. In connection therewith, on September 16, 2016, the Company entered into a Unit Purchase Agreement with selected accredited investors whereby the Company had the right to sell units in a private placement to secure the loan.

On February 9, 2017, the Company's $1,150,000 short-term note payable was converted into an aggregate of 165,865 shares of common stock and 9,399 shares of Series A Preferred Stock, eliminating the Company's debt obligation. See Note 6.

Original Issuance Discount

The principal face value of the loan was $1,150,000 and was issued with an original issuance discount of $150,000 which resulted in aggregate proceeds of $1,000,000. The loan had a default interest rate of 15% per year and a maturity date of June 16, 2017.

Prior to the conversion, the Company would have been required to repay the principal amount of the loan following the Company's receipt of any financing in aggregate of $1,650,000 within six months from the closing. Additionally, investors had the option to convert the $150,000 original issuance discount, which accreted over the life of the loan, and principal into future financing or be paid back in cash. The note was also presented net of the issuance costs of $5,000 which accreted over the life of the note, based on the effective interest method. Accretion expense for the year ended December 31, 2017 and 2016 was approximately $32,000 and $111,000, respectively.

Note 9 – Common Stock Warrants

Fair value measurement valuation techniques, to the extent possible, should maximize the use of observable inputs and minimize the use of unobservable inputs. The Company's fair value measurements of all warrants are designated as Level 1 since all of the significant inputs are observable and quoted prices were available in an active market for the four comparative companies used for volatility.

A summary of the Company's warrant issuance activity and related information as of December 31, 2017 and 2016 is as follows:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Outstanding at 12/31/2015	1,974,783	$ 2.86	4.0
Issued	1,530,064	$ 1.34	4.2
Outstanding at 12/31/2016	3,504,847	$ 1.85	3.9
Issued	3,889,368	$ 1.37	4.2
Cancelled	(200,000)	$ 1.625	—
Outstanding at 12/31/2017	7,194,215	$ 1.74	3.4
Exercisable at 12/31/2017	7,194,215	$ 1.74	3.4

The fair value of all warrants issued are determined by using the Black-Scholes-Merton valuation technique and were assigned based on the relative fair value of both the common stock and the warrants issued.

The inputs used in the Black-Scholes-Merton valuation technique to value each of the warrants issued in 2017 as of their respective issue dates are as follows:

Event Description	Date	MDVX Stock Price	Exercise Price of Warrant	Grant Date Fair Value	Life of Warrant	Risk Free Rate of Return (%)	Annualized Volatility Rate (%)
Private Placement	2/8/17	$ 1.04	$ 1.50	$ 0.38	5 years	1.81	52.21
Private Placement	7/14/17	$ 0.91	$ 1.15	$ 0.36	5 years	1.87	51.79

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, the Company believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 10 – Discontinued operations

Effective December 7, 2016, the Company sold all Streamline related assets after the Board authorized management to seek buyers for Streamline in May 2016. The Company sought additional funds to complete the development and launch of the Company's primary product, the DenerveX System, and the decision to sell the Streamline assets helped raise part of the necessary funds required for continuing operations of the Company in a non-dilutive manner to existing shareholders.

The sale resulted in the immediate receipt of $500,000 in cash, and a $150,000 note receivable due to the Company on or before January 1, 2018. The $150,000 note receivable represents the non-contingent portion of the receivables due from the sale and it also represents the short-term receivable as of December 31, 2017.

The Company subsequently received the short-term receivable on January 2, 2018. See Note 16. Recording the present value of the receivable at December 31, 2016 and recognizing the subsequent accretion expense over the one-year period ended December 31, 2017 led to an immaterial amount.

The terms of the sale also required that for each of the calendar years ending December 31, 2018 and December 31, 2019 (each such calendar year, a "Contingent Period"), a contingent payment in cash (each, a "Contingent Payment") equal to five percent (5%) of the total net sales received by the acquiring party from the sale of "IV suspension system" products in excess of 100 units during each Contingent Period. Each such Contingent Payment is payable to the Company by the acquiring party by no later than March 31st of the subsequent year; provided, however, that the total aggregate amount of all Contingent Payments owed by the acquiring party to the Company for all Contingent Periods will not exceed $850,000. The Company is yet to receive any Contingent Payments.

The results of the discontinued operations, which represents Streamline's IV Suspension System ("ISS"), are as follows:

	Year Ended December 31,	
	2017	2016
Operating Expenses		
General and administrative	$ 1,163	$ 218,444
Research and development	—	59,418
Depreciation and amortization	—	189,652
Disposal loss	—	852,864
Impairment loss	—	1,584,048
Total Operating Expenses	1,163	2,904,426
Operating Loss	(1,163)	(2,904,426)
Other Expenses		
Interest expense	—	9,983
Total Other Expenses	—	9,983
Net Loss	$ (1,163)	$ (2,914,409)

Cash flows from discontinued operations are as follows:

	Year Ended December 31,	
	2017	2016
Cash Flows used in Operating Activities	$ (1,163)	$ (452,592)
Cash Flows provided by Investing Activities	—	1,286
Cash Flows used in Financing Activities	—	—
Net Cash Used in Discontinued Operations	$ (1,163)	$ (451,306)

Amortization expense related to the discontinued intangible assets for the year ended December 31, 2017 and 2016 was approximately $0 and $190,000, respectively. The recognition of amortization expense related to the discontinued assets ceased in May 2016 when the Board of Directors authorized Management to seek buyers for Streamline.

Depreciation expense amounted to $0 and $129, respectively, for the year ended December 31, 2017 and 2016.

Note 11 – Impairment of Intangible assets and Goodwill

As discussed in Note 2, the Company reviews long-lived assets for impairment whenever events or changes in circumstances or occurrence of events suggest impairment exists in accordance with FASB ASC 360.

The Board of Directors decision to seek buyers for Streamline, as discussed in Note 10, was made after management evaluated and determined potential impairment indicators existed relating to poor operating performance as sales were less than previously anticipated. The impact of the operating losses incurred from the Streamline portion of the business contributed significantly to the Company's operations and financial results. As such, the Company separated the asset groups accordingly between the amortizable intangible assets in developed technology and trademark, and the non-amortizable intangible asset in goodwill, and completed an impairment analysis using a two-step process as described in Note 2.

As a result of the impairment analysis, the Company determined the carrying value of the developed technology exceeded the calculated fair value. Consequently, the Company recognized a write-down of approximately $1,035,714 related to the developed technology in the quarter ended June 30, 2016.

As a result of the impairment analysis, the Company also determined the carrying value of the trademark and goodwill exceeded the calculated fair value. Consequently, impairment losses of $6,455,645 and $548,334, respectively, were recognized in the quarter ended June 30, 2016 related to goodwill and the trademark.

Note 12 - Income Taxes

The Company's policy is to record interest and penalties on uncertain tax positions as a component of income tax expense. As of December 31, 2017, the Company has not incurred any interest or penalties relating to uncertain tax positions.

The Company's evaluation was performed for the tax years ending December 31, 2016, 2015 and 2014, which remain subject to examination by major tax jurisdictions as of December 31, 2017. The Company does not have any tax years that are no longer subject to U.S. federal, state, and local, or non-US income tax examinations.

For the years ended December 31, 2017 and 2016, the Company has incurred net losses and, therefore, has no current income tax liability and recognized no income tax expense. The net deferred tax asset generated by these losses, which principally consist of start-up costs deferred for income tax purposes, is fully reserved as of December 31, 2017 and 2016 since it is more likely than not that the benefit will not be realized in future periods.

A reconciliation of the statutory federal income tax expense (benefit) to the effective tax is as follows:

	2017	2016
Statutory rate – federal	21.0%	34.0%
State taxes, net of federal benefit	4.0	4.0
Income tax benefit	25.0%	38.0%
Less valuation allowance	(25.0)	(38.0)
Total	0.00%	0.00%

Our financial statements contain certain deferred tax assets which have arisen primarily as a result of tax benefits associated with the loss before income taxes incurred, as well as net deferred income tax assets resulting from other temporary differences related to certain reserves and differences between book and tax depreciation and amortization. We record a valuation allowance against our net deferred tax assets when we determine that based on the weight of available evidence, it is more likely than not that our net deferred tax assets will not be realized.

In our evaluation of the weight of available evidence, we considered recent reported losses as negative evidence which carried substantial weight. Therefore, we considered evidence related to the four sources of taxable income, to determine whether such positive evidence outweighed the negative evidence associated with the losses incurred. The positive evidence considered included:

- taxable income in prior carryback years, if carryback is permitted under the tax law;
- future reversals of existing taxable temporary differences;
- tax planning strategies; and
- future taxable income exclusive of reversing temporary differences and carryforwards.

During fiscal 2017 and 2016, we weighed all available positive and negative evidence and concluded the weight of the negative evidence of a cumulative loss continued to outweigh the positive evidence. Based on the conclusions reached, we maintained a full valuation allowance during 2017 and 2016.

Deferred tax assets and liabilities consist of the following at December 31:

	2017	2016
Deferred Tax Assets:		
Start-up costs	$ 5,566,520	$ 5,738,469
Share-based compensation	238,109	203,761
Total Deferred Tax Assets	5,804,629	5,942,230
Valuation Allowance	(5,804,629)	(5,942,230)
Net Deferred Tax Asset	$ —	$ —

The Company is required to file federal income tax returns and state income tax returns in the states of Florida, Georgia and Minnesota. There are no uncertain tax positions at December 31, 2017. The Company has not undergone any tax examinations since inception and is therefore not subject to examination by any applicable tax authorities.

Note 13 - Related-Party Transactions

Royalty Agreement

As further described in Note 5, the Company has a Contribution and Royalty Agreement with Dr. Haufe.

During 2017, the Company incurred an aggregate of approximately $1,600 in expenses under both the royalty and co-development agreements, of which approximately $1,000 was included in accounts payable at December 31, 2017. No royalties were incurred in 2016.

Co-Development Agreement

As further described in Note 7, the Company has a Co-Development Agreement with Dr. Andrews.

During 2017, the Company incurred an aggregate of approximately $1,600 in expenses under both the royalty and co-development agreements, of which approximately $1,000 was included in accounts payable at December 31, 2017. No co-developments expenses were incurred in 2016.

Aviation Expense

Periodically the Company may charter general aviation aircraft from TAG Aviation LLC ("TAG"), a company owned by Mr. Jarrett Gorlin. The Company believes that such aircraft charter is on terms no less favorable then it would receive from a third party. General aviation expenses paid to TAG was approximately $0 and $26,000, respectively, for the years ended December 31, 2017 and 2016.

Operating Lease

As described in Note 7, the Company pays TAG Aviation LLC, ("TAG"), a company owned by Mr. Gorlin, for month to month rental of office space at Dekalb-Peachtree Airport in Atlanta Georgia plus cost of utilities. Rent payments under this arrangement is $2,147 per month.

Rent expense and utilities cost paid to TAG Aviation amounted to approximately $34,600 and $30,400, respectively, for the years ended December 31, 2017 and 2016.

Consulting Expense

As described in Note 7, the Company paid $95,000 and $55,000, respectively, for the year ended December 31, 2017 and 2016 to a founding stockholder for business advisory services.

Note 14 - Research and Development

Devicix Prototype Manufacturing Agreement

In November 2013, the Company accepted a proposal from Devicix, a Minneapolis Minnesota based FDA registered contract medical device designer and developer, to develop a commercially viable prototype of its product that could be used to receive regulatory approval from the FDA and other international agencies for use on humans to relieve pain associated with Facet Joint Syndrome.

The development work commenced in December 2013. The total estimated cost of this work was initially established at $960,000; however, the terms of the proposal allow either the Company or the manufacturer to cancel the development work with 10 days' notice.

During 2017, the Company incurred approximately $302,000 of expense under this agreement, with approximately $7,000 of the amount in payables at December 31, 2017. During 2016, the Company incurred approximately $481,000 of expense under this agreement, with approximately $63,000 of the amount in payables at December 31, 2016.

Through December 31, 2017 and 2016, we have paid approximately $1,849,000 and $1,547,000, respectively, to Devicix under this agreement. The agreement with Devicix is now complete following the commercial launch of the DenerveX System.

DenerveX Generator Manufacturing Agreement

The DenerveX device requires a custom electrocautery generator for power. As described in Note 7, in November 2014, the Company contracted with Bovie to customize one of their existing electrocautery generators for use with DenerveX Device, and then manufacture that unit on a commercial basis once regulatory approval for the DenerveX was obtained.

The Bovie agreement required a base $295,000 development fee to customize the unit, plus additional amounts if further customization was deemed necessary beyond predetermined estimates.

The Company paid approximately $33,000 and $102,000, respectively, for the years ended December 31, 2017 and 2016. Through December 31, 2017 and 2016, we have paid approximately $422,000 and $389,000, respectively, to Bovie related to this agreement. The agreement with Bovie is now complete following the commercial launch of the DenerveX System.

Nortech Manufacturing Agreement

In November 2014, we selected Nortech Systems Inc. ("Nortech"), a Minneapolis, Minnesota based FDA registered contract manufacturer, to produce 315 DenerveX devices from the prototype supplied by Devicix for use in final development and clinical trials. The agreement with Nortech includes agreed upon per unit prices for delivery of the devices.

Actual work on development of the final units began in November 2014. During 2017, the Company incurred approximately $146,000 of expense under this agreement, with approximately $40,000 of the amount in payables at December 31, 2017. During 2016, the Company incurred approximately $455,000 of expense under this agreement, with approximately $61,000 of the amount in payables at December 31, 2016.

From inception through December 31, 2017 and 2016, we have paid approximately $890,000 and $744,000, respectively, to Nortech under the agreement. The agreement with Nortech is now complete following the commercial launch of the DenerveX System.

Note 15 – Liquidity, Going Concern and Management's Plans

The Company incurred net losses of approximately $6,456,000 and $16,277,000 for the years ended December 31, 2017 and 2016, respectively. The Company will continue to incur losses until such time as it can sell a sufficient enough volume of the DenerveX System with margins sufficient to offset expenses.

To date, the Company's primary source of funds has been from the issuance of debt and equity.

As discussed in Note 6, in February and July 2017, the Company obtained approximately $2,618,000 and $2,469,000, respectively, net of fees, in private equity financings. The Company will require additional cash in 2018 and is exploring other fundraising options. No assurances can be provided regarding the success of such efforts. Furthermore, if the Company is unable to raise sufficient financing in 2018, it could be required to undertake initiatives to conserve its capital resources, including delaying or suspending the launch of its product outside the United States and seeking FDA approval to sell its product in the United States. Delaying or suspending these initiatives would raise substantial doubt about the Company's ability to continue as a going concern.

The financial statements do not include any adjustments to the carrying amounts of its assets or liabilities that might be necessary should the Company be unable to continue as a going concern.

Note 16 - Subsequent Events

On January 2, 2018, the Company received the $150,000 short-term receivable from the sale of Streamline. See Note 10.

On January 31, 2018, the Company issued a 5% convertible debenture in exchange for $100,000. The debenture accrues interest at 5% per annum. Principal and interest are due on January 30, 2019. The denture is convertible at the option of the holder into shares of the Company's common stock at a conversion rate equivalent to 85% of the average closing price of the Company's common stock for the 20 days preceding the conversion.

On February 2, 2018, the Company received a resignation letter from Mr. Patrick Kullmann from his position as Chief Operating Officer of the Company. There were no disagreements between Mr. Kullmann and the Company. Mr. Kullmann will continue to work with the Company in an advisory capacity through July 31, 2018.

On February 26, 2018, the Company entered into a securities purchase agreement with selected accredited investors whereby the Company sold an aggregate of 770,000 shares of common stock and 385,000 warrants to purchase common stock. The offering resulted in $308,000 in gross proceeds to the Company. The warrants have a five-year term commencing six months from issuance with an exercise price of $0.75. The shares were sold at $0.40 per share.

On March 26, 2018 the Company issued a promissory note to Steve Gorlin, father of Jarrett Gorlin, the Company's CEO, for the principal amount of $200,000, plus interest, at a rate of five percent per year. The outstanding principal and all accrued but unpaid interest is due on April 30, 2018. The Company issued warrants to purchase an aggregate of 133,333 shares of common stock par value $.001 per share in conjunction with the promissory note. Each warrant has an exercise price of $0.75 and is exercisable for a period of five years commencing from the date of issuance.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures designed to provide reasonable assurance that information required to be disclosed in reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the specified time periods and accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding disclosure.

Our Chief Executive Officer (our "CEO") and our Chief Financial Officer (our "CFO"), evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act) as of December 31, 2017, the end of our fiscal year. In designing and evaluating disclosure controls and procedures, we recognize that any disclosure controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objective. Based on the evaluation of our disclosure controls and procedures as of December 31, 2017, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining effective internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act.

Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected. Under the supervision of our CEO and CFO, the Company conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2017 using the criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013 Framework).

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. In our assessment of the effectiveness of internal control over financial reporting as of December 31, 2017, we determined that, there were no control deficiencies existing that constituted a material weaknesses.

Our CEO and CFO concluded that the Company did maintain effective internal control over financial reporting as of December 31, 2017 based on criteria established in Internal Control— *Integrated Framework* issued by COSO (2013 Framework).

This annual report does not include an attestation report of the Company's independent registered public accounting firm regarding internal controls over financial reporting because this is not required of the Company pursuant to Regulation S-K Item 308(b).

Changes in internal control over financial reporting

During 2017, we established and filled the positions of Controller and Accounting Clerk, allowing us to segregate duties between these two positions and the CFO. In 2016 and previous years, the fact we had only one person performing most of the financial functions created a material weakness in our internal controls. However, with duties now segregated between 3 individuals as of December 31, 2017, based on the evaluation of the new disclosure controls and procedures, our CEO and our CFO concluded that our disclosure controls and procedures were effective.

The addition of the two new financial positions in 2017 qualify as changes to our internal controls as defined by Rule 13a-15(f) and Rule 15d-15(e) promulgated under the Exchange Act, and are likely to materially affect in a positive manner internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our board of directors consists of ten (10) members: Larry Papasan, Scott M. W. Haufe, M.D., James R. Andrews, M.D., Jarrett Gorlin, Randal R. Betz, M.D., Major General C.A. “Lou” Hennies (retired), Ron Lawson, Jesse Crowne, John C. Thomas, Jr. and Jon Mogford.

Our current executive officers are Jarrett Gorlin, Chief Executive Officer; Charles Farrahar, Chief Financial Officer and Treasurer; Jeffery Wright, Controller and Dennis Moon, Executive Vice President.

Directors and Executive Officers

The following table provides information as of March 26, 2018 as to each person who is, as of the filing hereof, a director and/or executive officer of the Company:

Name	Position(s)	Age
Jesse Crowne	Director, Co-Chairman of the Board	38
Major General C.A. “Lou” Hennies	Director (2) (3)	80
James R. Andrews, M.D.	Director	76
Scott M. W. Haufe, M.D.	Director (2)	52
Ron Lawson	Director (1) (3)	73
Randal R. Betz, M.D.	Director	66
John C. Thomas, Jr.	Director (1)	64
Jon Mogford	Director	60
Larry Papasan	Co-Chairman of the Board (1) (2) (3)	77
Jarrett Gorlin	Chief Executive Officer and Director	42
Dennis Moon	Executive Vice President	42
Charles Farrahar	Chief Financial Officer & Secretary	57
Jeffery Wright	Controller	35

(1) Member of audit committee

(2) Member of compensation committee

(3) Member of nominating and corporate governance committee

No Family Relationships

There is no family relationship between any director and executive officer or among any directors or executive officers.

Business Experience and Background of Directors and Executive Officers

BOARD OF DIRECTORS

Jesse Crowne

Jesse Crowne was appointed to serve as Chairman of the Board of Directors on February 2, 2018. Mr. Crowne has been acting as a Vice President of Business Development for the Company since January 2015. Mr. Crowne has been a Managing Partner at Gorlin Companies, a healthcare focused single family office specializing in founding and funding early ventures since July 2015. Between August 2015 and January 2017, Mr. Crowne has been the President of Vavotar Life Sciences, a private clinical stage biotechnology company developing antibody directed oncology products. Since 2016, Mr. Crowne has served as an Adjunct Professor at Westminster College teaching a course on financing new ventures to MBA students. From October 2013 to March 2014, he was the Co-Founder of Virtual Clinic Trials, LLC, a cloud based document management solution for clinical trials until it was sold to Global Deal Market in 2014. From 2010 to June 2014, he was an associate at White Pine Medical, a subsidiary of Essex Woodlands, which was a private equity investment fund seeking late-stage medical device opportunities.

Major General C.A. "Lou" Hennies

Mr. Hennies became a director of the Company in September 2013. Lou Hennies is a career soldier having served his country in uniform for 41 years where he rose through the ranks from enlisted status to that of a commissioned officer retiring in 2001 as a Major General.

He served a total of 37 months in combat in Republic of Vietnam as a Company/Troop commander of four units and as a battalion/squadron staff officer in the 4th Battalion, 23rd Infantry Regiment, 25th Infantry Division, Cu Chi, and the 7th Squadron, 17th Air Cavalry in II Corps. Stateside he commanded another Air Cavalry Troop followed by command of the 1st Squadron, 17th Air Cavalry in the 82nd Airborne Division.

Selected for Brigadier General in 1986, he subsequently served as the Army's Deputy Chief of Public Affairs and Director of Army Safety and Commanding General of the U.S Army Safety Center. Initially retiring in 1991, he returned to service in 1995 as The Adjutant General (TAG) of the Alabama Army and Air National Guard and as a Cabinet Officer in the Administration of Governor Fob James Jr.

He is a graduate of the Army's Command and General Staff College, The Army War College, and The Center for Creative Leadership. A graduate of the University of Nebraska-Omaha with a Bachelor Degree in Political Science, he also holds a Master of Arts Degree in Journalism from the University of Nebraska-Lincoln and a Master of Science in Public Administration from Shippensburg University, Pennsylvania.

His awards and decorations include the Army Distinguished Medal with Oak Leaf Cluster, the Silver Star, the Legion of Merit with Oak Leaf Cluster, the Distinguished Flying Cross, the Soldiers Medal, the Bronze Star with "V" device and 5 Oak Leaf Clusters, the Purple Heart, the Air Medal with "V" (2) and numeral 29, and the Alabama Distinguished Medal with Oak Leaf Cluster. He is also a recipient of numerous foreign decorations from the Republic of Vietnam and the Republic of Korea.

He has been awarded the Army Aviation Order of Saint Michael (Gold), the Infantry's Order of Saint Maurice (Primicerius) and the Army Aviation Hall of Fame Medallion and has been inducted into the Infantry Officer Candidate Hall of Fame, the Army Aviation Hall of Fame, and the Air Force Gathering of Eagles Class of 2000.

James R. Andrews, M.D.

James R. Andrews, M.D., has served as a Director of the Company since September 2013. Dr. Andrews is recognized throughout the world for his scientific and clinical research contributions in knee, shoulder and elbow injuries, and his skill as an orthopedic surgeon. Dr. Andrews is a founder and current Medical Director for the American Sports Medicine Institute, a non-profit organization dedicated to the prevention, education and research in orthopaedic and sports medicine, as well as the Andrews Research and Education Institute.

He is Clinical Professor of Orthopaedic Surgery at the University of Alabama Birmingham Medical School, the University of Virginia School of Medicine and the University of South Carolina Medical School. He is Adjunct Professor in the Department of Orthopaedic Surgery at the University of South Alabama and Clinical Professor of Orthopaedics at Tulane University School of Medicine.

He serves as Medical Director for Auburn University Intercollegiate Athletics and Team Orthopaedic Surgeon; Senior Orthopaedic Consultant at the University of Alabama; Orthopaedic Consultant for the college athletic teams at Troy University, University of West Alabama, Tuskegee University and Samford University. He serves on the Tulane School of Medicine Board of Governors.

Dr. Andrews serves on the Medical and Safety Advisory Committee of USA Baseball and on the Board of Little League Baseball, Inc.

He has been a member of the Sports Medicine Committee of the United States Olympic Committee and served on the NCAA Competitive Safeguards in Medical Aspects of Sports Committee.

In the professional sports arena, Dr. Andrews is Senior Consultant for the Washington Redskins Football team; Medical Director for the Tampa Bay Rays Baseball team and Medical Director of the Ladies Professional Golf Association.

Dr. Andrews serves as the National Medical Director for Physiotherapy Associates, a national outpatient rehabilitation provider. He serves on the board of directors of Fast Health Corporation and Robins Morton Construction Company. He has a Doctor of Laws Degree from Livingston University and Doctor of Science Degrees from Troy and Louisiana State Universities. He has recently written a book, *Any Given Monday*, about sports injuries and how to prevent them for athletes, parents and coaches.

Scott M. W. Haufe, M.D.

Scott M. W. Haufe, M.D., is a co-founder of Debride and has been a Director of the Company since September 2013. Dr. Haufe is a board certified physician in the fields of Anesthesiology, Pain Medicine and Hospice /Palliative Medicine. He began his career in the field of Anesthesiology where he served as Chief of Anesthesiology and Pain Management with St. Lucie Anesthesia Associates until 1998 while continuing his passion for research.

Beginning in 1993, Dr. Haufe was first published and has since authored numerous peer reviewed journal articles. Specifically, in 2005, he was recognized for his publication on the endoscopic treatment for sacroilitis.

During 2006, he again authored the first paper on intradiscal stem cell therapy in an attempt to rejuvenate the human disc and in 2010 he developed a minimally invasive procedure for resolving spinal arthritis and subsequently published his findings in the Internal Journal of Med Sci. Additionally, he is named on multiple patents for treating pain related issues. Dr. Haufe earned his MD from the University of South Florida College of Medicine in 1992 with honors and completed his residency in Anesthesiology in 1996.

He currently practices in Destin, FL with Anesthesia, Inc., and is affiliated with Sacred Heart Hospital, Destin Surgery Center, and Healthmark Medical Center. He is a member of the American Society of Anesthesiologists and the Florida Society of Anesthesiologists.

Larry Papasan

Larry Papasan has served as Chairman of the board of directors of the Company since September 2013. From July 1991 until his retirement in May 2002, Mr. Papasan served as President of Smith & Nephew Orthopedics. Mr. Papasan is also currently serving as a member of the board of directors for MiMedx Group, Inc., and has also served as a member of the board of directors of Reaves Utility Income Fund [NasdaqCM:UTG], a closed-end management investment company, since February 2003 and of Triumph Bancshares, Inc. (a bank holding company) since April 2005.

Previously, Mr. Papasan served as Director and Chairman of the board of directors of BioMimetic Therapeutics, Inc. prior to being sold to Wright Medical. BioMimetic Therapeutics worked on developing and commercializing bio-active recombinant protein-device combination products for the healing of musculoskeletal injuries and disease, including orthopedic, periodontal, spine and sports injury applications. Mr. Papasan also previously served as a Director for SSR Engineering, Inc. and AxioMed Spine Corporation.

John C. Thomas, Jr.

John Thomas has been a director of the Company since September 2013 and currently serves as the CFO/corporate secretary for CorMatrix Cardiovascular, Inc., a privately held medical device company which he joined in 2001. Over the past 24 years, Mr. Thomas has served as the CFO of numerous startup companies and managed their financing activities from the initial financing up to their initial public offering. Some of these companies are still private and some have become public entities. The companies in the health care industry that have gone public while Mr. Thomas was the CFO include CytRx Corporation (1986 – 1990), CytRx Biopool (1988 – 1991), Medicis Pharmaceutical Corporation (1988 –1991), EntreMed, Inc. (1991 – 1997), DARA BioSciences, Inc. (1998 – 2009) and, MiMedx, Inc. (2006 – 2009). He has also been the CFO of Surgi-Vision, Inc., a private research company involved in MRI technology (1998 – 2010) that subsequently changed its name to MRI Interventions and went public. Mr. Thomas has also been the CFO of Motion Reality, Inc., a privately-held company with proprietary software that captures and analyzes motion data since 1991.

Presently, he serves as a member of the board of directors of Novelion, formerly QLT, Inc., (NL), a publicly traded medical company and NantKwest, Inc. a publicly traded company (NK). Mr. Thomas is a certified public accountant.

Ron Lawson

Mr. Lawson became a member of the board of directors on August 11, 2016 as a replacement for Thomas Hills. Mr. Lawson has over 35 years of experience in the orthopedic industry. In 1996, he served as the Senior Vice President of Worldwide Sales and Customer Service for Pfizer's Orthopedic Division, Howmedica. In 1998, upon Stryker Corporation's acquisition of Howmedica, Mr. Lawson was appointed to serve as Senior Vice President of Sales, Marketing and Product Development. In 2000, he was asked to lead the revitalization of Stryker's European business as its President, EMEA and in 2001, was promoted to Group President, International. From 2005 to 2007, Mr. Lawson served as Stryker's Group President for International and Global Orthopedics where he was focused on strengthening the Stryker Orthopedic business worldwide. Since 2009, Mr. Lawson has been a member of the Lawson Group where he provides strategic consulting services specializing in orthopedic medical technology.

Mr. Lawson previously served as Chairman of the Board of IMDS, Corporation and also served as a member of the Health Care Advisory Board of Arsenal Capital Partners. He presently serves as a Director of Plasmology 4, Corporation as well as a Director of DJO Global, a Blackstone company.

Randal R. Betz, M.D.

Dr. Randal Betz has been a director of the Company since September 2013. Dr. Betz is an orthopaedic spine surgeon with a private practice in Princeton, New Jersey. He has held hospital positions as Chief of Staff at Shriners Hospitals for Children – Philadelphia and Medical Director of Shriners' Spinal Cord Injury Unit. Dr. Betz is also a Clinical Professor of Orthopaedic Surgery at the Icahn School of Medicine at Mount Sinai in New York City.

Dr. Betz earned a Medical Degree from Temple University School of Medicine and was awarded the Alpha Omega Alpha honor. His Internship in general surgery and Residency in Orthopaedic Surgery were at Temple University Hospital. Dr. Betz's Fellowship in Pediatric Orthopedics was at the Alfred I DuPont Institute (now Nemours/AI duPont Hospital for Children) in Wilmington, DE. Since his graduate work, Dr. Betz has had postdoctoral fellowship experiences with ABC Traveling Fellowship, North American Traveling Fellowship, the Berg-Sloat Traveling Fellowship, and recently the SRS Traveling Fellowship (serving as Senior Mentor). Many national and international professional societies count Dr. Betz as a member including: the American Academy of Orthopaedic Surgeons, American Paraplegia Society, American Spinal Injury Association, and Scoliosis Research Society. For many of these organizations, Dr. Betz has fulfilled the roles of board of director member and committee member, and he served as President of the Scoliosis Research Society in 2005.

In addition to an active hospital practice in pediatric spinal surgery, research is an important area of Dr. Betz's career. He is a recipient of many research grants and he has ten patents, including several involving research in fusionless treatment of spinal deformities. Dr. Betz is coeditor of several medical textbooks, has contributed 45 chapters to medical books, and has authored or coauthored over 300 peer-reviewed or invited articles. Worldwide, Dr. Betz has delivered hundreds of paper presentations and invited lectures. Dr. Betz is double board certified by the American Board of Orthopaedic Surgery and the American Board of Physical Medicine and Rehabilitation (specializing in Spinal Cord Injury Medicine).

Jarrett Gorlin

Jarrett Gorlin has served as the Chief Executive Officer, President, and a Director of the Company since November, 2013. Prior to joining the Company, Mr. Gorlin served as the President of Judicial Correction Services, Inc. ("JCS"), the largest provider of private probation services in the country, which he co-founded in 2001.

In 2011, he successfully negotiated the sale of JCS to Correctional Healthcare Companies ("CHC"), after which he has continued to serve as the President of JCS. Under Mr. Gorlin's leadership, JCS made INC. Magazine's list of the Fastest Growing Companies in America in 2010, 2011, and 2012. Mr. Gorlin began his career by becoming the youngest rated commercial helicopter pilot at the age of 16, and becoming the chief pilot for the Fulton County Sheriff's Office in Atlanta, Georgia.

Mr. Gorlin has served as Captain and Commander at the Fulton County Sheriff's Office where he has worked from 1996 to present. He continues to serve his community through law enforcement as the commander of a reserve unit overseeing 90 deputy sheriffs, who work in the courts, jail and warrant divisions. Mr. Gorlin also serves as a political advisor and consultant to many elected officials in the Atlanta area, including the current sitting Sheriff of Fulton and Clayton County, Georgia. He has also served on the campaign finance committee for the former Governor of Georgia Roy Barnes.

Jon Mogford, PH.D.

Dr. Mogford became a member of the board of directors on November 10, 2016 as a replacement for John Blank, M.D. Dr. Mogford serves as the Vice Chancellor for Research for The Texas A&M University System and provides research and development leadership to the System's eleven universities and seven state agencies encompassing 30,000 faculty and staff, >135,000 students, a budget of more than $4 billion and research expenditures of more than $945 million annually. Prior to joining the Texas A&M University System in 2011, Dr. Mogford served as a program manager and then Deputy Director of the Defense Sciences Office (DSO) of the Defense Advanced Research Projects Agency (DARPA) in the U.S. Department of Defense. As DSO Deputy Director, he provided strategic planning and implementation of ≈$400M/year in R&D in the physical, biomedical and material sciences.

He provided leadership to 20 Program Managers in the development and management of office investments ranging from the fundamental sciences to commercial transition efforts for both defense and non-defense applications. Dr. Mogford led expansion of formal working relationship between DARPA and the FDA to improve the ability of each organization to meet mission goals, which was highlighted as a DARPA-FDA-NIH partnership by the White House. He is the recipient of the Secretary of Defense Medal for Outstanding Public Service.

His DARPA programs included scar-free regeneration of wounds, metabolic control strategies for survival of severe blood loss, biomarker-responsive biomaterials for drug delivery, stem cell-based bioreactor production of universal donor red blood cells, computational design of novel proteins, and active hemostatic biomaterials for treatment of internal and external wounds. He has authored or co-authored 29 peer-reviewed publications.

Dr. Mogford obtained his bachelor's degree in Zoology from Texas A&M University and doctorate in Medical Physiology from the Texas A&M University Health Science Center, College Station, Texas. His research in vascular physiology continued at the University of Chicago as a Postdoctoral fellow from 1997-98. Dr. Mogford transitioned his research focus to the field of wound healing at Northwestern University, both as a Research Associate and also as a Research Assistant Professor from 1998-2003. He then served as a Life Sciences Consultant to DARPA on the Revolutionizing Prosthetics program from 2003-2005.

NON-DIRECTOR EXECUTIVE OFFICERS

President and Chief Operating Officer – Patrick Kullmann

Patrick Kullmann served as our President and Chief Operating Officer from September 2013 through February 2018. Mr. Kullmann has served in a contract capacity as the Chief Executive Officer of Streamline, Inc., a medical technology company since 2012. He is also the Founder of CG3 Consulting, LLC, a global medical technology advisory firm in Minneapolis, Boston and San Diego which he founded in 2008. CG3 Consulting provides consulting services to clients in the healthcare, scientific and technology industries. Prior to establishing CG3 Consulting, Mr. Kullmann was a senior director at Medtronic in their $2.3 billion Cardiovascular Division. He started his career working as a surgical sales representative in the Texas Medical Center in Houston. Mr. Kullmann has served in senior marketing, market development and sales leadership positions at Boston Scientific, Baxter, Johnson & Johnson, and four start-up medical device companies – two of which had successful liquidity events for a combined value of $220m. He is a graduate of Northern Michigan University, and has an MBA from California Coastal University. The board believes that Mr. Kullmann has the experience, qualifications, attributes and skills necessary to serve as President and Chief Operating Officer because of his years of experience in the medical technology field.

Chief Financial Officer and Treasurer – Charles Farrahar

Charlie Farrahar is a Certified Public Accountant with over 30 years of managerial finance, administration, human resource and risk management experience in the public, private and non-profit sectors. Mr. Farrahar was the first Chief Financial Officer of the Company from its inception in 2013 through its initial public offering. He remained with the Company as its Secretary, only, from January 2015 until August 16, 2017, when he agreed to resume the CFO role. Mr. Farrahar currently serves as Chief Financial Officer for several small private biotech companies in the research and development stage. In 2013, he joined a private governmental assistance startup as its CFO and Director of Human Resources, helping with the sale of that company to a private entity in 2011 after it had grown to a multi-state operation with over 400 employees. In the late 1990's, he was CFO of Credit Depot Corp. (a Nasdaq listed entity).

Controller – Jeffery Wright

Mr. Wright is a Certified Public Accountant and previously served as our Chief Financial Officer and Treasurer from January 2015 through August 2017. Prior to joining the Company in December 2014, Mr. Wright was an audit senior at Ernst & Young within the Assurance Services division, where he had an opportunity to help manage audits of large ($2 billion to $10 billion annual revenue) publicly-traded companies. He also has experience auditing medium size ($2 million - $200 million annual revenue) privately-held companies in multiple industries with other accounting firms. Prior to his career in public accounting, Mr. Wright worked as a trading analyst in the retirement trust services department at Reliance Trust Company, managing the institutional trading desk to settle mutual fund transactions with the National Securities Clearing Corporation. Mr. Wright holds Master of Professional Accountancy and Bachelor of Business Administration degrees from the Georgia State University Robinson College of Business and is a member of the Georgia Society of Certified Public Accountants.

Executive Vice President – Dennis Moon

Dennis Moon has served as our Senior Vice President since November, 2013. Prior to joining the Company, he was the Chief Operations Officer for Judicial Correction Services (2006 – 2013) supervising the day to day operations of the JCS community supervision division, which supervised over 50,000 active probationers throughout the southeast United States. He was responsible for supervision of over 400 employees and over 1.8 million financial transactions per year. Dennis is a graduate of the University of Central Florida and has a degree in Psychology with an emphasis on Drug and Alcohol addiction.

After graduating high school, he joined the United States Army where he served for eight years as an Intelligence Analyst and received numerous awards and medals for various services. The board believes that Mr. Moon has the experience, qualifications, attributes and skills necessary to serve as Senior Vice President because of his years of experience in the military and in management of employees.

Director Independence

The Company has determined that Major General C.A. "Lou" Hennies, Scott M. W. Haufe, M.D., Ron Lawson, Jon Mogford, John C. Thomas, Jr. and Larry Papasan are "independent" as defined by, and determined under, the applicable director independence standards of The NASDAQ Stock Market LLC.

Liability and Indemnification of Directors and Officers

Our Articles of Incorporation provide that to the fullest extent permitted under Nevada law, our directors will not be personally liable to the Company or its stockholders for monetary damages for breach of the duty of care, breach of fiduciary duty or breach of any other duties as directors. Our Articles of Incorporation also provide for indemnification of our directors and officers by the Company to the fullest extent permitted by law.

Role of Board in Risk Oversight Process

Our board of directors has responsibility for the oversight of the Company's risk management processes and, either as a whole or through its committees, regularly discusses with management our major risk exposures, their potential impact on our business and the steps we take to manage them. The risk oversight process includes receiving regular reports from board committees and members of senior management to enable our board to understand the company's risk identification, risk management and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, strategic and reputational risk.

The audit committee reviews information regarding liquidity and operations, and oversees our management of financial risks. Periodically, the audit committee reviews our policies with respect to risk assessment, risk management, loss prevention and regulatory compliance. Oversight by the audit committee includes direct communication with our external auditors, and discussions with management regarding significant risk exposures and the actions management has taken to limit, monitor or control such exposures. The compensation committee is responsible for assessing whether any of our compensation policies or programs has the potential to encourage excessive risk-taking. The nominating/corporate governance committee manages risks associated with the independence of the board, corporate disclosure practices, and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board is regularly informed through committee reports about such risks. Matters of significant strategic risk are considered by our board as a whole.

Board Committees and Independence

Our board of directors has established an audit committee, a nominating and corporate governance committee and a compensation committee, each of which operates under a charter that has been approved by our board.

Each of the Company's current independent directors, Major General C.A. "Lou" Hennies, Scott M. W. Haufe, M.D., Ron Lawson, Jon Mogford, John C. Thomas Jr., and Larry Papasan, are independent under the rules of the NASDAQ Capital Market. Accordingly, our board has determined that all of the members of each of the board's three standing committees are independent as defined under the rules of the NASDAQ Capital Market.

In addition, all members of the audit committee meet the independence requirements contemplated by Rule 10A-3 under the Securities Exchange Act of 1934, or the Exchange Act.

Audit Committee

The members of our audit committee are John C. Thomas, Jr., Ron Lawson and Larry Papasan. Mr. Thomas chairs the audit committee. The audit committee's main function is to oversee our accounting and financial reporting processes, internal systems of control, independent registered public accounting firm relationships and the audits of our financial statements.

This committee's responsibilities include, among other things:

- appointing, approving the compensation of and assessing the independence of our registered public accounting firm;
- overseeing the work of our independent registered public accounting firm, including through the receipt and consideration of reports from such firm;
- reviewing and discussing with management and the independent registered public accounting firm our annual and quarterly financial statements and related disclosures;
- monitoring our internal control over financial reporting, disclosure controls and procedures and code of business conduct and ethics;

- overseeing our internal audit function;
- overseeing our risk assessment and risk management policies;
- establishing policies regarding hiring employees from the independent registered public accounting firm and procedures for the receipt and retention of accounting related complaints and concerns;
- meeting independently with our internal auditing staff, independent registered public accounting firm and management;
- reviewing and approving or ratifying any related person transactions; and
- preparing the audit committee report required by the Securities and Exchange Commission, or SEC, rules.

All audit and non-audit services, other than *de minimis* non-audit services, to be provided to us by our independent registered public accounting firm must be approved in advance by our audit committee.

Our board of directors has determined that John C. Thomas, Jr. is an "audit committee financial expert" as defined in applicable SEC rules.

Nominating and Corporate Governance Committee

The members of our nominating and corporate governance committee are Major General C.A. "Lou" Hennies, Ron Lawson and Larry Papasan. Mr. Hennies chairs the nominating and corporate governance committee. This committee's responsibilities include, among other things:

- identifying individuals qualified to become members of our board of directors;
- recommending to our board of directors the persons to be nominated for election as directors and to each of our board's committees;
- developing, recommending to the board, and assessing corporate governance principles, codes of conduct and compliance mechanisms; and
- overseeing the evaluation of our board of directors.

Compensation Committee

The members of our compensation committee are Larry Papasan, Major General C.A. "Lou" Hennies and Scott M. W. Haufe, M.D. Mr. Papasan chairs the compensation committee. This committee's responsibilities include, among other things:

- reviewing and recommending corporate goals and objectives relevant to the compensation of our chief executive officer and other executive officers;
- making recommendations to our board of directors with respect to, the compensation level of our executive officers;
- reviewing and recommending to our board of directors employment agreements and significant arrangements or transactions with executive officers;
- reviewing and recommending to our board of directors with respect to director compensation; and
- overseeing and administering our equity-based incentive plans;

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of the compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our board of directors or our compensation committee. Mr. Gorlin, CEO and Director, will abstain on any board vote involving executive compensation by the board as a whole.

Board Diversity

Our nominating and corporate governance committee will be responsible for reviewing with the board of directors, on an annual basis, the appropriate characteristics, skills and experience required for the board of directors as a whole and its individual members.

In evaluating the suitability of individual candidates (both new candidates and current members), the nominating and corporate governance committee, in recommending candidates for election, and the board of directors, in approving (and, in the case of vacancies, appointing) such candidates, will take into account many factors, including the following:

- personal and professional integrity, ethics and values;
- experience in corporate management, such as serving as an officer or former officer of a publicly-held company;
- development or commercialization experience in large medical products companies;
- experience as a board member or executive officer of another publicly-held company;
- strong finance experience;
- diversity of expertise and experience in substantive matters pertaining to our business relative to other board members;
- diversity of background and perspective, including with respect to age, gender, race, place of residence and specialized experience;
- conflicts of interest; and
- practical and mature business judgment.

Currently, our board of directors evaluates each individual in the context of the board of directors as a whole, with the objective of assembling a group that can best maximize the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

Code of Business Conduct and Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A current copy of the code will be posted on the Corporate Governance section of our website, www.MedoveX.com.

In addition, we intend to post on our website all disclosures that are required by law or the listing standards of The NASDAQ Capital Market concerning any amendments to, or waivers from, any provision of the code. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be a part of this Annual Report.

Procedures for Security Holders to Recommend Nominees for Election as Directors

There have been no material changes to the procedures by which security holders may recommend nominees to the board of directors since the Company last described such procedures or any material changes thereto.

Company Policy as to Director Attendance at Annual Meetings of Stockholders

The Company's policy encourages board members to attend annual meetings of stockholders.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires each person who is a director or officer or beneficial owner of more than 10% of the common stock of the Company to file reports in connection with certain transactions. To the knowledge of the Company, based solely upon a review of forms or representations furnished to the Company during or with respect to the most recent completed fiscal year, there were a few isolated instances where the director purchased or received shares and was late filing under section 16(a). All of the required filings have now been made.

ITEM 11. EXECUTIVE COMPENSATION

Name & Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Option Awards ($)	All Other Compensation ($)	Total ($)
Jarrett Gorlin, CEO	2017	272,000	-	38,474	-	310,474
	2016	272,000	-	27,413	-	299,413
Patrick Kullmann, COO	2017	231,000	-	32,674	-	263,674
	2016	231,000	-	23,281	-	254,281
Dennis Moon, EVP	2017	201,000	-	28,431	-	229,431
	2016	201,000	-	20,257	-	221,257
Jeffery Wright, Controller	2017	140,000	-	18,388	-	158,388
	2016	130,000	-	13,102	-	143,102
Charles Farrahar, CFO	2017	45,000	-	-	-	45,000
	2016	45,000	-	-	-	45,000

Employment Agreements

From their first date of employment, the Company entered into Employment and Confidential Information and Inventions Assignment ("Confidentiality") Agreements with each of its four officers. These agreements are identical with the exception of the salary amount in the Employment Agreement.

The Confidentiality Agreement, among other things, obligates each officer not to disclose Confidential Information (as defined in the Agreement) for a period of 5 years after their last date of employment. It commits the employee to assign any work product developed at MedoveX to the Company and assist with obtaining patents for that work as necessary. It contains a provision prohibiting employees from soliciting clients or hiring Company personnel for a period of 2 years after their separation.

The Employment Agreements are for a term of three years and define the compensation and benefits each employee will receive when they start employment. They also define the circumstances for and the effect on compensation and benefits under the following scenarios:

a. Termination without cause

b. Termination upon death or disability

c. Termination by the Company for cause

d. Termination by the employee for good reason, including material diminishment of position, demands to move or change in control of the Company

e. Termination by the Company without cause, upon disability or by employee with good reason

f. Termination for other reasons

If the Company terminates without cause or the employee terminates with good reason, the employee continues to collect his salary and benefits for 6 months after termination. The Employment Agreement also contains a non-compete clause prohibiting the employee from competing with the Company for 1 year after their separation. Currently no employment agreements are in effect.

The current annualized salaries of our executive officers are as follows:

Name & Position	Annual Salary
Jarrett Gorlin, CEO	$ 272,000
Charles Farrahar, CFO	$ 45,000
Jeffery Wright, Controller	$ 140,000
Dennis Moon, EVP	$ 201,000

Director Compensation

The board established a policy of paying outside (non-employee) directors $5,000 per quarter for each full quarter of service.

In November 2016, the Board authorized the issuance of shares of common stock to all Board members, both current and former, in an amount equivalent to $240,000, representing their accrued but unpaid directors' fees as of December 31, 2016. In January 2017, the Company issued an aggregate of 173,911 shares at $1.38 per share, which was the average closing price of the Company's stock during 2016, to fulfill this obligation. The closing price of the Company's stock on January 17, 2017, the day the shares were issued, was $1.16 per share.

In August 2017, the Board authorized the issuance of shares of common stock to all Board members, both current and former, in an amount equivalent to $135,000, representing their accrued but unpaid directors' fees as of September 30, 2017. In October 2017, the Company issued an aggregate of 115,389 shares at $1.17 per share, which was the average closing price of the Company's stock through September 30, 2017, to fulfill this obligation. The closing price of the Company's stock on October 30, 2017, the day the shares were issued, was $1.09 per share.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information is presented for each person we know to be a beneficial owner of 5% or more of our securities, each of our directors and executive officers, and our officers and directors as a group.

The percentage of common equity beneficially owned is based upon 21,163,013 shares of Common Stock issued and outstanding as of December 31, 2017.

The number of shares beneficially owned by each stockholder is determined under the rules issued by the Securities and Exchange Commission and includes voting or investment power with respect to such securities.

Under these rules, beneficial ownership includes any shares as to which the individual or entity has sale or shared voting power or investment power. Unless otherwise indicated, the address of all listed stockholders is c/o MEDOVEX, 3060 Royal Boulevard South Suite 150, Atlanta, Alpharetta 30022. Unless otherwise indicated each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned, subject to community property laws where applicable.

	Number of Shares Beneficially Owned(1)	Percentage of common equity beneficially owned
Scott M.W. Haufe, M.D., Director	811,170(2) (4)	3.7%
Farrahar, Charles	193,576	0.9%
Jarrett Gorlin, Director and Officer	671,843(3) (10)	3.1%
Larry W. Papasan, Co-chair of the Board of Directors	238,136(4)	1.1%
John C. Thomas, Jr., Director	109,960(4)	0.5%
Patrick Kullmann, Officer	281,506(5) (8)	1.3%
Jeffery Wright, Officer	63,629(7)	0.3%
Major General C.A. "Lou" Hennies, Director	141,348(4)	0.6%
James R. Andrews, M.D., Director	141,348(4)	0.6%
Ron Lawson, Director	318,256(12)	1.4%
Jesse Crowne, Co-chair of the Board of Directors	251,990(6)	1.1%
Randal R. Betz, M.D., Director	141,348(4)	0.6%
Mogford Jon, Director	165,840(11)	0.8%
Dennis Moon, Officer	245,226(9)	1.1%
Officers and Directors as a Group (14 persons)	**3,775,176**	**17.2%**

(1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and includes voting or investment power with respect to shares beneficially owned and options exercisable within 60 days. Beneficial ownership is based on information furnished by the individuals or entities.

(2) Includes 532,335 shares held by Morgan Stanley Smith Barney custodian for Nicole Haufe Roth IRA, 25,000 shares held by Haufe Family Limited Partnership and 209,275 shares held by Nicole Haufe. Mr. Haufe disclaims beneficial ownership of the shares.

(3) Includes 506,837 shares held by The Jarrett S. & Rebecca L. Gorlin Family Limited Partnership. Mr. Gorlin disclaims beneficial ownership of the shares.

(4) Includes 10,000 shares pursuant to options exercisable within 60 days.

(5) Includes 96,788 shares held by Pamela M.C. Kullmann. Mr. Kullmann disclaims beneficial ownership of Pamela M.C. Kullmann's shares.

(6) Includes 56,250 shares pursuant to options exercisable within 60 days.

(7) Includes 63,629 shares pursuant to options exercisable within 60 days.

(8) Includes 72,680 shares pursuant to options exercisable within 60 days.

(9) Includes 51,650 shares pursuant to options exercisable within 60 days.

(10) Includes 54,671 shares pursuant to options exercisable within 60 days.

(11) Includes 150,000 shares pursuant to options exercisable within 60 days.

(12) Includes 300,000 shares pursuant to options exercisable within 60 days.

Equity Compensation Plan Information

In October 2013, the Company adopted the 2013 Stock Incentive Plan (the "Plan").

The Plan is intended to secure for us and our stockholders the benefits arising from ownership of our Common Stock by individuals we employ or retain who will be responsible for the future growth of the enterprise. The Plan is also designed to help attract and retain superior personnel for positions of substantial responsibility, including advisory relationships where appropriate, and to provide individuals with an additional incentive to contribute to our success.

The "Administrator" of the Plan is the Compensation Committee of the Board; however, the Administrator may also delegate to one or more officers of the Company the authority to make most determinations otherwise reserved for decision by the Administrator. Under the Plan, the Administrator has the flexibility to determine eligible participants and the type and amount of awards to grant to eligible participants.

The Administrator may make the following types of grants under the Plan, each of which will be an "Award":

- qualified incentive stock options ("QISOs");
- nonqualified stock options; and
- awards of restricted stock and/or restricted stock units.

Our officers, key employees, directors, consultants and other independent contractors or agents who are responsible for or contribute to our management, growth or profitability will be eligible for selection by the Administrator to participate in the Plan, provided, however, that QISOs may be granted only to our employees.

We authorized and reserved for issuance under the Plan an aggregate of 2,650,000 shares of our Common Stock. As of December 31, 2017, we have granted an aggregate of 1,314,059 options to purchase common stock at a weighted average price of $1.51 per share to certain employees, consultants and to outside directors. As of December 31, 2017, we have granted an aggregate of 368,000 common stock shares from the Plan to certain outside consultants at the market price on the day of grant. If any of the awards granted under the Plan expire, terminate or are forfeited for any reason before they have been exercised, vested or issued in full, the unused shares allocable to or subject to those expired, terminated or forfeited awards will become available for further grants under the Plan.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The Company pays TAG Aviation ("TAG"), a company owned by CEO Jarrett Gorlin, for executive office space in Atlanta Georgia at a rate of $2,147 per month plus related utilities.

The rental rate is 90% of the amount billed to TAG Aviation by the owner of the property. The Company has also chartered aircraft from TAG Aviation. The total amount spent for chartered service with TAG Aviation was approximately $0 in 2017 and $26,000 in 2016. The Company believes that such aircraft charter is on terms no less favorable then it would receive from a third party.

Policies and Procedures for Related Person Transactions

Our board of directors has adopted written policies and procedures for the review of any transaction, arrangement or relationship in which we are a participant, the amount involved exceeds $120,000 and one of our executive officers, directors, director nominees or 5% stockholders, or their immediate family members, each of whom we refer to as a "related person," has a direct or indirect material interest.

If a related person proposes to enter into such a transaction, arrangement or relationship, which we refer to as a "related person transaction," the related person must report the proposed related person transaction to our Chief Executive Officer. The policy calls for the proposed related person transaction to be reviewed and, if deemed appropriate, approved by our audit committee. Whenever practicable, the reporting, review and approval will occur prior to entry into the transaction.

If advance review and approval is not practicable, the committee will review, and, in its discretion, may ratify the related person transaction. The policy also permits the chairman of the committee to review and, if deemed appropriate, approve proposed related person transactions that arise between committee meetings, subject to ratification by the committee at its next meeting. Any related person transactions that are ongoing in nature will be reviewed annually.

A related person transaction reviewed under the policy will be considered approved or ratified if it is authorized by the committee after full disclosure of the related person's interest in the transaction. As appropriate for the circumstances, the committee will review and consider:

- the related person's interest in the related person transaction;
- the approximate dollar value of the amount involved in the related person transaction;
- the approximate dollar value of the amount of the related person's interest in the transaction without regard to the amount of any profit or loss;
- whether the transaction was undertaken in the ordinary course of our business;
- whether the terms of the transaction are no less favorable to us than terms that could have been reached with an unrelated third party; and
- the purpose of, and the potential benefits to us of, the transaction.

The committee may approve or ratify the transaction only if the committee determines that, under all of the circumstances, the transaction is in our best interests. The committee may impose any conditions on the related person transaction that it deems appropriate.

In addition to the transactions that are excluded by the instructions to the SEC's related person transaction disclosure rule, our board of directors has determined that the following transactions do not create a material direct or indirect interest on behalf of related persons and, therefore, are not related person transactions for purposes of this policy:

- interests arising solely from the related person's position as an executive officer of another entity (whether or not the person is also a director of such entity) that is a participant in the transaction, where (i) the related person and all other related persons own in the aggregate less than a 10% equity interest in such entity, (ii) the related person and his or her immediate family members are not involved in the negotiation of the terms of the transaction and do not receive any special benefits as a result of the transaction and (iii) the amount involved in the transaction is less than the greater of $200,000 or 5% of the annual gross revenues of the company receiving payment under the transaction; and
- a transaction that is specifically contemplated by provisions of our charter or bylaws.

The policy provides that transactions involving compensation of executive officers shall be reviewed and approved by the compensation committee in the manner specified in its charter.

We did not have a written policy regarding the review and approval of related person transactions. Nevertheless, with respect to such transactions, it was our policy for our board of directors to consider the nature of and business reason for such transactions, how the terms of such transactions compared to those which might be obtained from unaffiliated third parties and whether such transactions were otherwise fair to and in the best interests of, or not contrary to, our best interests.

In addition, all related person transactions required prior approval, or later ratification, by our board of directors.

Indemnification Agreements

Our certificate of incorporation provides that we will indemnify our directors and officers to the fullest extent permitted by Nevada law. In addition, we have entered into indemnification agreements with our directors.

Stock Option Grants to Executive Officers and Directors

We authorized and reserved for issuance under the Plan an aggregate of 2,650,000 shares of our Common Stock. In 2017 and 2016, we granted an aggregate of 147,611 and 597,600, respectively, of options to purchase common stock to executive officers and directors. If any of the Awards granted under the Plan expire, terminate or are forfeited for any reason before they have been exercised, vested or issued in full, the unused shares allocable to or subject to those expired, terminated or forfeited awards will become available for further grants under the Plan.

Policies and Procedures for Approving Related Person Transactions

Our policy and procedure with respect to any related person transaction between the Company and any related person requiring disclosure under Item 404(a) of regulation S-K under the Exchange Act, is that the Company's audit committee reviews all such transactions.

This review covers any material transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which the Company was and is to be a participant, and a related party had or will have a direct or indirect material interest, including, purchases of goods or services by or from the related party or entities in which the related party has a material interest, indebtedness, guarantees of indebtedness and employment by the Company of a related party. The board of directors has adopted a written policy reflecting the policy and procedure identified above.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following is a summary of the fees billed to the Company by Frazier & Deeter, LLC for professional accounting services rendered for the fiscal years ended December 31, 2017 and 2016.

	Fiscal Year 2017	Fiscal Year 2016
Audit fees	$ 99,500	$ 108,500
Tax fees	11,000	16,000
Other fees	2,500	—
Total	**$ 113,000**	**$ 124,500**

Audit fees consist of fees billed for services rendered for the audit of our financial statements and review of our financial statements included in our quarterly reports on Form 10–Q. Other fees consist of comfort letter service fees.

Tax fees consist of fees billed for professional services related to the preparation of our U.S. federal and state income tax returns.

Policy on Pre-Approval by Audit Committee of Services Performed by Independent Registered Public Accounting Firms

The policy of the audit committee is to pre-approve all audit and permissible non-audit services to be performed by the independent public accounting firm during the fiscal year. The audit committee pre-approves services by authorizing specific projects within the categories outlined above. The audit committee's charter delegates to its Chair the authority to address any requests for pre-approval of services between audit committee meetings, and the Chair must report any pre-approval decisions to the audit committee at its next scheduled meeting. All of the services related to the fees described above were approved by the audit committee pursuant to the pre-approval provisions set forth in the applicable SEC rules and the audit committee's charter.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) *Financial Statements*. The following are filed as part of Item 15 of this Annual Report on Form 10-K:

(a)(3) *Exhibits required by Item 601 of Regulation S-K.* The information required by this Section (a)(3) of Item 15 of this Annual Report on Form 10-K is set forth on the exhibit index that follows the Signatures page hereof.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MEDOVEX CORP.

Date: March 30, 2018

By: */s/ Jarrett Gorlin*
Jarrett Gorlin,
Chief Executive Officer

Signature	Title	Date
/s/ Jarrett Gorlin Jarrett Gorlin	Chief Executive Officer, President and Director (Principal Executive Officer)	March 30, 2018
/s/ Charles Farrahar Charles Farrahar	Chief Financial Officer (Principal Financial and Accounting Officer)	March 30, 2018
/s/ Jesse Crowne Jesse Crowne	Chairman of the Board of Directors	March 30, 2018
/s/ Clyde A. Hennies Clyde A. Hennies	Director	March 30, 2018
/s/ Scott M.W. Haufe Scott M.W. Haufe	Director	March 30, 2018
/s/ James R. Andrews James R. Andrews	Director	March 30, 2018
/s/ Ron Lawson Ron Lawson	Director	March 30, 2018
/s/ Randal R. Betz Randal R. Betz	Director	March 30, 2018
/s/ Larry Papasan Larry Papasan	Director	March 30, 2018
/s/ John Thomas John Thomas	Director	March 30, 2018
/s/ Jon Mogford Jon Mogford	Director	March 30, 2018

EXHIBIT INDEX

Exhibits

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated September 16, 2013 among MedoveX Corp. f/k/a SpineZ Corp. and Debride Inc. (1)
2.2	Agreement and Plan of Merger, dated March 9, 2015 among MedoveX Corp. and Streamline, Inc. (2)
2.3	Asset Purchase Agreement, dated December 7, 2016, among MedoveX Corp., Streamline, Inc., Skytron, LLC and certain other parties thereto (3)
3.1	Articles of Incorporation of Spinez Corp. (1)
3.2	Certificate of Amendment to the Articles of Incorporation of Spinez Corp. (changing the name of the company to MedoveX Corp. and Effecting the Reverse Split of the Outstanding Shares of MedoveX Corp.'s Common Stock).
3.3	Bylaws of MedoveX Corp. (1)
4.1	Modification Agreement by and between the Company and Steve Gorlin dated January 25, 2016. (5)
4.2	Amendment to the Modification Agreement by and between the Company and Steve Gorlin dated February 16, 2016. (6)
4.3	Second Amendment to the Modification Agreement by and between the Company and Steve Gorlin dated March 25, 2016. (7)
4.4	Third Amendment to the Modification Agreement by and between the Company and Steve Gorlin dated November 1, 2016 (7)
4.5	Fourth Amendment to the Modification Agreement by and between the Company and Steve Gorlin dated November 30, 2016 (8)
10.1	2013 Stock Incentive Plan. (1)
10.2	Employment Agreement between MedoveX Corp. and Jarrett Gorlin dated October 14, 2013. (1)
10.3	Employment Agreement between MedoveX Corp. and Patrick Kullmann dated October 14, 2013. (1)
10.4	Employment Agreement between MedoveX Corp. and Charlie Farrahar dated October 14, 2013. (1)
10.5	Employment Agreement between MedoveX Corp. and Dennis Moon dated November 11, 2013. (1)
10.6	Contribution and Royalty Agreement between MedoveX and Scott W. Haufe dated January 31, 2013. (1)
10.7	Co-Development Agreement between MedoveX Corp. and Dr. James Andrews dated September 30, 2013. (1)
10.8	Consulting Agreement between MedoveX Corp. and Robb Knie dated December 2, 2013. (1)
10.9	Engineering Services Agreement between MedoveX Corp. and Devicix, LLC dated November 25, 2013. (1)
10.10	Form of Indemnification Agreement. (1)
10.11	Promissory note issued on November 9, 2015 in favor of Steve Gorlin
10.12	Warrant issued on November 9, 2015 to Steve Gorlin
10.13	Form of Common Stock Purchase Warrant (9)
10.14	Form of Unit Purchase Agreement between MedoveX Corp. and Investors (10)
10.15	Form of Registration Rights Agreement between MedoveX Corp. and Investors (10)
10.16	Private Placement Memorandum Supplement dated April 18, 2016 (10)
10.17	Form of Warrant (11)
10.18	Form of Unit Purchase Agreement (11)
10.19	Form of Registration Rights Agreement (11)
10.20	Form of Note (12)
10.21	Form of Warrant (12)
10.22	Form of Security Agreement (12)
10.23	Form of Warrant (4)
10.24	Form of Unit Purchase Agreement (4)
10.25	Form of Registration Rights Agreement (4)

10.26	Form of Common Stock Purchase Warrant issued by MedoveX Corporation to each of the Investors (13)
10.27	Form of Securities Purchase Agreement, by and between the Company and Investors (13)
10.28	Consulting Agreement, by and between MedoveX Corp. and CG# Consulting LLC, dated February 2, 2018 (14)
10.29	Form of Securities Purchase Agreement, by and between the Company and Investors (15)
10.30	Form of Warrant issued by MedoveX Corp. to each of the Investors (15)
14	Business and Code of Ethics of MedoveX Corp. (1)
21.1	Subsidiaries of MedoveX Corp. *
24.1	Power of Attorney (included on signature page).*
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of Principal Financial and Accounting Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Principal Financial and Accounting Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*

(*) Filed herewith
(1) Incorporated by reference herein from the Registration Statement on Form S-1/A filed on September 8, 2014
(2) Incorporated by reference herein from the Current Report on Form 8-K filed on March 11, 2015.
(3) Incorporated by reference herein from the Current Report on Form 8-K filed on December 12, 2016.
(4) Incorporated by reference herein from the Current Report on Form 8-K filed on February 14, 2017.
(5) Incorporated by reference herein from the Current Report on Form 8-K filed on January 25, 2016.
(6) Incorporated by reference herein from the Current Report on Form 8-K filed on February 17, 2017.
(7) Incorporated by reference herein from the Current Report on Form 8-K filed on November 4, 2016
(8) Incorporated by reference herein from the Current Report on Form 8-K filed on December 6, 2016
(9) Incorporated by reference herein from the Current Report on Form 8-K filed on April 25, 2016
(10) Incorporated by reference herein from the Current Report on Form 8-K filed on May 5, 2016
(11) Incorporated by reference herein from the Current Report on Form 8-K filed on August 8, 2016
(12) Incorporated by reference herein from the Current Report on Form 8-K filed on September 19, 2016
(13) Incorporated by reference herein from the Current Report on Form 8-K filed on July 14, 2017
(14) Incorporated by reference herein from the Current Report on Form 8-K filed on February 6, 2018
(15) Incorporated by reference herein from the Current Report on Form 8-K filed on March 1, 2018
(1) Incorporated by reference herein from the Registration Statement on Form S-1/A filed on December 9, 2014.
(2) Incorporated by reference herein from the Current Report on Form 8-K filed on March 11, 2015.
(3) Incorporated by reference herein from the Current Report on Form 8-K filed on January 25, 2016.
(4) Incorporated by reference herein from the Current Report on Form 8-K filed on February 17, 2016.
(*) Filed herewith

Exhibit 21.1

Name of Entity	Jurisdiction
Debrider, Inc.	Florida
STML Merger Sub, Inc.	Minnesota

Exhibit 31.1

CERTIFICATION PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jarrett Gorlin, certify that:

1. I have reviewed this Annual Report on Form 10-K of MedoveX Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2018

/s/ Jarrett Gorlin

Jarrett Gorlin,
Principal Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Charles Farrahar, certify that:

1. I have reviewed this Annual Report on Form 10-K of MedoveX Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 30, 2018

/s/ Charles Farrahar

Charles Farrahar,
Principal Financial and Accounting Officer

Exhibit 32.1

Certifications Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

I, Jarrett Gorlin, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of MedoveX Corp. on Form 10-K for the fiscal year ended December 31, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Annual Report on Form 10-K as amended fairly presents, in all material respects, the financial condition and results of operations of MedoveX Corp.

Date: March 30, 2018

By: */s/ Jarrett Gorlin*
Name: **Jarrett Gorlin**
Title: ***Principal Executive Officer***

This certification accompanies the Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of MedoveX Corp. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.

Exhibit 32.2

Certifications Pursuant to
18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

I, Charles Farrahar, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of MedoveX Corp. on Form 10-K for the fiscal year ended December 31, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Annual Report on Form 10-K as amended fairly presents, in all material respects, the financial condition and results of operations of MedoveX Corp.

Date: March 30, 2018

By: */s/ Charles Farrahar*
Name: **Charles Farrahar**
Title: ***Principal Financial and Accounting Officer***

This certification accompanies the Form 10-K to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of MedoveX Corp. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-K), irrespective of any general incorporation language contained in such filing.