

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Datatrak International, Inc.
5900 Landerbrook Drive, Suite 170
Mayfield Heights, OH 44124
(440) 443-0082
www.datatrak.com
investor@datatrak.com
SIC Code 7374

Quarterly Report
Period Ending: June 30, 2022
(“Reporting Period”)

As of June 30, 2022, the number of shares outstanding of our Common Stock was: 2,357,974
As of March 31, 2022, the number of shares outstanding of our Common Stock was: 2,427,833
As of December 31, 2021, the number of shares outstanding of our Common Stock was: 2,423,720

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934): Yes: No:

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:
Yes: No:

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:
Yes: No:

1) Name and address of the issuer

Datatrak International, Inc. (“Datatrak” or “Company”) was previously known as Collaborative Clinical Research, Inc. until April 1999. The Company is incorporated in Ohio and is active since July 17, 1991. The Company has had no trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception. The Company has had no stock splits, stock dividends, recapitalizations, mergers, acquisitions, spin-offs, or reorganizations either currently or anticipated or that occurred within the past 12 months. The address of the issuer’s principal executive office is 5900 Landerbrook Drive, Suite 170, Mayfield Heights, OH 44124. *Check box if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years? Yes: No:

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below: None.

2) Security Information

Trading symbol: DTRK
Exact title and class of securities outstanding: Common Shares
CUSIP: 238134209
Par or stated value: No par value
Total shares authorized: 25,000,000 as of date: June 30, 2022

¹ “Change in Control” shall mean any events resulting in:

- (i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Total shares outstanding: 2,357,974 as of date: June 30, 2022
Number of shares in the Public Float²: 1,194,664 as of date: June 30, 2022
Total number of shareholders of record: 73 as of date: June 30, 2022

Transfer Agent

Computershare Investor Services
(800) 622-6757
Melissa.pierce@computershare.com
6200 S. Quebec St., Greenwood Village, CO 80111

Is the Transfer Agent registered under the Exchange Act?³ Yes: No:

3) Issuance History

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Opening Balance									
12/31/2019 Common: 2,358,667									
Date of Transaction	Type	Issued/ (Returned)	Class of Securities	Price at Issuance	Issued at Discount?	Issued to	Reason for Issuance	Restricted or Unrestricted	Registration Type
01/02/2020	From Treasury	1,145	Common	\$5.52	Yes	ESPP	Employee Plan	Restricted	Not Registered
01/02/2020	New Issuance	4,982	Common	\$6.49	No	Directors	Compensation	Restricted	Not Registered
01/31/2020	New Issuance	11,264	Common	\$5.30	No	401(k) Plan	401(k) Match	Restricted	Not Registered
04/01/2020	From Treasury	1,289	Common	\$3.57	Yes	ESPP	Employee Plan	Restricted	Not Registered
04/01/2020	New Issuance	7,700	Common	\$4.20	No	Directors	Compensation	Restricted	Not Registered
05/08/2020	Returned to Authorized	(3,704)	Common	\$5.40	No	Michael T. Morgan	Did Not Meet Requirements	Restricted	Not Registered
07/01/2020	From Treasury	1,763	Common	\$3.78	Yes	ESPP	Employee Plan	Restricted	Not Registered
07/01/2020	New Issuance	7,267	Common	\$4.45	No	Directors	Compensation	Restricted	Not Registered
10/01/2020	New Issuance	1,300	Common	\$5.06	Yes	ESPP	Employee Plan	Restricted	Not Registered
10/01/2020	New Issuance	5,434	Common	\$5.95	No	Directors	Compensation	Restricted	Not Registered
01/04/2021	From Treasury	1,119	Common	\$5.02	Yes	ESPP	Employee Plan	Restricted	Not Registered
01/04/2021	New Issuance	5,213	Common	\$5.90	No	Directors	Compensation	Restricted	Not Registered

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

01/27/2021	New Issuance	5,859	Common	\$4.75	No	401(k) Plan	401(k) Match	Restricted	Not Registered
04/01/2021	New Issuance	5,787	Common	\$4.42	No	Directors	Compensation	Restricted	Not Registered
04/01/2021	From Treasury	1,100	Common	\$5.20	Yes	ESPP	Employee Plan	Restricted	Not Registered
07/01/2021	New Issuance	4,353	Common	\$5.87	No	Directors	Compensation	Restricted	Not Registered
07/01/2021	From Treasury	969	Common	\$6.91	Yes	ESPP	Employee Plan	Restricted	Not Registered
10/01/2021	From Treasury	334	Common	\$13.60	Yes	ESPP	Employee Plan	Restricted	Not Registered
10/01/2021	New Issuance	1,879	Common	\$16.00	No	Directors	Compensation	Restricted	Not Registered
01/01/2022	From Treasury	731	Common	\$7.57	Yes	ESPP	Employee Plan	Restricted	Not Registered
02/18/2022	New Issuance	3,382	Common	\$8.90	No	Directors	Compensation	Restricted	Not Registered
04/01/2022	New Issuance	5,235	Common	\$5.75	No	Directors	Compensation	Restricted	Not Registered
05/08/2022	Returned to Treasury	(75,094)	Common	\$4.03	No	Various	Did Not Meet Requirements	Restricted	Not Registered
Ending Balance: June 30, 2022 Common: 2,357,974									

B. Debt Securities, Including Promissory and Convertible Notes

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- U.S. GAAP
 IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Mark Bobus, CPA
Title: Controller
Relationship to Issuer: Controller

5) Issuer's Business, Products and Services

A. Issuer's business operations

Any potential business operations permissible by law for generating financial gains, currently including the sale and promotion of our internet based software platform for sales to other business, currently including the life sciences industry for conducting clinical trials and other activities. Datatrak is a technology company providing software and data solutions for the life sciences industry.

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

B. Issuer's subsidiaries, parents, or affiliated companies.

Company has the following inactive and non-operating wholly-owned subsidiaries: Datatrak, Inc., Fountayn LLC, CF Merger Sub, Inc., and DTRAK, Inc.

C. Issuers' principal products or services.

Internet based software platform products and services. Datatrak's principal products and services are cloud-based software solutions for life sciences that include applications such as clinical trial management systems, trial design, electronic data capture, medical coding, risk-based monitoring, electrocardiogram data capture, image data capture, endpoint adjudication, randomization, clinical supply inventory, electronic consent, electronic patient reported outcomes, electronic clinical outcomes assessment, decentralized clinical trials, and others.

6) Issuer's Facilities

Company leases approximately 6,400 square feet of office space in Mayfield Heights, Ohio that has a lease term expiring in 2023. Company has an office lease of approximately 14,000 square feet in Chicago, Illinois that it subleased as of 2016 in order to mitigate the expense associated with the original lease.

7) Company Insiders

Name of Officer/Director or Control Person	Affiliation with Company	Residential Address	Number of Shares Owned	Share Type/Class	Ownership Percentage of Class Outstanding	Note
Alex Tabatabai	CEO, Chairman, and >5% Owner	Mayfield Heights, OH	830,930 12,000	Common Options	35.6%	Managing member of beneficial holder Tabatabai Investment Management LLC
Col. Jack H. Jacobs	Director	Mayfield Heights, OH	33,940	Common	1.4%	
Dr. Eric J. Wilhelm	Director	Mayfield Heights, OH	27,072	Common	1.1%	
Dr. Pontea Shabkhiz	Director	Mayfield Heights, OH	5,764	Common	0.2%	
Dr. Ben Tabatabai	Director	Mayfield Heights, OH	32,604	Common	1.4%	
Adam Kopelman	EVP & Principal Financial Officer	Mayfield Heights, OH	10,000	Options	0.4%	
Sandra J. & Ralph E. Mongeon	>5% Owner	Fort Meyers, FL	221,000	Common	9.4%	Company has limited information

8) Legal/Disciplinary History

A. Please identify whether any of the persons or entities listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses): None.
2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities: None.
3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated: None.
4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities: None.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities. None.

9) Third Party Providers

Securities Counsel

Derek Bork
Thompson Hine LLP
3900 Key Center, 127 Public Square
Cleveland, OH 44114
(216) 566-5500
derek.bork@thompsonhine.com

Auditor

Marilea Campomizzi
Marcum LLP
6685 Beta Drive
Mayfield Village, OH 44143
(440) 449-6800
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Tax Preparer

David DiCillo
DiCillo & Associates, Inc.
6240 SOM Center Rd., Suite 225
Solon, OH 44139
(216) 377-1950
ddicillo@greatlakecpa.net

10) Issuer Certification

Principal Executive Officer:

I, Alex Tabatabai certify that:

1. I have reviewed this quarterly disclosure statement of Datatrak International, Inc.;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 14, 2022
/s/ Alex Tabatabai
Alex Tabatabai

Principal Financial Officer:

I, Adam Kopelman certify that:

1. I have reviewed this quarterly disclosure statement of Datatrak International, Inc.;
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 14, 2022
/s/ Adam Kopelman
Adam Kopelman

Consolidated Balance Sheets

Assets	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Current Assets		
Cash and cash equivalents	476,098	1,875,784
Marketable securities	494,100	871,763
Accounts receivable, net of allowance for doubtful accounts of \$15,000 and \$15,000	778,267	711,264
Other receivables	105	111
Prepaid expenses	240,501	292,956
Due from Related Party	484,391	20,815
Current assets	2,473,463	3,772,693
Operating right-of-use asset		
Operating right-of-use asset	2,129,171	2,129,171
Accumulated depreciation-operating right-of-use asset	(1,099,453)	(764,847)
Operating right-of-use assets - net	1,029,718	1,364,324
Property & equipment		
Equipment	369,214	355,502
Software, net of impairment	7,196,864	6,511,886
Leasehold Improvements	55,425	55,425
Property and equipment gross	7,621,503	6,922,813
Less accumulated depreciation and amortization	(5,731,086)	(5,158,455)
Property & equipment - net	1,890,416	1,764,358
Other Assets		
Certificate of deposit	95,014	125,126
Contract assets	0	5,086
Long-Term receivable	142,454	174,005
Deposits	12,077	16,547
Total Other Assets	249,545	320,764
Total Assets	5,643,142	7,222,138
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable	240,833	185,951
PPP loan - current	0	0
Notes Payable	699,117	157,500
Accrued expenses	813,194	920,945
Contract Liability	879,912	1,842,844
Total current liabilities	2,633,057	3,107,240
Long-Term Liabilities		
Contract Liability-Long Term	1,094,475	827,324
Long-term operating lease liability	870,357	1,262,178
PPP loan - long term	0	0
Accrued expenses long term	150,000	150,000
Total Long-Term Liabilities	2,114,832	2,239,502
Shareholders' Equity		
Serial Preferred Shares, without par value, 1,000,000 shares authorized, none issued	-	-
Common Shares/Additional paid in capital, without par value, authorized 25,000,000 shares; Issued 2,435,726 shares as of Dec. 31, 2021 and 2,412,635 as of Dec. 31, 2020. Issued 2,439,108 shares as of Mar. 31, 2022 and 2,444,343 as of Jun. 30, 2022 Outstanding 2,397,107 shares as of Dec. 31, 2020 and 2,423,720, as of Dec.31, 2021 Outstanding 2,427,833 shares as of Mar. 31, 2022, and 2,357,974 as of Jun. 30, 2022	69,140,941	69,018,222
Treasury Shares:12,006 shares as of Dec.31, 2021 and 89,636 shares as of June.30, 2022 at cost.	(89,636)	(105,807)
Accumulated Deficit	(68,156,051)	(67,037,020)
Total Shareholders' equity	895,254	1,875,396
Total Liabilities & Shareholders Equity	5,643,142	7,222,138

Consolidated Statement of Cash Flows

	For the Six months ended June 30	
	2022	2021
Operating Activities		
Net (loss) income	\$ (356,466)	\$ 512,682
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation and amortization	311,271	270,163
Amortization of operating right-of-use asset	160,374	167,742
Stock-based compensation	60,200	62,697
Unrealized loss (gain) on marketable securities	(486,526)	(161,591)
Gain on PPP forgiveness		(845,938)
401(k) match paid in stock		27,830
Changes in operating assets and liabilities:		
Accounts receivable	(297,785)	1,104,705
Prepaid expenses and other assets	71,283	129,025
Accounts payable and accrued expenses	(70,617)	(43,245)
Long-term operating lease liability	(170,312)	(212,025)
Interest payable	-	(5,868)
Contract liability	(838,820)	(653,628)
Net cash (used in) provided by operating activities	(1,617,397)	352,549
Investing Activities		
Purchases of property and equipment	(9,824)	-
Capitalization of software development costs	(324,069)	(387,753)
Due from Related Party	63,798	(700,000)
Purchase of marketable securities	-	-
Net cash used in investing activities	(270,095)	(1,087,753)
Financing Activities		
Proceeds from LOC net of repayments	700,000	
Payments of long-term debt and notes payable	(35,883)	(33,945)
Proceeds from ESPP	6,505	10,474
Net cash provided by (used in) financing activities	670,622	(23,471)
(Decrease) increase in cash and cash equivalents	(1,216,869)	(758,675)
Cash, restricted cash and cash equivalents at beginning of year	1,787,982	2,759,585
Cash, restricted cash and cash equivalents at end of year	571,112	2,000,910
Reconciliation of cash, restricted cash and cash equivalents to the consolidated balance sheet		
	2022	2021
Cash and cash equivalents	476,098	1,875,784
Certificate of deposit	95,014	125,126
Cash, restricted cash and equivalents at the end of the year	571,112	2,000,910

Due from Related Party: TabaFund owed the aggregate principal amount of \$700,000 to Datatrak and interest accruing as of January 29, 2021 on the principal amount at a rate of 10% per annum, pursuant to a promissory note. As of June 30, 2022 the note was \$484,391, (\$400,000 principle plus \$84,391 interest).

Consolidated Statement of Stockholder's Equity

	<u>Common Shares</u>		<u>Treasury Shares</u>			
	<u>Number of Shares</u>	<u>Stated Amount</u>	<u>Number of Shares</u>	<u>Cost</u>	<u>Accumulated Deficit</u>	<u>Total</u>
Balance at December 31, 2020	2,412,635	68,934,864	15,528	(123,448)	(67,549,702)	1,261,712
Stock-based compensation			-	-		-
ESPP	-	(3,638)	(3,522)	28,000	-	24,362
401(k) match	5,859	27,830	-	-	-	27,830
Director fees	17,232	120,992	-	-	-	120,992
Net Profit (Loss)	-	-	-	-	(249,883)	(249,883)
Balance at December 31, 2021	2,435,726	69,080,048	12,006	(95,448)	(67,799,585)	1,185,014
Stock-based compensation			-	-		-
ESPP		693	(731)	5,812	-	6,505
401(k) match					-	-
Director fees	3,382	30,100			-	30,100
Net Profit (Loss)	-	-	-	-	(100,692)	(100,692)
Balance at March 31, 2022	2,439,108	69,110,841	11,275	(89,636)	(67,900,277)	1,120,927
Stock-based compensation			75,094	-		-
ESPP					-	-
401(k) match					-	-
Director fees	5,235	30,100			-	30,100
Net Profit (Loss)	-	-	-	-	(255,774)	(255,774)
Balance at June 30, 2022	2,444,343	69,140,941	86,369	(89,636)	(68,156,051)	895,253