

Opko Health, Inc.
Form DEF 14A
April 30, 2018

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant Filed by a party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under 240.14a-12

OPKO Health, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box)

- No fee required
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

- (1) Title of each class of securities to which transaction applies:
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- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
- (5) Total Fee paid:
 - Fee paid previously with preliminary materials.
 - Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:
 - (2) Form, Schedule or Registration Statement No.:
 - (3) Filing Party:
 - (4) Date Filed:
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OPKO HEALTH, INC.
4400 Biscayne Blvd.
Miami, FL 33137

NOTICE OF 2018 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD JUNE 21, 2018

Notice is hereby given that the Annual Meeting of Stockholders (the “Annual Meeting”) of OPKO Health, Inc., a Delaware corporation (the “Company”), will be held on Thursday, June 21, 2018 beginning at 10:00 a.m., Eastern Time. This year, the Annual Meeting will be a virtual meeting of stockholders held via live webcast, during which you will be able to vote your shares electronically and submit your questions, and a listen-only conference call on which you will not be able to vote or submit questions. At the Annual Meeting, we will ask you:

1. To elect as directors the nine nominees named in the attached proxy statement for a term of office expiring at the 2019 annual meeting of stockholders or until their respective successors are duly elected and qualified;
2. To take a non-binding advisory vote to approve the compensation paid to the Company’s named executive officers (“Say on Pay”);
3. To ratify the appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2018; and
4. To transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Holders of record of our common stock, par value \$0.01 per share, at the close of business on Monday, April 23, 2018, will be entitled to notice of and to vote at the Annual Meeting or any adjournments thereof.

Whether or not you plan to participate in the Annual Meeting, it is important that you vote your shares. Regardless of the number of shares you own, please promptly vote your shares by telephone (before the Annual Meeting, and not on the listen-only conference call) or Internet or, if you have received printed copies of the proxy materials, by marking, signing and dating the proxy card and returning it to the Company in the postage paid envelope provided. Should you participate in the live webcast, you may, if you wish, withdraw your proxy and vote your shares during the Annual Meeting on the Internet but not on the listen-only conference call.

By Order of the Board of Directors,

Kate Inman
Secretary

Miami, Florida
April 30, 2018

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to Be Held on June 21, 2018

The Proxy Statement and 2017 Annual Report are available at www.opko.com.

OPKO HEALTH, INC.

PROXY STATEMENT FOR THE 2018 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD
THURSDAY, JUNE 21, 2018

This proxy statement is being made available to you by the Board of Directors (the “Board”) of OPKO Health, Inc. (the “Company” or “we,” “us” or “our”) in connection with the solicitation of proxies to be voted at the Annual Meeting of Stockholders of the Company on Thursday, June 21, 2018, beginning at 10:00 a.m., Eastern Time, and all adjournments thereof (the “Annual Meeting”). The 2018 Annual Meeting will be a virtual meeting of stockholders to be held as a live webcast over the Internet at www.virtualshareholdermeeting.com/OPK2018 and a listen-only conference call. There will not be a physical meeting location. The meeting will be conducted via live webcast and a listen-only conference call by calling 1-877-328-2502 (Toll Free) or 1-412-317-5419 (International). However, please note that those using the dial-in number for the listen-only conference call will not be able to vote or submit questions. At the meeting, the items of business are:

1. To elect as directors the nine nominees named in this proxy statement for a term of office expiring at the 2019 annual meeting of stockholders or until their respective successors are duly elected and qualified;
2. To take a non-binding advisory vote to approve the compensation paid to the Company’s named executive officers (“Say on Pay”);
3. To ratify the appointment of Ernst & Young LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2018; and
4. To transact such other business as may properly come before the Annual Meeting or any adjournments thereof.

Our Board has fixed the close of business on Monday, April 23, 2018, as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting or any adjournments thereof. As of that date, there were issued and outstanding 559,473,568 shares of our common stock, par value \$0.01 per share. The holders of our common stock are entitled to one vote for each outstanding share on all matters submitted to our stockholders.

You will be able to participate in the annual meeting of stockholders online and submit your questions during the meeting by visiting www.virtualshareholdermeeting.com/OPK2018. You also will be able to vote your shares electronically at the annual meeting. Stockholders will be able to listen, vote and submit questions from their home via the Internet or any remote location with Internet connectivity. Stockholders will also be able to dial in to a listen-only conference call by calling 1-877-328-2502 (Toll Free) or 1-412-317-5419 (International), but those using the dial-in number will not be able to vote or submit questions. To participate in the annual meeting, you will need the 16-digit control number included on your notice of Internet availability of the proxy materials, on your proxy card or on the instructions that accompanied your proxy materials. The meeting webcast and listen-only conference call will begin promptly at 10:00 a.m., Eastern Time. We encourage you to access the meeting prior to the start time. Online access will begin and the conference line will open at 9:45 a.m., Eastern Time. We will have technicians ready to assist you with any technical difficulties you may have accessing the virtual meeting and listen-only conference call. If you encounter any difficulties accessing the virtual meeting and listen-only conference call or during the meeting time, please call 1-855-449-0991 (Toll Free) or 1-720-378-5962 (International).

The virtual meeting platform is fully supported across browsers (Internet Explorer, Firefox, Chrome, and Safari) and devices (desktops, laptops, tablets, and cell phones) running the most updated version of applicable software and plugins. Participants should ensure that they have a strong WiFi connection wherever they intend to participate in the meeting. Participants should also give themselves plenty of time to dial-in to the conference call or log in and ensure that they can hear audio prior to the start of the meeting.

If you wish to submit a question, you may do so in two ways. If you want to submit a question before the meeting, then beginning May 2, 2018 and until 11:59 p.m. on June 20, 2018, you may log into www.proxyvote.com and enter your 16-digit control number. Once past the login screen, click on “Question for Management,” type in your question, and click “Submit.” Alternatively, if you want to submit your question during the meeting, log into

the virtual meeting platform at www.virtualshareholdermeeting.com/OPK2018, type your question into the “Ask a Question” field, and click “Submit.”

Questions submitted via the webcast only that are pertinent to meeting matters will be answered during the meeting, subject to time constraints. Please note that no questions may be submitted via the listen-only conference call.

Questions or comments that are not related to the proposals under discussion, are about personal concerns not shared by stockholders generally, or use blatantly offensive language may be ruled out of order. Additionally, the Company may not be able to answer multiple questions submitted by the same stockholder. Please note that no questions may be submitted via the listen-only conference call. Questions pertinent to meeting matters that cannot be answered during the meeting due to time constraints will be posted online and answered at www.opko.com, Investor Relations. The questions and answers will be available as soon as practical after the meeting and will remain available until one week after posting.

If you encounter any technical difficulties with the virtual meeting platform on the meeting day, please call 1 855-449-0991 (Toll Free) or 1-720-378-5962 (International). Technical support will be available starting at 9:00 a.m. on June 21, 2018 and will remain available until thirty minutes after the meeting has finished.

A nominee for director will be elected to the Board if the votes cast in favor of a nominee by the holders of shares of our common stock present or represented and entitled to vote at the Annual Meeting at which a quorum is present exceed the votes cast against a nominee. In addition, the advisory vote on the Say on Pay proposal will be approved if the votes cast in favor of the proposal by the holders of shares of our common stock present or represented and entitled to vote at the Annual Meeting at which a quorum is present exceed the votes cast against the proposal.

Because your vote on the Say on Pay proposal is advisory, it will not be binding on the Board or the Company. However, the Compensation Committee of the Board will take into account the outcome of the Say on Pay vote when considering future executive compensation arrangements. The vote to ratify the appointment of Ernst & Young LLP as the independent auditor of the Company for the fiscal year ending December 31, 2018 will be approved if the votes cast in favor of the proposal by the holders of shares of our common stock present or represented and entitled to vote at the Annual Meeting in which a quorum is present exceed the votes cast against the proposal. Any other matter that may be submitted to a vote of our stockholders at the Annual Meeting will be approved if the number of shares of common stock voted for the proposal exceed the votes cast against the proposal, unless such matter is one for which a greater vote is required by law or our Amended and Restated Certificate of Incorporation or our Amended and Restated Bylaws.

The presence, in person via participation in the virtual meeting or by proxy, of holders of a majority of our outstanding common stock entitled to vote constitutes a quorum at the Annual Meeting. Those stockholders on our listen-only conference call will not be “present” for quorum purposes. Shares of our stock represented by proxies that reflect abstentions will be counted for the purpose of determining the existence of a quorum at the Annual Meeting, but will have no effect on the election of directors or the Say on Pay proposal. Shares of stock represented by proxies that reflect “broker non-votes” (i.e., stock represented at the Annual Meeting by proxies held by brokers or nominees as to which (i) the brokers or nominees have not received instructions from the beneficial owners or persons entitled to vote and (ii) the brokers, or nominees, do not have the discretionary voting power on a particular matter) will not be counted for the purpose of determining the existence of a quorum at the Annual Meeting and will have no effect on matters for which brokers or banks do not have discretionary authority. A broker does not have the discretion to vote on the election of directors or the non-binding advisory vote on the Say on Pay proposal. Thus, a broker non-vote will have no effect on the election of directors and the non-binding advisory vote on the Say on Pay proposal. A broker does have the discretion to vote on the ratification of the appointment of Ernst & Young LLP as independent auditor for the fiscal year ending December 31, 2018, and, therefore, if the broker exercises its discretion to vote on the ratification of the appointment of Ernst & Young LLP as independent auditor for the fiscal year ending December 31, 2018, it will have an effect on the vote.

Any stockholder giving a proxy will have the right to revoke it at any time prior to the time it is voted. A proxy may be revoked by: (i) written notice to us on the date of or prior to the Annual Meeting at our executive offices located at 4400 Biscayne Blvd., Miami, Florida 33137, attention: Secretary; (ii) execution of a subsequent proxy; (iii) participating and voting electronically at the Annual Meeting by completing a ballot online during the live webcast; or

(iv) re-voting by telephone or by Internet prior to the meeting (only your latest telephone or Internet vote

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will be counted). Please note that you cannot use the listen-only conference call to revoke your proxy or to vote. Participation at the Annual Meeting will not automatically revoke your proxy. If your shares are held in the name of a broker or nominee, you must follow the instructions of your broker or nominee to revoke a previously given proxy. All shares of our stock represented by effective proxies will be voted at the Annual Meeting or at any adjournment thereof. Unless otherwise specified in the proxy, shares of our stock represented by proxies will be voted: (i) FOR the election of the Board's nominees for directors; (ii) FOR the approval of the Say on Pay proposal; (iii) FOR the proposal to ratify the appointment of Ernst & Young, LLP, an independent registered public accounting firm, as the independent auditor of the Company for the fiscal year ending December 31, 2018; and (iv) in the discretion of the proxy holders with respect to such other matters as may properly come before the Annual Meeting.

The Company has mailed this proxy statement and our Annual Report to Stockholders for our fiscal year ended December 31, 2017 ("fiscal 2017") to our stockholders of record on April 23, 2018. If you hold shares of the Company by brokers or nominees, the Company has made these materials available to you on the Internet or, upon your request, by delivery of printed versions of these materials. These materials were first sent or made available to stockholders on or around April 30, 2018.

Our executive offices are located at 4400 Biscayne Blvd., Miami, Florida 33137.

Security Ownership of Certain Beneficial Owners and Management

The following table contains information regarding the beneficial ownership of our voting stock as of April 18, 2018 held by (i) each stockholder known by us to beneficially own more than 5% of the outstanding shares of any class of voting stock; (ii) our directors and nominees; (iii) our Named Executive Officers as defined in the paragraph preceding the Summary Compensation Table and our current executive officers; and (iv) all current directors and executive officers as a group. Except where noted, all holders listed below have sole voting power and investment power over the shares beneficially owned by them. Unless otherwise noted, the address of each person listed below is c/o OPKO Health, Inc., 4400 Biscayne Blvd., Miami, FL 33137.

Name and Address of Beneficial Owner	Class of Security	Amount and Nature Beneficial Ownership	Percentage of Class**
Frost Gamma Investments Trust	Common Stock	1 89,325,505	3 5.54
The Frost Group, LLC	Common Stock	2 0,091,062	3 5.59
Phillip Frost, M.D. CEO & Chairman of the Board	Common Stock	1 96,624,883	3 4.76
Jane H. Hsiao, Ph.D., MBA Vice Chairman of the Board & Chief Technical Officer	Common Stock	3 3,328,037	5 9.94
Steven D. Rubin Executive Vice President – Administration and Director	Common Stock	7 412,650	1 6.32
Adam Logal Senior Vice President and Chief Financial Officer	Common Stock	0 52,358	*
Robert S. Fishel, M.D., Director ⁽⁷⁾	Common Stock	4 036,428	*
John A. Paganelli, Director	Common Stock	4 78,515	*
Richard A. Lerner, M.D., Director	Common Stock	3 91,172	*
Richard C. Pfenniger, Jr., Director	Common Stock	9 10,000	*
Alice Lin-Tsing Yu, M.D., Ph.D., Director	Common Stock	2 00,000	*
Richard M. Krasno, Ph.D., Director ⁽¹³⁾	Common Stock	1 33,333	*
All Executive Officers and Directors as a group (10 persons)	Common Stock	243,927,376	4 2.74

*Less than 1%

** Percentages of common stock based upon 559,473,568 shares of our common stock issued and outstanding at April 18, 2018.

Includes a convertible note which is convertible into 5,000,000 shares of common stock. Also includes 20,091,062 shares of common stock held by The Frost Group, LLC, of which Frost Gamma Investments Trust is a principal member. Frost Gamma Investments Trust disclaims beneficial ownership of the common stock held by The Frost Group, LLC. The Frost Gamma Investments Trust has sole voting and dispositive power over 169,234,443 shares of the Company's common stock and shared voting and dispositive power over 20,091,062 shares of the Company's common stock.

(1) The Frost Group, LLC has shared voting and dispositive power over 20,091,062 shares of the Company's common stock.

Includes 164,234,443 shares of common stock and a convertible note, which is convertible into 5,000,000 shares of common stock, held by Frost Gamma Investments Trust. It also includes options to purchase 1,175,000 shares of common stock exercisable within 60 days of April 18, 2018 held by Dr. Frost. Dr. Frost is the trustee and Frost Gamma Limited Partnership is the sole and exclusive beneficiary of Frost Gamma Investments Trust. Dr. Frost is one of two limited partners of Frost Gamma Limited Partnership. The general partner of Frost Gamma Limited Partnership is Frost Gamma Inc. and the sole stockholder of Frost Gamma, Inc. is Frost-Nevada Corporation. Dr. Frost is also the sole stockholder of Frost-Nevada Corporation. The number of shares included above also includes 3,055,427 shares of common stock owned directly by Frost Nevada Investments Trust, of which the Dr. Frost is the trustee and Frost-Nevada, L.P. is the sole and exclusive beneficiary. Dr. Frost is one of five limited partners of Frost-Nevada, L.P. and the sole shareholder of Frost-Nevada Corporation, the sole general partner of Frost-Nevada, L.P. The number of shares included above also includes 20,091,062 shares of common stock owned directly by The Frost Group, LLC. Frost Gamma Investments Trust is a principal member of The Frost Group, LLC. Dr. Frost and the Frost Gamma Investments Trust disclaim beneficial ownership of these shares of common stock. Does not include 2,851,830 shares of Common Stock held by the Phillip and Patricia Frost Philanthropic Foundation, Inc., of which Dr. Frost is one of three directors. Phillip Frost, M.D. has sole voting and dispositive power over 176,533,821 shares of the Company's common stock and shared voting and dispositive power over 20,091,062 shares of the Company's common stock.

(3) Includes a convertible note which is convertible into 1,000,000 shares of common stock. Also includes options to purchase 937,500 shares of common stock exercisable within 60 days of April 18, 2018. Also includes 1,000,000 shares of common stock held by each of The Chiin Hsiung Hsiao Family Trust A and The Chiin Hsiung Hsiao Family Trust B, both of which Dr. Hsiao serves as the sole trustee, 4,617,404 shares of common stock held by Hsu Gamma Investment, L.P., for which Dr. Hsiao serves as General Partner. Does not include 20,091,062 shares of common stock held by The Frost Group, LLC, of which Dr. Hsiao is a member. Dr. Hsiao disclaims beneficial ownership of the shares of common stock held by The Frost Group, LLC.

(4) Includes options to purchase 1,720,735 shares of common stock exercisable within 60 days of April 18, 2018. Mr. Rubin is a member of the Frost Group, LLC, which holds 20,091,062 shares of common stock. Mr. Rubin disclaims beneficial ownership of the shares of common stock held by The Frost Group, LLC.

(5) Includes options to acquire 887,500 shares of common stock exercisable within 60 days of April 18, 2018.

(7) Dr. Fishel was appointed to the Board of Directors on April 3, 2018.

(8) Includes 4,036,428 shares of common stock held by ALSAR Ltd. Partnership, for which Dr. Fishel is the President and Chief Executive Officer. The general partner of ALSAR Ltd. Partnership is SARAL Corporation. Dr. Fishel is the sole owner and beneficiary of SARAL Corporation.

(9) Includes options to acquire 120,000 shares of common stock exercisable within 60 days of April 18, 2018. Also includes 9,175 shares of common stock held by Mr. Paganelli's spouse.

(10) Includes options to acquire 165,000 shares of common stock exercisable within 60 days of April 18, 2018. Also includes 166,172 shares of common stock held by the Lerner Family Trust, for which Richard Lerner and Nicola Lerner are Trustees and 20,000 shares of common stock held by Dr. Lerner's spouse.

(11) Includes options to acquire 140,000 shares of common stock exercisable within 60 days of April 18, 2018.

(12) Includes options to acquire 100,000 shares of common stock exercisable within 60 days of April 18, 2018.

⁽¹³⁾ Dr. Krasno was appointed to the Board of Directors on February 9, 2017.

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Includes options to acquire 60,000 shares of common stock exercisable within 60 days of April 18, 2018. Also
⁽¹⁴⁾ includes 73,333 shares of common stock held by the Richard M. Krasno Trust, for which Richard M. Krasno is
Trustee.

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PROPOSAL ONE:

ELECTION OF DIRECTORS

Pursuant to the authority granted to our Board under Article III of our Amended and Restated Bylaws, the Board has fixed the number of directors constituting the entire Board at nine. All nine directors are to be elected at the Annual Meeting, each to hold office until the 2019 annual meeting of stockholders or until his successor is duly elected and qualified. Each stockholder of record on April 23, 2018 is entitled to cast one vote for each share of our common stock either in favor of or against the election of each nominee, or to abstain from voting on any or all nominees. Although management does not anticipate that any nominee will be unable or unwilling to serve as a director, in the event of such an occurrence, proxies may be voted in the discretion of the persons named in the proxy for a substitute designated by the Board, unless the Board decides to reduce the number of directors constituting the Board. Each nominee shall be elected if the votes cast in favor of a nominee by the holders of shares of our common stock present or represented and entitled to vote at the Annual Meeting at which a quorum is present exceed the votes cast against a nominee.

NOMINEES FOR DIRECTOR

The following sets forth information provided by the nominees as of April 23, 2018. All of the nominees are currently serving as directors for the Company. All of the nominees have consented to serve if elected by our stockholders.

Name of Nominee	Age	Year First Elected/ Nominated Director	Positions and Offices with the Company
Phillip Frost, M.D.	81	2007	Chairman of the Board and Chief Executive Officer