

May 8, 2014



Apollo Medical Holdings Reports 35% Revenue Growth for Fiscal 2014

GLENDAL, Calif.--(BUSINESS WIRE)-- [Apollo Medical Holdings, Inc.](#) (ApolloMed) (OTCQB: AMEH), an integrated, physician-centric healthcare delivery company, today announced financial results for the 12 months ended January 31, 2014.

“Our revenue growth reflects solid execution on our strategy to build a robust, integrated healthcare delivery system that provides ‘Best in Class’ care coordination for patients and physicians,” stated Warren Hosseinion, M.D., Chief Executive Officer of Apollo Medical Holdings. “We are focusing on solutions to the challenges associated with patient care in both the inpatient and outpatient settings.

“This is an exciting time at ApolloMed as we expand our business,” he said. “We are now generating revenues from our independent physician association (IPA), Maverick Medical Group, which we launched last July. We are growing our Accountable Care Organization, ApolloMed ACO, as additional hospitals and physician groups join. More recently, we launched ApolloMed Care Clinics to provide primary care medicine and post-discharge centers of excellence. Additionally, we are collaborating and partnering with prominent healthcare providers, including Boehringer Ingelheim Pharmaceuticals for chronic obstructive pulmonary disease (COPD), Rite Aid for community-based health treatment and Fresenius Medical Care for end stage renal disease.

“In the current year, we expect continued revenue growth through strategic acquisitions, partnerships and collaborations with IPAs and healthcare service providers, and by pursuing large hospital contracts, broadening our service offerings and replicating our infrastructure in other geographic regions,” Dr. Hosseinion added. “With the completion of a recent \$12 million financing, we are positioned to move forward with our growth initiatives.”

Fiscal 2014 Financial Results (all comparisons with Fiscal 2013)

Revenues grew 35% to \$10.5 million from \$7.8 million, with the increase reflecting new hospital contracts, the acquisition of facilities and clinics, and an increase in Maverick Medical Group revenues.

Cost of services increased to \$9.1 million compared with \$6.3 million, with the increase primarily attributable to physician hires to support new contracts, the acquisition of medical clinics, and increases in Maverick Medical Group and ApolloMed Care Clinic services.

General and administrative expenses increased to \$5.3 million, compared with \$3.5 million. The increase in fiscal 2014 was due mainly to higher costs to support business growth, including administrative personnel and facilities costs; personnel and medical management fees for Maverick Medical Group; personnel, services and related expenses for the ACO initiative; and professional fees.

In fiscal 2013, the Company reported a loss of \$5.9 million on the change in fair value of

derivative liabilities. There was no reported change in fair value of derivative liabilities for fiscal 2014.

Net loss decreased to \$4.6 million, or \$0.12 per share, compared with a net loss of \$8.9 million, or \$0.27 per share.

ApolloMed reported \$1.5 million in cash and cash equivalents, and \$1.5 million in accounts receivable at January 31, 2014. In March 2014, the Company entered into a debt and equity agreement with NNA of Nevada, Inc., an affiliate of Fresenius Medical Care North America, to provide \$12 million, which included \$2 million in investments in the Company's common stock, \$8 million in term and revolving loans, and \$2 million in a convertible note commitment.

About Apollo Medical Holdings, Inc. (ApolloMed)

ApolloMed is a leading integrated, physician-centric healthcare delivery company committed to providing exceptional multi-disciplinary care in the communities it serves. ApolloMed is addressing the healthcare needs of the nation's largest population center by leveraging its integrated healthcare delivery platform comprised of four affiliated and complementary physician groups: ApolloMed Hospitalists, ApolloMed ACO (Accountable Care Organization), Maverick Medical Group (Independent Physician Association) and ApolloMed Care Clinics. ApolloMed strives to improve medical outcomes with high-quality, cost-efficient care. For more information, please visit www.apollomed.net.

Forward-Looking Statements

This press release may contain forward-looking statements, including information about management's view of future expectations, plans and prospects for Apollo Medical Holdings, Inc. ("the Company"). In particular, when used in the preceding discussion, the words "predicts," "believes," "expects," "intends," "seeks," "estimates," "plans," "anticipates," and similar conditional expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could" are intended to identify forward-looking statements. In addition, our representatives may from time to time make oral forward-looking statements. Any such statements, other than those of historical fact, about an action, event or development, are forward-looking statements. Such statements are based on the current expectations and certain assumptions of the Company's management. Such statements are, therefore, subject to a variety of known and unknown risks, uncertainties and other factors, many of which are beyond the control of the Company, which could cause the actual results, performance or achievements of the Company, its subsidiaries and concepts to be materially different than those that may be expressed or implied in such statements or anticipated on the basis of historical trends. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the Company's actual results, performance or achievements may vary materially from those described in the relevant forward-looking statement as being expected, anticipated, intended, planned, believed, sought, estimated or projected. Unknown or unpredictable factors also could have material adverse effects on the Company's future results. The forward-looking statements included herein are made only as of the date hereof. The Company cannot guarantee future results, levels of activity, performance or achievements. Accordingly, you should not place undue reliance on these forward-looking statements. Finally, the Company undertakes no obligation to update or revise these forward-looking statements to reflect the impact of circumstances or events that

arise after the date the forward-looking statement was made, except as required by law, and also takes no obligation to update or correct information prepared by third parties that are not paid for by the Company. You should not place undue reliance on any forward-looking statement and should consider the uncertainties and risks discussed under Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended January 31, 2014 and in any of the Company's other subsequent Securities and Exchange Commission filings.

[Financial tables to follow]

**APOLLO MEDICAL HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS**

	January 31, 2014	January 31, 2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,451,407	\$ 1,176,727
Restricted cash	20,000	-
Accounts receivable, net	1,509,589	1,582,505
Due from affiliates	1,599	5,648
Prepaid expenses	53,543	72,628
Deferred financing costs, net, current	97,806	34,614
Total current assets	3,133,944	2,872,122
Deferred financing costs, net, non-current	144,345	218,640
Property and equipment, net	85,685	68,142
Intangible assets, net	62,427	-
Goodwill	494,700	33,200
Other assets	38,681	30,981
TOTAL ASSETS	\$ 3,959,782	\$ 3,223,085
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,373,285	\$ 950,651
Notes and lines of credit payable	3,178,693	594,765
Stock issuable	-	159,334
Total current liabilities	4,551,978	1,704,750
Convertible notes payable, net	1,100,522	1,909,714
Total liabilities	5,652,500	3,614,464
STOCKHOLDERS' DEFICIT		
Preferred stock, par value \$0.001; 5,000,000 shares authorized; none issued	-	-
Common Stock, par value \$0.001; 100,000,000 shares authorized, 46,952,469 and 34,843,441 shares issued and outstanding as of January 31, 2014 and 2013, respectively	46,953	34,844
Prepaid consulting	(282,176)	(616,014)
Additional paid-in-capital	14,387,552	11,248,566
Accumulated deficit	(15,581,146)	(11,022,272)
Total	(1,428,817)	(354,876)
Non-controlling interest	(263,901)	(36,503)
Total stockholders' deficit	(1,692,718)	(391,379)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 3,959,782	\$ 3,223,085

APOLLO MEDICAL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED JANUARY 31, 2014 AND 2013

	Year ended January 31,	
	2014	2013
Net revenues	\$10,484,305	\$ 7,776,131
Cost of services	9,076,213	6,316,164
Gross profit	1,408,092	1,459,967
Operating expenses		
General and administrative	5,286,610	3,517,536
Depreciation and amortization	31,361	20,918
Total operating expenses	5,317,971	3,538,454
Loss from operations	(3,909,879)	(2,078,487)
Other income (expense)		
Loss on change in fair value of derivative liabilities	-	(5,853,855)
Interest expense	(679,184)	(930,176)
Other income (expense)	49,702	(37,246)
Total other expenses	(629,482)	(6,821,277)
Loss before income taxes	(4,539,361)	(8,899,764)
Provision for income tax	19,513	4,800
Net loss	<u>\$ (4,558,874)</u>	<u>\$ (8,904,564)</u>
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING - BASIC AND DILUTED	<u>36,661,648</u>	<u>32,469,999</u>
BASIC AND DILUTED NET LOSS PER SHARE	<u>\$ (0.12)</u>	<u>\$ (0.27)</u>

Financial Profiles, Inc.
Jody Cain, 310-478-2700
jcain@finprofiles.com

Source: Apollo Medical Holdings, Inc.