

Apollo Medical Holdings Reports 2015 Fiscal Year End Financial Results

Revenue of \$33.0 million, a 196% Year-Over-Year Increase, and Positive EBITDA of \$476,676

GLENDAL, Calif., July 15, 2015 /PRNewswire/ --**Apollo Medical Holdings, Inc.** ("ApolloMed" or "the Company") (OTC-QB: AMEH), an integrated population health management company, today announced its 2015 fiscal year end results for the year ended March 31, 2015.

On May 16, 2014, our Board of Directors approved a change in fiscal year end from January 31 to March 31, effective March 31, 2014. The comparative financial information provided for the year ended March 31, 2014, is unaudited and includes all normal recurring adjustments necessary for a fair statement of the results for the period.

Financial Highlights for the Year Ended March 31, 2015 :

- Net revenue of \$33.0 million, an increase of 196% from \$11.2 million (unaudited) in the comparable period of 2014, attributable to the continued organic growth of our population health management business units Maverick Medical Group and ApolloMed ACO, as well as recent synergistic acquisitions
- Loss from operations of \$0.7 million compared to a loss of \$4.4 million (unaudited) in the comparable period of 2014, attributable to continued business growth while developing the infrastructure to support significant network growth
- EBITDA^[1] of \$476,676
- Gross Profit, defined as Net Revenues minus the Cost of Services, of 33%
- On March 31, 2015, the Company had total assets of \$15.0 million, including cash and cash equivalents of \$5.0 million

[1] EBITDA is a financial measure that is considered a "non-GAAP financial measure" under the Securities and Exchange Commission regulations. The definition of, and explanation of how and why the Company uses, and a reconciliation to the closest GAAP measure of this non-GAAP measure is included below in this press release.

Financial Highlights for the Three Months Ended March 31, 2015 (unaudited):

- Net revenue of \$9.6 million, an increase of 200% from \$3.2 million in the comparable Q4 of 2014.
- Gain from operations of \$165,318 compared to a loss of \$1.0 million in the comparable period of 2014.

"We are pleased with the significant growth in both our quarterly and annual revenues, gross profit margin and positive EBITDA while continuing to invest in our people, processes and technology infrastructure," stated Warren Hosseinion, M.D., CEO of Apollo Medical

Holdings. "Nearly 70% of the fiscal year growth was organic, largely driven by our continually expanding group of stakeholders including our network of dedicated physicians, health plan and hospital partners."

"ApolloMed continues to execute our strategic plan as we continue to strive for and build shareholder value. The U.S. healthcare system is rapidly moving to a value-based care system with the goal of increasing the quality of care for patients while reducing costs," stated Gary Augusta, Executive Chairman. "We believe the winners in this new environment will be those companies with the ability to assume both clinical and financial risk for the patients they serve."

For more details on ApolloMed's 2015 fiscal year end results, please refer to the Company's 10-K filed with the U.S. Securities Exchange Commission and accessible at www.sec.gov.

Audited Financial Tables:

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

	March 31, 2015	March 31, 2014	January 31, 2014
ASSETS			
Cash and cash equivalents	\$ 5,014,242	\$ 6,831,478	\$ 1,451,407
Accounts receivable, net	3,801,584	1,508,461	1,509,589
Other receivables	208,288	-	-
Due from Affiliates	36,397	24,041	1,599
Prepaid expenses	278,922	42,200	53,543
Deferred financing costs, net, current	513,646	-	97,806
Total current assets	9,853,079	8,406,180	3,113,944
Deferred financing costs, net, non-current	264,708	366,286	144,345
Property and equipment, net	582,470	94,948	85,685
Restricted cash	530,000	20,000	20,000
Intangible assets, net	1,377,257	59,627	62,427
Goodwill	2,168,833	494,700	494,700
Other assets	218,716	41,636	38,681
TOTAL ASSETS	\$ 14,995,063	\$ 9,483,377	\$ 3,959,782
LIABILITIES AND STOCKHOLDERS' DEFICIT			
Accounts payable and accrued liabilities	\$ 3,352,204	\$ 1,442,086	\$ 1,087,660
Medical liabilities	1,260,549	552,561	285,625
Notes and lines of credit payable, net of discount, current portion	327,141	444,764	3,178,693
Convertible notes payable, net of discount, current portion	1,037,818	-	-
Total current liabilities	5,977,712	2,439,411	4,551,978
Notes and lines of credit payable, net of discount, non-current portion	6,234,721	5,344,565	-
Convertible notes payable, net of discount, non-current portion	1,457,103	962,978	1,100,522
Warrant liability	2,144,496	2,354,624	-
Deferred tax liability	171,215	4,954	-
Total liabilities	15,985,247	11,106,532	5,652,500
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, 4,863,389, 4,913,455 and 4,695,247 shares issued and outstanding as of March 31, 2015, March 31, 2014 and January 31, 2014, respectively	4,863	4,913	4,695
Additional paid-in-capital	16,517,985	15,127,587	14,147,634
Accumulated deficit	(19,340,521)	(17,537,920)	(16,771,478)
Stockholders' deficit attributable to Apollo Medical Holdings, Inc.	(2,817,673)	(2,405,420)	(2,619,149)
Non-controlling interests	1,827,489	782,265	926,431
Total stockholders' deficit	(990,184)	(1,623,155)	(1,692,718)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 14,995,063	\$ 9,483,377	\$ 3,959,782

APOLLO MEDICAL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended March 31, 2015	Two Months Ended March 31, 2014	Year Ended January 31, 2014
Net revenues	\$ 32,989,742	\$ 2,336,522	\$ 10,484,305
Costs and expenses			
Cost of services	22,067,421	2,050,913	9,076,213
General and administrative	11,282,221	826,870	5,286,610
Depreciation and amortization	334,434	5,765	31,361
Total costs and expenses	<u>33,684,076</u>	<u>2,883,548</u>	<u>14,394,184</u>
Loss from operations	(694,334)	(547,026)	(3,909,879)
Other (expense) income			
Interest expense	(1,326,407)	(184,578)	(679,184)
Gain on change in fair value of warrant and conversion feature liabilities	833,545	-	-
Other	3,031	28,816	49,702
Total other expense	<u>(489,831)</u>	<u>(155,762)</u>	<u>(629,482)</u>
Loss before provision for income taxes	(1,184,165)	(702,788)	(4,539,361)
Provision for income taxes	<u>163,792</u>	<u>7,820</u>	<u>19,513</u>
Net loss	<u>(1,347,957)</u>	<u>(710,608)</u>	<u>(4,558,874)</u>
Net income attributable to noncontrolling interests	<u>(454,644)</u>	<u>(55,834)</u>	<u>(461,424)</u>
Net loss attributable to Apollo Medical Holdings, Inc.	<u>\$ (1,802,601)</u>	<u>\$ (766,442)</u>	<u>\$ (5,020,298)</u>
NET LOSS PER SHARE: BASIC AND DILUTED	\$ (0.37)	\$ (0.16)	\$ (1.37)
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING: BASIC AND DILUTED	4,891,652	4,717,521	3,666,165

** EBITDA is a non-GAAP financial measure that represents GAAP net income attributable to Apollo Medical Holdings before (i) interest income (expense), (ii) provision for income taxes, and (iii) depreciation and amortization. Management uses this measurement to evaluate the operating results of the Company. This measure is also important to management since it is used by the Company's lenders to evaluate the ongoing cash-generating capability of the Company and therefore the amounts those lenders are willing to lend to the Company. Investors find EBITDA to be useful information because it provides a measure of the Company's operating performance. EBITDA is not a measure of our financial performance under GAAP and should not be considered in isolation or as an alternative to net income, operating income or any other performance measures derived in accordance with GAAP, as a measure of operating performance or operating cash flow or as a measure of liquidity.*

APOLLO MEDICAL HOLDINGS, INC.
Reconciliation of Net Income (Loss) to EBITDA

	Year Ended March 31, 2015	Two Months Ended March 31, 2014	Year Ended January 31, 2014
Net Loss	\$ (1,347,957)	\$ (710,608)	\$ (4,558,874)
Adjustments:			
Provision for income taxes	163,792	7,820	19,513
Interest expense	1,326,407	184,578	679,184
Depreciation and amortization	334,434	5,765	31,361
EBITDA	\$ 476,676	\$ (512,445)	\$ (3,828,816)

About Apollo Medical Holdings, Inc. (ApolloMed)

Headquartered in Glendale, California, ApolloMed is a leading integrated population health management company committed to providing exceptional multi-disciplinary care in the communities it serves. ApolloMed is addressing the healthcare needs of its patients by leveraging its integrated healthcare delivery platform comprised of six affiliated and complementary physician groups: ApolloMed Hospitalists, ApolloMed ACO (Accountable Care Organization), Maverick Medical Group (Independent Physician Association), AKM Medical Group (IPA), ApolloMed Care Clinics and Apollo Palliative Services. 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 Apollo Medical Holdings, Inc. ("the Company") future expectations, plans and prospects. In particular, when used in the preceding discussion, the words "believes," "expects," "intends," "plans," "anticipates," or "may," and similar conditional expressions are intended to identify forward-looking statements. Any statements made in this press release other than those of historical fact, about an action, event or development, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, which may cause the results of the Company, its subsidiaries and concepts to be materially different than those expressed or implied in such statements. Unknown or unpredictable factors also could have material adverse effects on the Company's future results. Some factors that could cause actual results to differ materially from those indicated by such forward-looking statements are set forth in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2015, under the caption "Risk Factors", which is on file with the Securities and Exchange Commission and available in the "Investor" section of the Company's website under the heading "SEC Filings". The forward-looking statements included in this press release 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 these statements after

the date of this release, 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 Apollo Medical Holdings, Inc.

FOR MORE INFORMATION, PLEASE CONTACT:

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