

May 29, 2019



Assure Holdings Reports First Quarter 2019 Financial Results

– Q1 2019 Managed Case Volume Increased 97% to 1,184 –

DENVER, May 29, 2019 (GLOBE NEWSWIRE) -- Assure Holdings Corp. (the "Company" or "Assure") (TSXV: IOM; OTCQB: ARHH), a provider of intraoperative neuromonitoring services, reported financial results for the first quarter ended March 31, 2019.

Previously Disclosed Cash Collections Analysis

During the fourth quarter of 2018, as it did at the end of each prior year, Assure reviewed its own collection experience for technical and professional cases in 2016-2018. The previously disclosed analysis determined that the original estimate of revenue was higher than the Company's actual cash collection experience during that time. As such, the Company revised its estimate of revenue for each open technical and professional case downward to the actual cash collection experience being realized and began recording revenue at a lower amount per case starting on January 1, 2019.

Due to the entire revenue adjustment being recorded in the fourth quarter of 2018, the operating results for the first quarter of 2018 were not restated. However, the Company is providing revised pro forma numbers for the first quarter of 2018 to account for the adjustment as if the revenue was recorded at the lower amount for each technical and professional case beginning on January 1, 2018. Further details of these adjustments have been provided in the tables at the end of this press release. On a go-forward basis, the Company will be reviewing its cash collection experience for technical and professional cases at the end of the first six months and year-end.

First Quarter 2019 Financial Highlights vs. Revised First Quarter 2018

- Total revenue increased 92% to \$6.0 million versus a revised pro forma revenue of \$3.2 million.
- Managed cases increased 97% to 1,184 versus 600.
- Earnings from equity method of investment in PNEs were \$0.2 million compared to a revised pro forma amount of \$0.6 million.
- Net income increased 59% to \$1.7 million compared to a revised pro forma net income of \$1.1 million.
- Net income per diluted share increased to \$0.04 compared to a revised pro forma amount of \$0.02 per diluted share.
- Adjusted EBITDA increased 90% to \$3.0 million versus a revised pro forma adjusted EBITDA of \$1.6 million.

Management Commentary

“During the first quarter, we continued to make progress expanding our platform while improving the controls around our billing and collections process,” said John A. Farlinger, Assure’s executive chairman and interim CEO. “Our services continued to experience strong adoption rates as evident by our 97% increase in managed case volume. We also continued our rapid growth in the state of Louisiana, which now includes 15 doctors across 10 facilities accounting for 42% of our total revenue.

“We completed several internal initiatives during the quarter that we believe will provide a strong foundation to support the expansion of our platform into new geographies and verticals. We secured a \$3 million loan facility that we can use for growth capital and selective acquisitions. As important, we also engaged with a second billing and collections vendor to bolster our current process and reduce our business risk. In fact, our new vendor is now billing approximately 50% of our revenue and we expect to begin collecting our first payments in the coming days. Additionally, we added two full-time regional vice presidents of sales to further increase our footprint.

“Looking to the remainder of the year, we will continue expanding into new markets and verticals while further bolstering our internal collections processes. In the upcoming months, we expect to enter four new states as we have already received approval to operate in Nevada, Georgia, Oklahoma and Arizona. As a result, we are fully on track to manage over 5,000 cases in 2019. We have also established an increased focus on M&A as we look to not only strengthen our core competencies, but opportunistically accelerate the scaling of our core IONM business.”

First Quarter 2019 Financial Results

Total revenue increased 92% to \$6.0 million compared to a revised pro forma revenue of \$3.2 million in the first quarter of 2018. The increase was driven by the continued increase in cases generated from the Company’s existing surgeon network, along with additional referrals from current partners and the expansion of its physician network.

Revenue generated outside Colorado was 56% of total revenue in the first quarter of 2019. In the first quarter of 2018, nearly all revenues were generated from the Colorado market. Managed cases increased 97% to 1,184 versus 600 in the first quarter of 2018, primarily driven by continued expansion efforts.

Gross margin in the first quarter of 2019 increased 100 basis points to 76.1% compared to a revised pro forma gross margin of 75.1% in the same quarter last year due to higher utilization of technologists during the quarter.

Total operating expenses increased to \$2.3 million compared to \$1.7 million in the year-ago quarter. This increase was primarily due to staffing additions and other related costs to support the growth of the business.

Net income increased 59% to \$1.7 million or \$0.04 per diluted share, compared to a revised pro forma net income of \$1.1 million or \$0.02 per diluted share in the first quarter of 2018.

Adjusted EBITDA increased 90% to \$3.0 million compared to a revised pro forma adjusted EBITDA of \$1.6 million in the same quarter of 2018 due to the nearly doubling of cases during the first quarter of 2019 compared to the first quarter of 2018.

During the first quarter of 2019, Assure collected \$2.4 million of cash from its accounts receivable balance compared to \$1.7 million in the first quarter of 2018. Additionally, the Company closed on a \$2 million term loan and a \$1 million line of credit during the first quarter of 2019.

Assure has also filed its first quarter financial statements and management discussion & analysis (MD&A) with SEDAR and the OTC. This information can be found at www.sedar.com and www.OTCmarkets.com.

Conference Call

The Company will hold a conference call today, May 29, 2019, at 11:00 a.m. Eastern time to discuss its first quarter 2019 results.

Date: Wednesday, May 29, 2019

Time: 11:00 a.m. Eastern time (9:00 a.m. Mountain time)

Toll-free dial-in number: 1-877-407-0792

International dial-in number: 1-201-689-8263

Conference ID: 13691167

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Investor Relations at 1-949-574-3860.

The conference call will be broadcast live and available for replay [here](#).

A replay of the conference call will be available after 2:00 p.m. Eastern time on the same day through June 12, 2019.

Toll-free replay number: 1-844-512-2921

International replay number: 1-412-317-6671

Replay ID: 13691167

About Assure Holdings

Assure Holdings Corp. is a Colorado-based company that works with neurosurgeons and orthopedic spine surgeons to provide a turnkey suite of services that support intraoperative neuromonitoring activities during invasive surgeries. Assure employs its own staff of technologists and uses its own state-of-the-art monitoring equipment, handles 100% of intraoperative neuromonitoring scheduling and setup, and bills for all technical services provided. While Assure focuses primarily on supporting spinal and vascular surgeries, plans are in place to support other classes of medicine that rely on the standard of care that intraoperative neuromonitoring provides. For more information, visit the company's website at www.assureneuromonitoring.com.

Non-IFRS Measures

Adjusted EBITDA is defined as net income/(loss) excluding interest, taxes, depreciation, share-based compensation, performance share compensation, provision for broker warrant fair value and provision for stock option fair value.

Forward-Looking Statements

This news release contains certain statements that may constitute forward-looking information and forward-looking statements under applicable securities laws. All statements, other than those of historical fact, which address activities, events, outcomes, results, developments, performance or achievements that Assure anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking information and forward-looking statements. Such information or statements may involve, but is not limited to, comments with respect to strategies, expectations, planned operations and future actions of the Company. Often, but not always, forward-looking information or forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements formed in the future tense or indicating that certain actions, events or results "may", "could", "would", "might" or "will" (or other variations of the forgoing) be taken, occur, be achieved, or come to pass. Forward-looking information and forward-looking statements are based on currently available competitive, financial and economic data and operating plans, strategies or beliefs as of the date of this news release, but involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of Assure to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information and the forward-looking statements. Such factors may be based on information currently available to Assure, including information obtained from third-party industry analysts and other third-party sources, and are based on management's current expectations or beliefs regarding future growth, results of operations, future capital (including the amount, nature and sources of funding thereof) and expenditures. Readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. The forward-looking statements in this news release speak only as of the date of this release and Assure undertakes no obligation to publicly update any forward-looking statements to reflect new information, events or circumstances after the date of this release. Any and all forward-looking information contained in this press release is expressly qualified by this cautionary statement.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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ASSURE HOLDINGS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in United States Dollars)

	March 31, 2019 (unaudited)	December 31, 2018
ASSETS		
Current assets		
Cash	\$ 1,854,124	\$ 830,966
Accounts receivable, net	25,732,524	22,175,379
Prepaid expenses	94,687	85,238
Due from related parties	1,058,355	2,965,630
Total current assets	28,739,690	26,057,213
Equity method investments	2,037,445	2,255,819
Equipment and furniture, net	657,246	679,881
Total assets	\$ 31,434,381	\$ 28,992,913
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,906,981	\$ 3,015,794
Debt	633,147	273,699
Current portion of lease liability	284,975	205,841
Income taxes payable	905,027	267,190
Total current liabilities	4,730,130	3,762,524
Lease liability, net of current portion	532,969	381,453
Debt, net of current portion	1,255,760	-
Provision for fair value of stock options	252,253	245,525
Provision for performance share issuance	16,011,500	16,011,500
Provision for fair value of broker warrants	15,242	56,130
Deferred tax liability, net	765,740	665,839
Total liabilities	23,563,594	21,122,971
SHAREHOLDERS' EQUITY		
Capital stock	34,137	35,562
Additional paid-in capital	5,464,506	7,202,134
Retained earnings	2,372,144	632,246
Total shareholders' equity	7,870,787	7,869,942

Total liabilities and shareholders' equity	\$ 31,434,381	\$ 28,992,913
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ASSURE HOLDINGS INC.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME
(in United States Dollars)

	Actual Three Months Ended March 31, 2019	Actual Three Months Ended March 31, 2018	Proforma Three Months Ended March 31, 2018
Revenue			
Out-of-Network fees, net	\$ 5,571,485	\$ 5,588,841	\$ 3,038,000
Contract fees	472,477	112,310	112,310
Total revenue	6,043,962	5,701,151	3,150,310
Cost of revenues	(1,446,844)	(989,872)	(785,805)
Gross margin	4,597,118	4,711,279	2,364,505
Operating expenses			
General and administrative	1,980,888	1,303,155	1,303,155
Depreciation and amortization	101,663	86,929	86,929
Sales and marketing	256,690	295,155	295,155
Total operating expenses	2,339,241	1,685,239	1,685,239
Income from operations	2,257,877	3,026,040	679,266
Other income/(expenses)			
Earnings from equity method investments	185,155	896,301	625,660
Provision for broker warrant fair value	(21,182)	68,311	68,311
Provision for stock option fair value	(6,728)	111,100	111,100
Interest, net	(37,387)	(25,735)	(25,735)
Total other income	119,858	1,049,977	779,336
Income before income taxes	2,377,735	4,076,017	1,458,602
Income tax expense	(637,837)	(1,111,186)	(362,605)
Net income	\$ 1,739,898	\$ 2,964,831	\$ 1,095,997
Basic income per common share	\$ 0.05	\$ 0.08	\$ 0.03

Diluted income per common share

\$	0.04	\$	0.07	\$	0.02
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ASSURE HOLDINGS CORP.

ADJUSTED EBITDA

(in United States Dollars)

	Actual Three Months Ended March 31, 2019	Actual Three Months Ended March 31, 2018	Proforma Three Months Ended March 31, 2018
Reported net income	\$ 1,739,898	\$ 2,964,831	\$ 1,095,997
Interest, net	37,387	25,735	25,735
Depreciation and amortization	101,663	86,929	86,929
Share based compensation	476,601	200,564	200,564
Income tax expense	637,837	1,111,186	362,605
Provision for broker warrant fair value	21,182	(68,311)	(68,311)
Provision for stock option fair value	6,728	(111,100)	(111,100)
	<u>\$ 3,021,296</u>	<u>\$ 4,209,834</u>	<u>\$ 1,592,419</u>

ASSURE HOLDINGS CORP.

EARNINGS PER SHARE

(in United States Dollars)

	Actual Three Months Ended March 31, 2019	Actual Three Months Ended March 31, 2018	Proforma Three Months Ended March 31, 2018
Income attributable to common shareholders			
Basic	\$ 1,739,898	\$ 2,964,831	\$ 1,095,997
Weighted average common share outstanding	34,364,136	35,515,105	35,515,105
Basic earnings per common share	\$ 0.05	\$ 0.08	\$ 0.03
Income attributable to common shareholders			
Basic	\$ 1,739,898	\$ 2,964,831	\$ 1,095,997
Weighted average common shares outstanding	34,364,136	35,515,105	35,515,105
Dilutive effect of stock options, warrants, and performance shares	<u>9,388,800</u>	<u>9,566,000</u>	<u>9,566,000</u>

Weighted average common shares outstanding assuming dilution	43,752,936	45,081,105	45,081,105
Fully diluted earnings per common share	\$ 0.04	\$ 0.07	\$ 0.02



Source: Assure Holdings Corp.