

August 29, 2019



Assure Holdings Reports Second Quarter 2019 Financial Results

- Q2 2019 Managed Case Volume Increased 109% to Quarterly Record of 1,466 –
- Interim CEO John Farlinger Named Permanent CEO –

DENVER, Aug. 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 second quarter ended June 30, 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 second quarter of 2018 were not restated. However, the Company is providing revised pro forma numbers for the second 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.

The Company updated its cash collection experience for technical and professional cases as of June 30, 2019. This update did not result in a material adjustment to the Company's accounts receivable balance or the amount of revenue recorded during the second quarter of 2019.

Second Quarter 2019 Financial Highlights vs. Revised Second Quarter 2018

- Total revenue increased 137% to \$8.4 million versus a revised pro forma revenue of \$3.5 million.
- Managed cases increased 109% to a quarterly record of 1,466 versus 703.
- Earnings from equity method of investment in PNEs increased 164% to \$722,000 compared to a revised pro forma amount of \$274,000.
- Net income increased 196% to \$4.0 million compared to a revised pro forma net income of \$1.4 million.

- Net income per diluted share increased to \$0.09 compared to a revised pro forma amount of \$0.03 per diluted share.
- Adjusted EBITDA increased significantly to \$5.7 million versus a revised pro forma adjusted EBITDA of \$1.6 million.

Six Months Ended June 2019 Financial Highlights vs. Revised Same Period 2018

- Total revenue increased 116% to \$14.4 million versus a revised pro forma revenue of \$6.7 million.
- Earnings from equity method of investment in PNEs increased slightly to \$907,000 compared to a revised pro forma amount of \$900,000.
- Net income increased 135% to \$5.8 million compared to a revised pro forma net income of \$2.5 million.
- Net income per diluted share increased to \$0.13 compared to a revised pro forma amount of \$0.05 per diluted share.
- Adjusted EBITDA increased 177% to \$8.7 million versus a revised pro forma adjusted EBITDA of \$3.1 million.

Management Commentary

“The second quarter of 2019 was highlighted by strong organic growth and continued margin expansion,” said John A. Farlinger, Assure’s executive chairman and CEO. “In fact, we experienced a 109% increase in managed case volume to 1,466 total procedures, which was a quarterly record, resulting from the growing demand for our unique capabilities and exceptional quality of service. We also completed the tuck-in acquisition of Littleton Professional Reading, which has proven to be successful as we have already collected approximately 60% of what we paid for the business.

“Looking forward, we have introduced three key corporate objectives that we believe will further drive the expansion of our business. First is bringing the billing and collection process in-house. Second is developing an in-network revenue stream. Lastly, increasing the scale of our platform faster through continued organic growth complemented with M&A. Having already begun to make good progress on these initiatives, we remain confident in our value proposition and we anticipate organically growing our commercial procedure volume to more than 5,000 cases for 2019.”

Second Quarter 2019 Financial Results

Total revenue increased 137% to \$8.4 million compared to a revised pro forma revenue of \$3.5 million in the second quarter of 2018. The increase was driven by the continued growth in case volume generated from the Company’s existing network.

Revenue generated outside Colorado was 57% of total revenue in the second quarter of 2019. In the second quarter of 2018, approximately 33% of total revenue was generated from outside the Colorado market. Managed cases increased 109% to 1,466 versus 703 in the second quarter of 2018, primarily driven by the continued acceptance of the Company’s platform and expansion efforts within its existing footprint.

Gross margin in the second quarter of 2019 increased 720 basis points to 79.2% compared to a revised pro forma gross margin of 72.0% in the same quarter last year. The

improvement was primarily a result of efficiently scaling the cost of revenue in conjunction with the significant increase in total revenue.

Total operating expenses were \$2.1 million compared to \$1.2 million in the year-ago quarter. This increase was primarily due to the hiring of additional employees to support the Company's growth and higher share-based compensation.

Net income increased 196% to \$4.0 million or \$0.09 per diluted share, compared to a revised pro forma net income of \$1.4 million or \$0.03 per diluted share in the second quarter of 2018.

Adjusted EBITDA increased significantly to \$5.7 million compared to a revised pro forma adjusted EBITDA of \$1.6 million in the same quarter of 2018 due to the significant increase in managed cases.

Six Months Ended June 2019 Financial Results

Total revenue in the first six months of 2019 increased 116% to \$14.4 million compared to a revised pro forma revenue of \$6.7 million in the same period of 2018. The increase was driven by the further expansion of the Company's network, referrals from current partners, and higher demand from its existing network.

Revenue generated outside Colorado was 56% of total revenue in the first six months of 2019. In the same period of 2018, approximately 26% were generated from outside the Colorado market. Managed cases increased 104% to 2,653 versus 1,302 in the year-ago period, primarily driven by continued expansion efforts.

Gross margin in the first six months of 2019 increased 440 basis points to 77.9% compared to a revised pro forma gross margin of 73.5% in the same period last year. The improvement was primarily a result of efficiently scaling the cost of revenue and a higher utilization of technologists.

Total operating expenses were \$4.4 million compared to \$2.9 million in the year-ago period. This increase was primarily due to higher share-based compensation and an increase in activities to drive demand, expand the Company's footprint, and increase commercial acceptance of its platform.

Net income increased 135% to \$5.8 million or \$0.13 per diluted share, compared to a revised pro forma net income of \$2.5 million or \$0.05 per diluted share in the same period of 2018.

Adjusted EBITDA increased 177% to \$8.7 million compared to a revised pro forma adjusted EBITDA of \$3.1 million in the year-ago period of 2018 due to more than doubling managed case volume.

During the first six months of 2019, Assure collected \$4.5 million of cash from its accounts receivable balance compared to \$3.5 million in the same period of 2018.

Assure has also filed its second 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.

Subsequent Event – John Farlinger Named Permanent CEO

Effective August 28, 2019, Assure's board of directors appointed John A. Farlinger from interim CEO to the Company's permanent CEO role. Farlinger will continue to serve as the Company's executive chairman.

Conference Call

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

Date: Thursday, August 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: 13693845

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 September 12, 2019.

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

International replay number: 1-412-317-6671

Replay ID: 13693845

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", "objectives", "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 foregoing) 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 CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in United States Dollars)

	June 30, 2019 (unaudited)	December 31, 2018
ASSETS		
Current assets		
Cash	\$ 845,589	\$ 830,966
Accounts receivable, net	32,585,072	22,175,379
Other assets	388,117	85,238
Due from related parties	1,451,360	2,965,630
Total current assets	35,270,138	26,057,213
Equity method investments	2,209,334	2,255,819
Equipment and furniture, net	662,005	679,881
Total assets	\$ 38,141,477	\$ 28,992,913
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 3,569,913	\$ 3,015,794
Debt	642,935	273,699
Current portion of lease liability	306,351	205,841
Income taxes payable	267,290	267,190
Acquisition liability	466,667	-
Other current liabilities	202,653	-
Total current liabilities	5,455,809	3,762,524
Lease liability, net of current portion	532,785	381,453
Debt, net of current portion	1,091,429	-
Provision for fair value of stock options	170,652	245,525
Provision for performance share issuance	16,011,500	16,011,500
Provision for fair value of broker warrants	-	56,130
Deferred tax liability, net	3,023,408	665,839
Total liabilities	26,285,583	21,122,971
SHAREHOLDERS' EQUITY		
Capital stock	34,146	35,562
Additional paid-in capital	5,417,662	7,202,134
Retained earnings	6,404,086	632,246
Total shareholders' equity	11,855,894	7,869,942
Total liabilities and shareholders' equity	\$ 38,141,477	\$ 28,992,913

ASSURE HOLDINGS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF INCOME

(in United States Dollars)

	Actual Three Months Ended June 30, 2019	Actual Three Months Ended June 30, 2018	Proforma Three Months Ended June 30, 2018	Actual Six Months Ended June 30, 2019	Actual Six Months Ended June 30, 2018	Profor Six Mo Ended , 30, 20
Revenue						
Out-of-Network fees, net	\$ 7,562,500	\$ 5,895,319	\$3,405,200	\$13,133,984	\$11,484,160	\$ 6,443,
Contract fees	826,119	138,689	138,689	1,298,596	250,999	250,
Total revenue	8,388,619	6,034,008	3,543,889	14,432,580	11,735,159	6,694,
Cost of revenues	(1,744,043)	(1,190,412)	(991,202)	(3,190,888)	(2,180,284)	(1,777,
Gross margin	6,644,576	4,843,596	2,552,687	11,241,692	9,554,875	4,917,
Operating expenses						
General and administrative	1,879,272	992,906	992,906	3,860,160	2,296,061	2,296,
Depreciation and amortization	114,667	99,494	99,494	216,331	186,423	186,
Sales and marketing	75,218	151,475	151,475	331,908	446,630	446,
Total operating expenses	2,069,157	1,243,875	1,243,875	4,408,399	2,929,114	2,929,
Income from operations	4,575,419	3,599,721	1,308,812	6,833,293	6,625,761	1,988,
Other income/(expenses)						
Earnings from equity method investments	721,954	665,599	273,946	907,109	1,561,900	899,
Provision for broker warrant fair value	7,417	-	-	(13,765)	68,311	68,
Provision for stock option fair value	81,601	-	-	74,873	111,100	111,
Interest, net	(64,035)	(26,711)	(26,711)	(101,422)	(52,446)	(52,
Total other income	746,937	638,888	247,235	866,795	1,688,865	1,026,
Income before income taxes	5,322,356	4,238,609	1,556,047	7,700,088	8,314,626	3,014,
Income tax expense	(1,290,411)	(961,799)	(194,586)	(1,928,248)	(2,072,985)	(557,
Net income	\$ 4,031,945	\$ 3,276,810	\$1,361,461	\$ 5,771,840	\$ 6,241,641	\$ 2,457,
Basic income per common share	\$ 0.12	\$ 0.09	\$ 0.04	\$ 0.17	\$ 0.18	\$ (

Diluted income per common share	\$ 0.09	\$ 0.07	\$ 0.03	\$ 0.13	\$ 0.14	\$ (
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ASSURE HOLDINGS CORP.
ADJUSTED EBITDA
(in United States Dollars)

	Actual Three Months Ended June 30, 2019	Actual Three Months Ended June 30, 2018	Proforma Three Months Ended June 30, 2018	Actual Six Months Ended June 30, 2019	Actual Six Months Ended June 30, 2018	Proforma Six Months Ended June 30, 2018
Reported net income	\$4,031,945	\$3,276,810	\$1,361,461	\$5,771,840	\$6,241,641	\$2,457,457
Interest, net	64,035	26,711	26,711	101,422	52,446	52,446
Depreciation and amortization	114,667	99,494	99,494	216,331	186,423	186,423
Share based compensation	271,773	(126,387)	(126,387)	748,374	74,177	74,177
Income tax expense	1,290,411	961,799	194,586	1,928,248	2,072,985	557,192
Provision for broker warrant fair value		-	-	13,765	(68,311)	(68,311)
Provision for stock option fair value	(81,601)	-	-	(74,873)	(111,100)	(111,100)
	<u>\$5,683,813</u>	<u>\$4,238,427</u>	<u>\$1,555,865</u>	<u>\$8,705,107</u>	<u>\$8,448,261</u>	<u>\$3,148,284</u>

ASSURE HOLDINGS CORP.
EARNINGS PER SHARE
(in United States Dollars)

	Actual Three Months Ended June 30, 2019	Actual Three Months Ended June 30, 2018	Proforma Three Months Ended June 30, 2018	Actual Six Months Ended June 30, 2019	Actual Six Months Ended June 30, 2018	Proforma S Months Ended Jun 30, 2018
Income attributable to common shareholders						

Basic	\$ 4,031,945	\$ 3,276,810	\$ 1,361,461	\$ 5,771,840	\$ 6,241,641	\$ 2,457,451
Weighted						
average						
common						
share						
outstanding	34,143,944	35,555,105	35,555,105	34,145,313	35,527,571	35,527,571
Basic						
earnings per						
common						
share	\$ 0.12	\$ 0.09	\$ 0.04	\$ 0.17	\$ 0.18	\$ 0.01
Income						
attributable to						
common						
shareholders						
Basic	\$ 4,031,945	\$ 3,276,810	\$ 1,361,461	\$ 5,771,840	\$ 6,241,641	\$ 2,457,451
Weighted						
average						
common						
shares						
outstanding	34,143,944	35,555,105	35,555,105	34,145,313	35,527,571	35,527,571
Dilutive						
effect of						
stock						
options,						
warrants,						
and						
performance						
shares	8,741,000	9,341,000	9,341,000	8,741,000	9,341,000	9,341,000
Weighted						
average						
common						
shares						
outstanding						
assuming						
dilution	42,884,944	44,896,105	44,896,105	42,886,313	44,868,571	44,868,571
Fully diluted						
earnings per						
common						
share	\$ 0.09	\$ 0.07	\$ 0.03	\$ 0.13	\$ 0.14	\$ 0.01



Source: Assure Holdings Corp.