

April 3, 2020



# Assure Holdings Provides COVID-19 Related Business Update

## Company Sets Monthly Cash Collections Record in March 2020

DENVER, April 03, 2020 (GLOBE NEWSWIRE) -- Assure Holdings Corp. (the “**Company**” or “**Assure**”) (TSXV: IOM; OTCQB: ARHH), a provider of intraoperative neuromonitoring services (**IONM**), announced updates resulting from rapidly changing market conditions driven by the novel coronavirus (**COVID-19**) pandemic.

“In these challenging times our priority is to ensure the safety of our team members and the stability of our business,” said John A. Farlinger, Assure’s executive chairman and CEO.

Health and safety measures taken at Assure include:

- Cancellation of all non-essential travel.
- Indefinite work from home policy for all employees not engaged in on-site medical facility activities.
- Mandatory self-quarantine for anyone who has experienced any flu-like symptoms or has had contact with anyone believed to have been exposed to COVID-19.

### Operational Impact

Farlinger continued, “Over the past several weeks Assure has seen over a 50% decline in the number of procedures performed. We currently expect the downturn in elective surgeries to extend until hospitals are able to resume normal operations. The Company anticipates that cases postponed due to the current environment will produce a surge of procedures when the COVID-19 public health crisis dissipates.”

The cases performed by Assure that are most likely to proceed to surgery in the current environment are those in which the patient has an emergent condition, the patient is covered by private medical insurance and the procedure can be performed in a surgery center. Although a substantial number of cases have been postponed due to hospitals re-allocating resources taxed by COVID-19, these procedures have been deferred rather than cancelled.

### Actions to Improve Financial Strength

Farlinger added, “To better position the Company through this highly uncertain environment, we have taken proactive steps to reduce costs and increase our financial flexibility.”

Assure is taking the following actions to increase its cash position and preserve financial flexibility:

- The Company has implemented salary reductions, salary deferrals and a selective employee furlough program, designed to reduce corporate spending by 20% compared

to the third quarter of 2019.

- Assure has applied for up to \$4 million in credits and low interest Disaster Assistance Loans made available through the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES”).
- Assure has amended the promissory note with Neuro-Pro Monitoring (“**Neuro-Pro**”) to postpone \$700,000 of its March 31, 2020, payment to May 15, 2020 (further details below).

### **Progress in Billing and Collections**

Farlinger concluded, “The actions we had previously put in place to make our collections cycle more efficient, reduce our outstanding accounts receivable and improve cash flow were very successful in March.”

Results and expectations relating to billing and collections include:

- The Company collected \$2.4 million in March 2020 with a monthly record total of \$1.8 million attributable to Assure. This includes the collection of \$800,000 from 2016 and 2017 receivables that had previously been reserved and written-off.
- Strong cash collections has made Assure cash flow positive in the month of March 2020.
- Based upon recent discussions with various insurance providers, Assure expects the months of April and May 2020 to continue the strong trend of collections seen in March 2020.

Assure has renewed efforts to collect on open claims initially made between the years 2016 to 2018. Renewed attempts relating to collecting these outstanding claims are still in the early stages.

### **Amendment of Neuro-Pro Promissory Note**

Assure and Neuro-Pro have agreed to an amendment extending the maturity date (the “**Extension**”) of its previously [announced](#) promissory note (the “**Promissory Note**”). In connection with the Extension, the Company paid Neuro-Pro a fee of \$100,000. The Company paid Neuro-Pro \$500,000 out of Company cash flow on March 31, 2020, and agreed to pay Neuro-Pro \$800,000 to fulfil this portion of the Promissory Note on May 15, 2020.

### **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. Assure Neuromonitoring is recognized as providing the highest level of patient care in the industry and has earned the Joint Commission’s Gold Seal of Approval®. For more information, visit the company’s website at [www.assureneuromonitoring.com](http://www.assureneuromonitoring.com).

### **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 include, but is not limited to, comments with respect to strategies; expectations; planned operations; future actions of the Company; that the number of procedures the Company performs will increase once the COVID-19 health crisis dissipates; that the surgeries performed by the Company that have been deferred will not be cancelled; that the Company will continue growing organically; that the Company's actions taken during the COVID-19 health crisis will reduce its costs and increase its financial flexibility; that the Company will enhance transparency and reduce its true cost of ownership in connection with billings; that the Company will make its revenue collection cycle shorter or more efficient; and that the Company will experience revenue growth from its IONM platform. 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 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. These risks and uncertainties include, but are not limited to: future capital requirements; growing competition in the IONM industry; the effects on the Company's operations caused by the COVID-19 health crisis; the number of procedures performed by the Company may not increase after the COVID-19 health crisis dissipates; the procedures that have been deferred, could be cancelled or delayed for a significant period of time; the Company's actions taken during the COVID-19 health crisis will not reduce its costs and increase its financial flexibility; the Company may not be able to pay the amounts owed under the Promissory Note; the Company may not continue to improve its collections cycle and reduce its outstanding accounts receivable; the Company may not continue to experience positive cash flows due to external factors, including but not limited to the COVID-19 health crisis; and risks and uncertainties discussed in our most recent annual and quarterly reports filed with the Canadian securities regulators and available on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com), which risks and uncertainties are incorporated herein by reference. 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.

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