

Apollo Medical Holdings Reports 236% Revenue Growth Year Over Year For The 1st Quarter Of Fiscal Year 2018

Majority of the Company's Revenue Growth was Organic

GLENDAL, Calif., Aug. 14, 2017 /PRNewswire/ --**Apollo Medical Holdings, Inc.** ("ApolloMed" or "the Company") (OTC: AMEH), an integrated population health management company, today announced its Fiscal Year 2018 1st Quarter financial results for the three months ended June 30, 2017.

Financial Highlights for the Three Months Ended June 30, 2017 Compared to the Three Months Ended June 30, 2016 (unaudited):

- Net revenue of \$41.6 million, an increase of 236% as compared to \$12.4 million in the comparable period of 2016. The increase in revenue was primarily attributable to APA ACO's participation in the Next Generation Accountable Care Organization Model.
- Loss from operations of \$3.7 million as compared to loss of \$1.8 million in the comparable period of 2016. The Company's loss in the 1st quarter of fiscal year 2018 was primarily driven by transactional expenses related to the pending merger with Network Medical Management, Inc., the use of locums tenens physicians in its hospitalist groups and APA ACO infrastructure-related costs. The Company has substantially reduced the use of locums physicians, and anticipates that they will be mostly phased out by Q2 FY 2018.
- As of June 30, 2017, the Company had total assets of \$43.3 million, including cash and cash equivalents of \$31.2 million.

"The foundation of our strength has been our ability to execute on the strategic plan we set in place several years ago," stated Warren Hosseinion, M.D., Chief Executive Officer of Apollo Medical Holdings. "This plan was based on our three core pillars of clinical expertise in managing patients with multiple chronic conditions, our experience in taking on financial risk for these patients and our technology infrastructure. We are confident in our future and believe we are well-positioned for continued growth."

"This is our first quarter of significant financial impact from our investment in population health management infrastructure and value-based care processes for our patients," stated Gary Augusta, Executive Chairman of Apollo Medical Holdings. "Our pending merger with Network Medical Management is expected to further expand our operating platform to become a national leader in providing high-quality, cost effective value-based care."

For more details on ApolloMed's 2018 Fiscal Year 1st Quarter results, please refer to the Company's 10-Q filed with the U.S. Securities Exchange Commission and accessible at www.sec.gov.

APOLLO MEDICAL HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)

	June 30, 2017	March 31, 2017
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ASSETS		
Cash and cash equivalents	\$ 31,206,495	\$ 8,664,211
Accounts receivable, net of allowance for doubtful accounts of \$461,650 and \$475,080, respectively	5,423,618	5,506,472
Other receivables	806,148	464,085
Due from affiliates	-	18,314
Prepaid expenses and other current assets	282,732	269,168
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Total current assets	37,718,993	14,922,250
Property and equipment, net	1,167,680	1,205,139
Restricted cash	745,117	765,058
Intangible assets, net	1,822,542	1,904,269
Goodwill	1,622,483	1,622,483
Other assets	221,979	225,358
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TOTAL ASSETS	\$ 43,298,794	\$ 20,644,557
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable and accrued liabilities	\$ 16,212,983	\$ 7,883,373
Medical liabilities	19,718,135	1,768,231
Convertible note payable, net of debt issuance cost of \$107,333 and \$161,000, respectively	4,882,667	4,829,000
Lines of credit	25,000	62,500
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Total current liabilities	40,838,785	14,543,104
Note payable – related party	5,000,000	5,000,000

Deferred rent liability	715,462	747,418
Deferred tax liability	83,667	83,667
Total liabilities	46,637,914	20,374,189

STOCKHOLDERS' (DEFICIT) EQUITY

Series A Preferred stock, par value \$0.001; 5,000,000 shares authorized (inclusive of Series B Preferred stock); 1,111,111 issued and outstanding Liquidation preference of \$9,999,999	7,077,778	7,077,778
Series B Preferred stock, par value \$0.001; 5,000,000 shares authorized (inclusive of Series A Preferred stock) 555,555 issued and outstanding Liquidation preference of \$4,999,995	3,884,745	3,884,745
Common stock, par value \$0.001; 100,000,000 shares authorized, 6,033,518 shares issued and outstanding	6,033	6,033
Additional paid-in-capital	26,555,514	26,331,948
Accumulated deficit	(41,266,193)	(37,654,381)
Stockholders' deficit attributable to Apollo Medical Holdings, Inc.	(3,742,123)	(353,877)
Non-controlling interest	403,003	624,245
Total stockholders' (deficit) equity	(3,339,120)	270,368
TOTAL LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY	\$ 43,298,794	\$ 20,644,557

APOLLO MEDICAL HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)

	Three Months Ended June 30,	
	2017	2016
Net revenues	\$ 41,575,480	\$ 12,371,673
Costs and expenses		
Cost of services	40,239,642	10,133,005
General and administrative	4,889,184	3,836,475

Depreciation and amortization	155,267	164,658
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Total costs and expenses	45,284,093	14,134,138
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Loss from operations	(3,708,613)	(1,762,465)
Other (expense) income:		
Interest expense	(192,989)	(2,659)
Gain on change in fair value of warrant liability	-	822,222
Other income	38,647	1,971
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Total other (expense) income, net	(154,332)	821,534
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Loss before benefit from income taxes	(3,862,945)	(940,931)
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Benefit from income taxes	(29,891)	(41,553)
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Net loss	(3,833,054)	(899,378)
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Net loss (income) attributable to non-controlling interest	221,242	(415,879)
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Net loss attributable to Apollo Medical Holdings, Inc.	\$ (3,611,812)	\$ (1,315,257)
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Net loss per share:		
Basic and diluted	\$ (0.60)	\$ (0.22)
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Weighted average number of shares of common stock outstanding:		
Basic and diluted	6,033,518	5,914,826
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About Apollo Medical Holdings, Inc. (ApolloMed)

Founded in 2001 and headquartered in Glendale, California, ApolloMed is a leading physician-centric integrated population health management company working to provide coordinated, outcomes-based high-quality medical care for patients, particularly senior patients and patients with multiple chronic conditions, in a cost-effective manner. Led by a management team with over a decade of experience, ApolloMed is addressing the healthcare needs of its patients by leveraging its integrated health management and healthcare delivery platform that includes: Apollo Medical Management (Management

Services Organization), ApolloMed Hospitalists, APA ACO (Next Generation ACO), ApolloMed ACO (MSSP Accountable Care Organization), Maverick Medical Group (Independent Physician Association), Apollo Care Connect (Digital Population Health Management Platform) and ApolloMed Palliative Services (Hospice/Palliative Care and Home Health Care). 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 within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, based on numerous assumptions and subject to risks and uncertainties (some of which are beyond our control), including statements about management's view of future expectations, plans and prospects for Apollo Medical Holdings, Inc. ("the Company"). In particular, when used in such statements, 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, and some or all of such expectations and assumptions may not materialize or may vary significantly from actual results. 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 March 31, 2017 and in any of the Company's other subsequent Securities and Exchange Commission filings. We further do not accept any responsibility for any projections or reports published by analysts, investors or other third parties.

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