

November 18, 2014



# **Apollo Medical Holdings Reports Second Quarter Fiscal Year 2015 Financial Results**

**Record Revenue of \$11.7 million, a 362% Year-Over-Year Increase**

**Generated \$1.9 Million of Income from Operations**

GLENDAL, Calif., Nov. 18, 2014 /PRNewswire/ --**Apollo Medical Holdings, Inc.** ("ApolloMed") (OTC-QB: AMEH), an integrated physician-centric healthcare delivery company announced its fiscal 2015 second quarter results for the three months ended September 30, 2014.

## **Financial Highlights for the Three Months Ended September 30, 2014 Compared to the Three Months Ended September 30, 2013:**

- Record net revenue of \$11.7 million, an increase of 362% from \$2.5 million in the comparable period of 2013, attributable to ApolloMed ACO shared savings, the continued growth of Maverick Medical Group and recent acquisitions
- Generated income from operations of \$1.86 million compared to a loss of \$786,617 in the comparable quarter of 2013
- On September 30, 2014, the Company had total assets of \$16.1 million, including a \$5.4 million receivable from the Centers for Medicare and Medicaid Services (CMS) for ApolloMed ACO's portion of shared savings achieved
- On September 30, 2014, the Company had cash, cash equivalents and marketable securities of \$4.4 million

"This was a great quarter for ApolloMed and our team demonstrated the ability to execute on its strategy. We achieved significant year-over-year revenue growth and profits owing to the success of our multiple business units," stated Warren Hosseinion, M.D., CEO of Apollo Medical Holdings. "Our integrated care delivery model has achieved success in bending the cost curve of patients with multiple chronic conditions."

For more details on ApolloMed's fiscal year 2015 second quarter results, please refer to the Company's 10-Q filed with the U.S. Securities Exchange Commission and accessible at [www.sec.gov](http://www.sec.gov).

**UNAUDITED FINANCIAL TABLES TO FOLLOW:**

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

	September 30, 2014	March 31, 2014
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,950,125	\$ 6,831,478
Marketable securities	422,181	-
Restricted cash	40,000	20,000
Accounts receivable, net	3,369,780	1,508,461
Other receivable	5,382,617	-
Due from affiliates	49,377	24,041
Prepaid expenses	145,110	42,200
Total current assets	13,359,190	8,426,180
Deferred financing costs, net	324,003	366,286
Property and equipment, net	620,036	94,948
Intangible assets, net	1,206,319	59,627
Goodwill	439,694	494,700
Other assets	108,747	41,636
<b>TOTAL ASSETS</b>	<b>\$ 16,057,989</b>	<b>\$ 9,483,377</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 3,792,645	\$ 1,447,040
Medical liabilities	1,642,497	552,561
Note and line of credit payable, net of discount, current portion	304,764	444,764
Holdback consideration	136,822	-
Total current liabilities	5,876,728	2,444,365
Notes payable, net of discount – non-current portion	5,343,644	5,344,565
Convertible notes payable, net of discount	1,953,587	962,978
Warrant liability	2,750,480	2,354,624
Conversion feature liability	547,784	-
Deferred tax liability	89,791	-
Total liabilities	16,562,014	11,106,532
<b>COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS (NOTES 10 AND 11)</b>		
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock, par value \$0.001; 5,000,000 shares authorized; none issued	-	-
Common Stock, par value \$0.001; 100,000,000 shares authorized, 49,134,549 shares issued and outstanding as of September 30, 2014 and March 31, 2014, respectively	49,135	49,135
Additional paid-in-capital	16,191,023	15,083,365
Accumulated other comprehensive income	33,088	-
Accumulated deficit	(16,649,019)	(16,347,588)
Stockholders' deficit attributable to Apollo Medical Holdings, Inc.	(375,773)	(1,215,088)
Non-controlling interest	(128,252)	(408,067)
Total	(504,025)	(1,623,155)
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 16,057,989</b>	<b>\$ 9,483,377</b>

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

	Three Months Ended September 30,		Six Months Ended September 30,	
	2014	2013	2014	2013
Net revenues	\$ 11,665,294	\$ 2,521,421	\$ 15,759,780	\$ 5,136,115
Costs and expenses				
Cost of services	6,161,645	2,257,945	9,421,484	4,715,875
General and administrative	3,451,907	1,043,565	5,461,239	2,965,395
Depreciation and amortization	193,281	6,528	205,180	12,883
Total costs and expenses	9,806,833	3,308,038	15,087,903	7,694,153
Income (loss) from operations	1,858,461	(786,617)	671,877	(2,558,038)
Other (expense) income				
Interest expense	(329,258)	(200,562)	(606,125)	(362,252)
Gain on change in fair value of warrant and conversion feature liabilities	152,140	-	122,135	-
Other	(58,436)	6,441	(60,912)	7,490
Total other expense	(235,554)	(194,121)	(544,902)	(354,762)
Income (loss) before provision for income taxes	1,622,907	(980,738)	126,975	(2,912,800)
Provision for income taxes	86,989	-	98,591	800
Net income (loss)	1,535,918	(980,738)	28,384	(2,913,600)
Net income attributable to noncontrolling interest	(159,608)	-	(329,815)	-
Net income (loss) attributable to Apollo Medical Holdings, Inc.	\$ 1,376,310	\$ (980,738)	\$ (301,431)	\$ (2,913,600)
Other comprehensive income (loss):				
Unrealized change in value of marketable securities	14,499	-	33,088	
Comprehensive income (loss)	\$ 1,390,809	\$ (980,738)	\$ (268,343)	\$ (2,913,600)
NET INCOME (LOSS) PER SHARE:				
BASIC	\$ 0.03	\$ (0.03)	\$ (0.01)	\$ (0.08)
DILUTED	\$ 0.03	\$ (0.03)	\$ (0.01)	\$ (0.08)
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING:				
BASIC	49,134,549	36,353,413	49,134,549	37,261,375
DILUTED	54,393,442	36,353,413	49,134,549	37,261,375

### About Apollo Medical Holdings, Inc. (ApolloMed)

Headquartered in Glendale, California and dedicated to putting the 'Patient First,' ApolloMed is a leading provider of physician-centric integrated healthcare management services, fueled by its commitment to provide exceptional multi-disciplinary care in the communities it serves in California, Mississippi and Ohio. ApolloMed is addressing the healthcare needs of the nation's largest population center by leveraging its integrated healthcare delivery platform comprised of three affiliated and complementary physician groups: ApolloMed Hospitalists, ApolloMed ACO (Accountable Care Organization), Maverick Medical Group (Independent Physician Association), AKM Medical Group (IPA), Apollo Palliative Services and ApolloMed Care Clinics. This platform combines hospitalist medicine, critical care medicine, case management and transition management that enable healthcare organizations to engage in performance payments for utilization efficiency, quality of care objectives and shared accountability arrangements. ApolloMed strives to improve medical outcomes with high

quality, cost efficient care. For more information, please visit [www.apollomed.net](http://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 January 31, 2014, 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. For example, the \$5.4 million receivable from CMS relates to ApolloMed ACO's portion of shared savings achieved during the period of July 1, 2012 to December 31, 2013. Whether future revenues will be earned by ApolloMed ACO is uncertain, and, if such amounts are payable, they will be paid on an annual basis significantly after the time earned, and will be contingent on various factors, including whether savings were determined to be achieved in 2014 or in any other period during which savings are measured. 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:**

#### **The Ruth Group**

David Burke

646-536-7009

[dburke@theruthgroup.com](mailto:dburke@theruthgroup.com)

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