

Apollo Medical Holdings Reports 56% Revenue Growth Year Over Year For The First Quarter Of Fiscal Year 2015

GLENDAL, Calif., Aug. 19, 2014 /PRNewswire/ --**Apollo Medical Holdings, Inc.** ("ApolloMed") (OTC-QB: AMEH), an integrated physician-centric healthcare delivery company announced its fiscal 2015 first quarter results for the three months ended June 30, 2014.

It should be noted that the Company changed its year-end and now reports financial results on calendar quarters. FY 2015 now covers the reporting period from April 1, 2014 to March 31, 2015.

Financial Highlights for the Three Months Ended June 30, 2014 Compared to Three Months Ended June 30, 2013:

- Net revenues increased 56% to a record \$4.09 million from \$2.61 million. The increase can be attributed to new hospitalist contracts, the continued growth of Maverick Medical Group and the acquisition of AKM Medical Group.
- Loss from operations decreased 33% from \$1.77 million to \$1.19 million.
- On June 30, the Company had cash, cash equivalents and marketable securities of \$6.2 million.

Select Operational Highlights for Calendar Year 2014 YTD included:

- ApolloMed announced the launch of ApolloMed Care Clinics, which serve as both primary care medicine and post-discharge centers of excellence.
- ApolloMed ACO increased its number of assigned patients from 8,900 to 30,000 and number of physicians from 160 to over 700, and extended its geographic presence to Orange County, Alameda County in the San Francisco Bay Area, Mississippi and Ohio.
- ApolloMed ACO announced interim financial results released from the Centers for Medicare and Medicaid Services ("CMS") which indicated that ApolloMed ACO, in its first 12 months, had \$3.1 million less in expenditures for its patient population than its benchmark.
- Entered into an equity and debt investment for up to \$12 million with NNA of Nevada, Inc., an affiliate of Fresenius Medical Care North America, that included a \$2 million investment in Company common stock issued at \$1.00 per share.
- Announced the appointment of Mitchell Creem as CFO. Mr. Creem has more than 30 years of healthcare experience, including CEO for Keck Hospital of USC and USC Norris Cancer Center, CFO of UCLA Medical Center, CFO of Beth Israel Deaconess Medical Center and CFO of Tufts Medical Center.
- Changed auditors to BDO USA, LLP to position the Company for further potential growth and investment.
- Announced the acquisition of AKM Medical Group, an IPA founded in 1990 which

represents 16 primary care physicians and 87 specialists which serves more than 2100 patients in Los Angeles.

- Announced that it has entered into an agreement to provide hospitalist services for Blue Shield of California PPO patients in hospitals at which the Company has hospitalists. This included extending hospitalist services for Blue Shield PPO, Exchange and Out Of Network patients at Cedars-Sinai Medical Center.

Commenting on the results, Warren Hosseinion, M.D., CEO of ApolloMed, stated, "We continue to successfully execute on our multi-channel growth strategies, leveraging our strong reputation as a trusted partner to all stakeholders in the care continuum. By consistently delivering excellent inpatient and outpatient services for our patients and our hospital, health plan and IPA partners, ApolloMed continues to achieve record revenue growth on a quarter-over-quarter basis – an accomplishment in which we take immense pride and which we target to continue for the remainder of FY 2015."

For more details on ApolloMed's fiscal year 2015 first quarter results, please refer to the Company's 10-Q filed with the U.S. Securities Exchange Commission and accessible at www.sec.gov.

UNAUDITED FINANCIAL TABLES TO FOLLOW:

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

	<u>June 30, 2014</u>	<u>March 31, 2014</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 5,762,423	\$ 6,831,478
Marketable securities	407,682	-
Restricted cash	40,000	20,000
Accounts receivable, net	1,531,405	1,508,461
Due from affiliates	38,638	24,041
Prepaid expenses	59,664	42,200
Total current assets	<u>7,839,812</u>	<u>8,426,180</u>
Deferred financing costs, net	337,978	366,286
Property and equipment, net	99,222	94,948
Intangible assets, net	211,427	59,627
Goodwill	278,135	494,700
Other assets	38,681	41,636
TOTAL ASSETS	<u>\$ 8,805,255</u>	<u>\$ 9,483,377</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,482,682	\$ 1,447,040
Medical liabilities	1,137,395	552,561
Note and line of credit payable, net of discount -current portion	392,264	444,764
Holdback liability	136,822	-
Total current liabilities	<u>3,149,163</u>	<u>2,444,365</u>
Warrant liability	2,384,629	2,354,624
Notes payable, net of discount - non current portion	5,282,736	5,344,565
Convertible notes payable, net of discount	981,688	962,978
Total liabilities	<u>11,798,216</u>	<u>11,106,532</u>
STOCKHOLDERS' DEFICIT		
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 June 30, 2014 and March 31, 2014, respectively	49,135	49,135
Additional paid-in-capital	15,202,504	15,083,365
Accumulated other comprehensive income	18,589	-
Accumulated deficit	<u>(18,025,329)</u>	<u>(16,347,588)</u>
Stockholders' deficit attributable to Apollo Medical Holdings, Inc.	<u>(2,755,101)</u>	<u>(1,215,088)</u>
Non-controlling interest	<u>(237,860)</u>	<u>(408,067)</u>
Total	<u>(2,992,961)</u>	<u>(1,623,155)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 8,805,255</u>	<u>\$ 9,483,377</u>

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

	Three months ended June 30,	
	2014	2013
Net revenues	\$ 4,094,486	\$ 2,614,694
Costs and expenses		
Cost of services	3,259,839	2,457,930
General and administrative	2,009,332	1,921,830
Depreciation and amortization	11,899	6,355
Total costs and expenses	<u>5,281,070</u>	<u>4,386,115</u>
Loss from operations	(1,186,584)	(1,771,421)
Other (expense) income		
Interest expense	(276,867)	(161,690)
Other	(32,481)	1,049
Total other expense	<u>(309,348)</u>	<u>(160,641)</u>
Loss before provision for income taxes	(1,495,932)	(1,932,062)
Provision for income taxes	<u>11,602</u>	<u>800</u>
Net loss	<u>(1,507,534)</u>	<u>(1,932,862)</u>
Net income attributable to noncontrolling interest	<u>(170,207)</u>	<u>-</u>
Net loss attributable to Apollo Medical Holdings, Inc.	<u>(1,677,741)</u>	<u>(1,932,862)</u>
Other comprehensive income (loss):		
Unrealized change in value of marketable securities	18,589	-
Comprehensive loss	<u>\$ (1,659,152)</u>	<u>\$ (1,932,862)</u>
WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING - BASIC AND DILUTED	<u>49,134,549</u>	<u>35,435,474</u>
BASIC AND DILUTED NET LOSS PER SHARE	<u>\$ (0.03)</u>	<u>\$ (0.05)</u>

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) 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.

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. 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.

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