

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): January 12, 2022

**APOLLO MEDICAL HOLDINGS, INC.**  
(Exact Name of Registrant as Specified in Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-37392  
(Commission File  
Number)

95-4472349  
(I.R.S. Employer  
Identification No.)

1668 S. Garfield Avenue, 2nd Floor, Alhambra, CA 91801  
(Address of Principal Executive Offices, and Zip Code)

(626) 282-0288  
Registrant's Telephone Number, Including Area Code

**(Former Name or Former Address, if Changed Since Last Report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communication pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	AMEH	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

The information contained in Item 7.01 of this Current Report on Form 8-K is incorporated by reference in this Item 2.02.

**Item 7.01 Regulation FD Disclosure.**

Apollo Medical Holdings, Inc. (the “Company”) is scheduled to present virtually at J.P. Morgan’s 40<sup>th</sup> Annual Healthcare Conference on January 12, 2022. The Company has prepared presentation materials that the Company intends to use in this regard. A copy of the presentation materials to be used is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information contained in this Current Report on Form 8-K, including the exhibit referenced herein, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. The furnishing of this information will not be deemed an admission as to the materiality of any information contained herein.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<a href="#">99.1</a>	<a href="#">Corporate Presentation</a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

**Forward-Looking Statements**

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include words such as “forecast,” “guidance,” “projects,” “estimates,” “anticipates,” “believes,” “expects,” “intends,” “may,” “plans,” “seeks,” “should,” or “will,” or the negative of these words or similar words. Forward-looking statements involve certain risks and uncertainties, and actual results may differ materially from those discussed in each such statement. A number of important factors could cause actual results to differ materially from those included within or contemplated by the forward-looking statements, including, but not limited to, the factors described in our filings with the Securities and Exchange Commission, including the Company’s most recent annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q. The Company does not undertake any responsibility to update any of these factors or to announce publicly any revisions to any of the forward-looking statements contained in this or any other document, whether as a result of new information, future events, or otherwise.

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**SIGNATURES**

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**APOLLO MEDICAL HOLDINGS, INC.**

Dated: January 12, 2022

By: /s/ Brandon Sim  
Name: Brandon Sim  
Title: Co-Chief Executive Officer

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# Apollo Medical Holdings

January 2022

Powered by Technology.

Built by Doctors.

For Patients.



## Forward-looking statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements include any statements about the Company's business, financial condition, operating results, plans, objectives, expectations and intentions, expansion plans, integration of acquired companies and any projections of earnings, revenue, EBITDA, Adjusted EBITDA or other financial items, such as the Company's projected capitation and future liquidity, and may be identified by the use of forward-looking terms such as "anticipate," "could," "can," "may," "might," "potential," "predict," "should," "estimate," "expect," "project," "believe," "plan," "envision," "intend," "continue," "target," "seek," "will," "would," and the negative of such terms, other variations on such terms or other similar or comparable words, phrases or terminology. Forward-looking statements reflect current views with respect to future events and financial performance and therefore cannot be guaranteed. 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. Actual results may also vary materially from forward-looking statements due to risks, uncertainties and other factors, known and unknown, including the risk factors described from time to time in the Company's reports to the U.S. Securities and Exchange Commission (the "SEC"), including without limitation the risk factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, and subsequent Quarterly Reports on Form 10-Q.

Because the factors referred to above could cause actual results or outcomes to differ materially from those expressed or implied in any forward-looking statements, you should not place undue reliance on any such forward-looking statements. Any forward-looking statements speak only as of the date of this presentation and, unless legally required, the Company does not undertake any obligation to update any forward-looking statement, as a result of new information, future events or otherwise.

## Key acronyms

- **ACO:** Accountable Care Organization
- **AIPBP:** All-Inclusive Population-Based Payments
- **APC:** Allied Physicians of California IPA
- **CMMI:** Center for Medicare and Medicaid Innovation
- **CMS:** Centers for Medicare & Medicaid Services
- **DC:** Direct Contracting
- **DCE:** Direct Contracting Entity
- **DME:** Durable Medical Equipment
- **Health Plan / Payors:** Health Insurance Companies
- **HMO:** Health Maintenance Organization
- **IPA:** Independent Practice Association
- **NCI:** Non-Controlling Interest
- **NMM:** Network Medical Management, Inc.
- **MSA:** Master Service Agreement
- **MSO:** Management Services Organization
- **NGACO:** Next Generation Accountable Care Organization
- **PCP:** Primary Care Physician
- **PMPM:** Per Member Per Month
- **SNF:** Skilled Nursing Facility
- **VIE:** Variable Interest Entity

## ApolloMed investment highlights



1. **Proven model for 25+ years with demonstrable clinical outcomes across all populations**
  - MA, Managed Medicaid, Commercial, ACA Exchange, Medicare FFS, etc.



2. **Large and growing TAM with significant whitespace ahead across market segments**



3. **Focus on aligning with and helping independent providers win**
  - Help them achieve the same scale and outcomes as an integrated delivery system
  - Unlocks differentiated independent provider market



4. **Proprietary technology platform with data moat, custom built for providers**



5. **Multiple drivers for growth with a scalable and repeatable playbook led by differentiated leadership team**

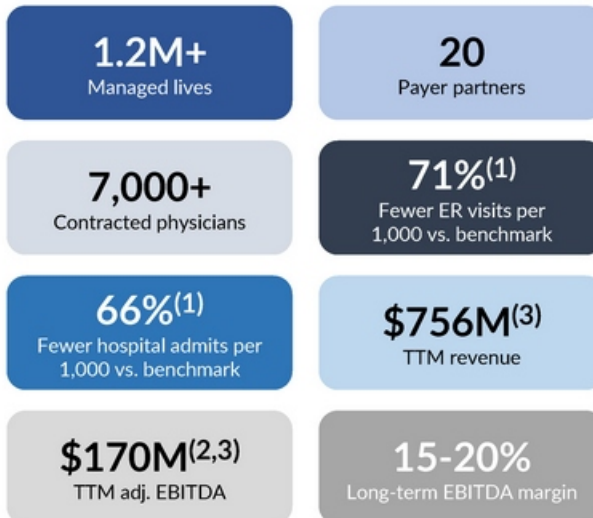


6. **Industry leading unit economics – growing revenue at 26% YoY<sup>(1)</sup> profitably with increasing EBITDA margins**

<sup>(1)</sup> ApolloMed 3Q20 to 3Q21 revenue growth

## ApolloMed at-a-glance

- ✓ Apollo Medical Holdings ("ApolloMed") is a leading physician-centric, technology-powered, risk-bearing healthcare company
- ✓ Our end-to-end technology solutions enable providers to succeed in value-based care arrangements where they "quarterback" patient care to deliver better outcomes
- ✓ We manage over 1.2M lives through a network of 14 IPAs and 7,000+ contracted physicians, working with 20 payer partners
- ✓ We have a 25+ year track record of profitable growth in our core geographic areas and a comprehensive strategy to grow nationally



Source: CMS, Chronic Conditions Data Warehouse (CCW), competitors' IR, and internal figures. Internal figures for capitated MA patients  
 Note: Information as of 9/30/2021 unless otherwise noted; competitor and national information provided is 2019 data unless otherwise noted  
 (1) Internal Medicare patient data from consolidated IPAs from Jan 2021 – Sept 2021; (2) See "Reconciliation of TTM Net Income to TTM EBITDA and TTM Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information; (3) TTM as of 9/30/2021

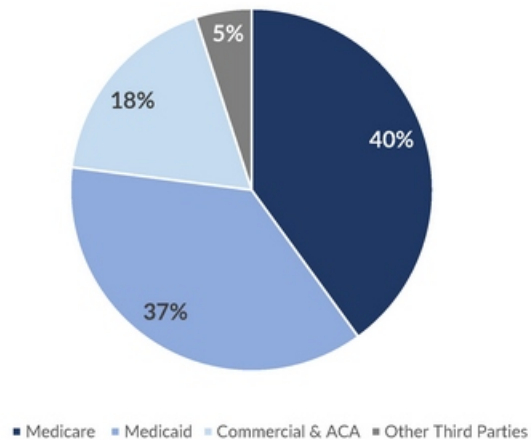


## A growing national footprint addressing the needs of a diverse set of patients








Geographic Footprint



Revenue Breakdown by Member Population



## ApolloMed is a scaled player with a proven and profitable model

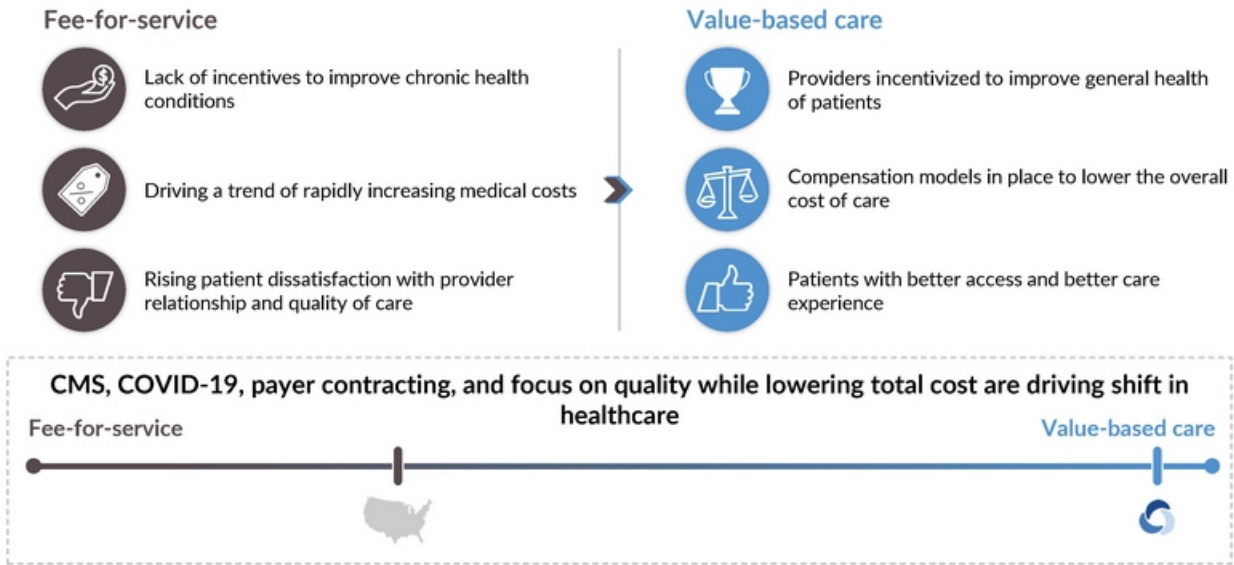
							
<b>Business Model<sup>(1)</sup></b>	Affiliate-provider model	Affiliate-provider model	Affiliate-provider model	Staff / Clinic Model	Affiliate-provider model	Staff / Clinic Model	Staff / Clinic Model
<b>Members Served</b>	1.2M	760k <sup>(2)</sup>	237k <sup>(3)</sup>	211k <sup>(4)</sup>	60k <sup>(5)</sup>	132k <sup>(6)</sup>	715k <sup>(7)</sup>
<b>Serves All Patient Types<sup>(1, 8)</sup></b>	✓	✓	✗	✓	✗	✗	✗
<b>Market Capitalization<sup>(9)</sup></b>	\$3.4B	\$2.8B	\$9.9B	\$3.8B	\$1.3B	\$6.6B	\$3.0B
	2021 Guidance Range (as of November 4, 2021)						
<b>2021E Revenue<sup>(10)</sup></b>	\$751.5M - \$758.5M <sup>(11)</sup>	\$910M <sup>(13)</sup>	\$1,823M <sup>(3)</sup>	\$1,700M <sup>(4)</sup>	\$633M <sup>(14)</sup>	\$1,423M <sup>(15)</sup>	\$611M <sup>(7)</sup>
<b>2021E Adj. EBITDA<sup>(10)</sup></b>	\$168.5M - \$170.5M <sup>(11, 12)</sup>	\$40M <sup>(13)</sup>	(\$39M) <sup>(3)</sup>	\$118M <sup>(4)</sup>	(\$40M) <sup>(14)</sup>	(\$233M) <sup>(15)</sup>	(\$35M) <sup>(7)</sup>

(1) Based on recent company filings or investor presentations; (2) Privia Health Investor Presentation (December 2021); (3) Agilion Health Q3 2021 Earnings Announcement (October 2021); (4) Cano Health Q3 2021 Earnings Announcement (November 2021); (5) P3 Health Partners S-1 (December 2021); (6) Oak Street Health Corporate Presentation (November 2021); (7) One Medical Q3 2021 Earnings Announcement (November 2021); (8) Patient types include Medicare (incl. Medicare Advantage), Medicaid, and Commercial members; (9) Diluted shares outstanding as of Q3 2021; 10-Qs, stock prices as of 1/07/22; (10) Peer 2021E Revenue and Adj. EBITDA based on midpoint of Company provided guidance; (11) ApolloMed 2021E Revenue and Adj. EBITDA as reported in applicable form and based on midpoint of previously disclosed guidance; (12) Please refer to the "2021 Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information; (13) Privia Health Q3 2021 Earnings Announcement (November 2021); (14) P3 Health Partners Investor Presentation (May 2021); (15) Oak Street Health Q3 2021 Earnings Announcement (November 2021)

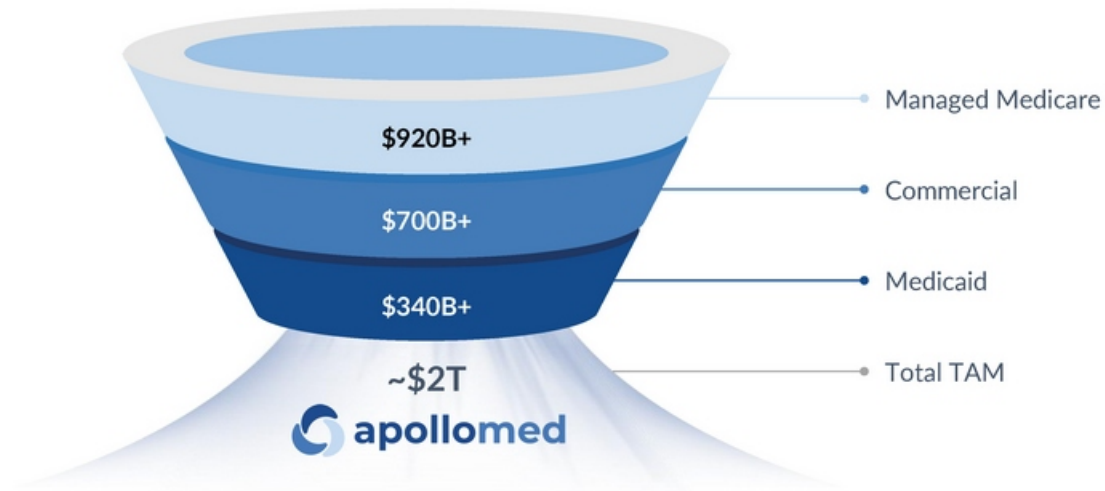
## Industry overview



## The U.S. healthcare landscape is rapidly moving towards value-based care...

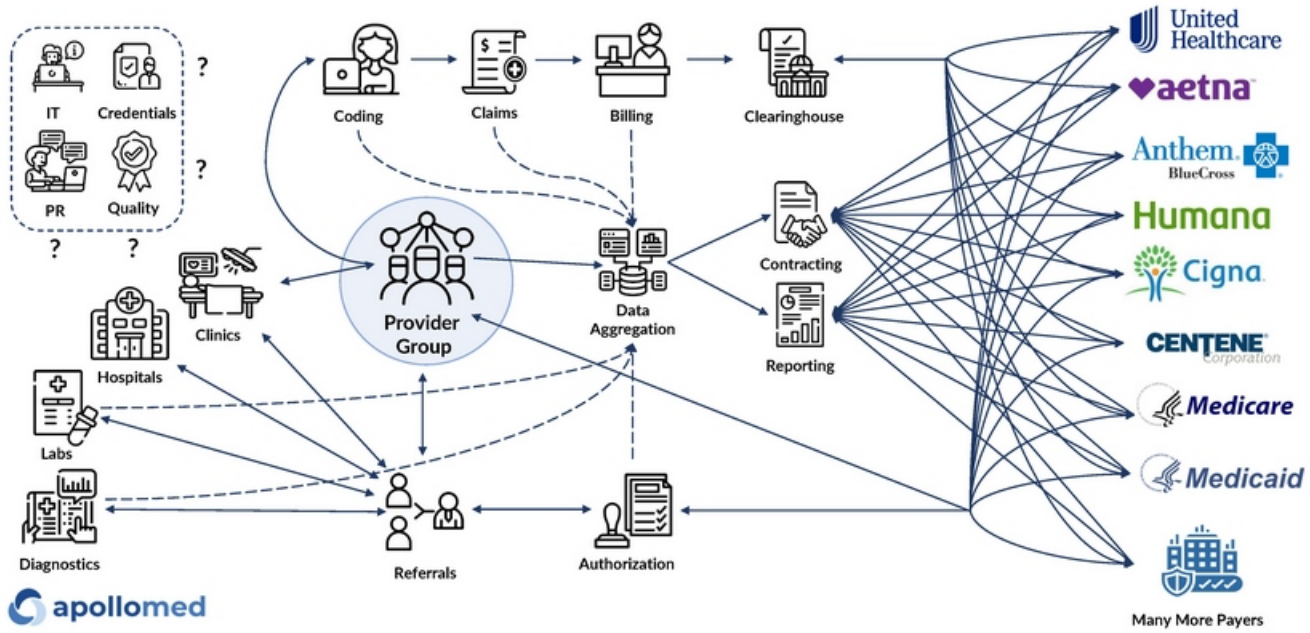


## ... Leading to a significant and growing market opportunity



Source: CMS and HCP-LAN (2021)

# However, the current healthcare system makes it very difficult to succeed

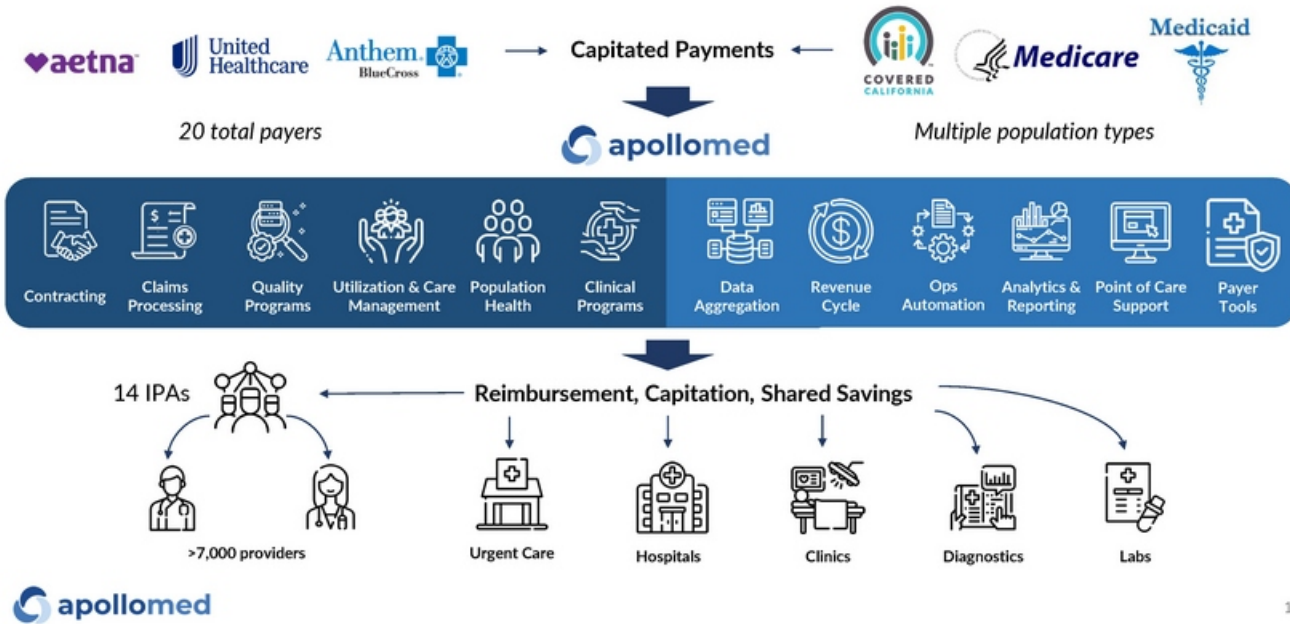


## Platform overview

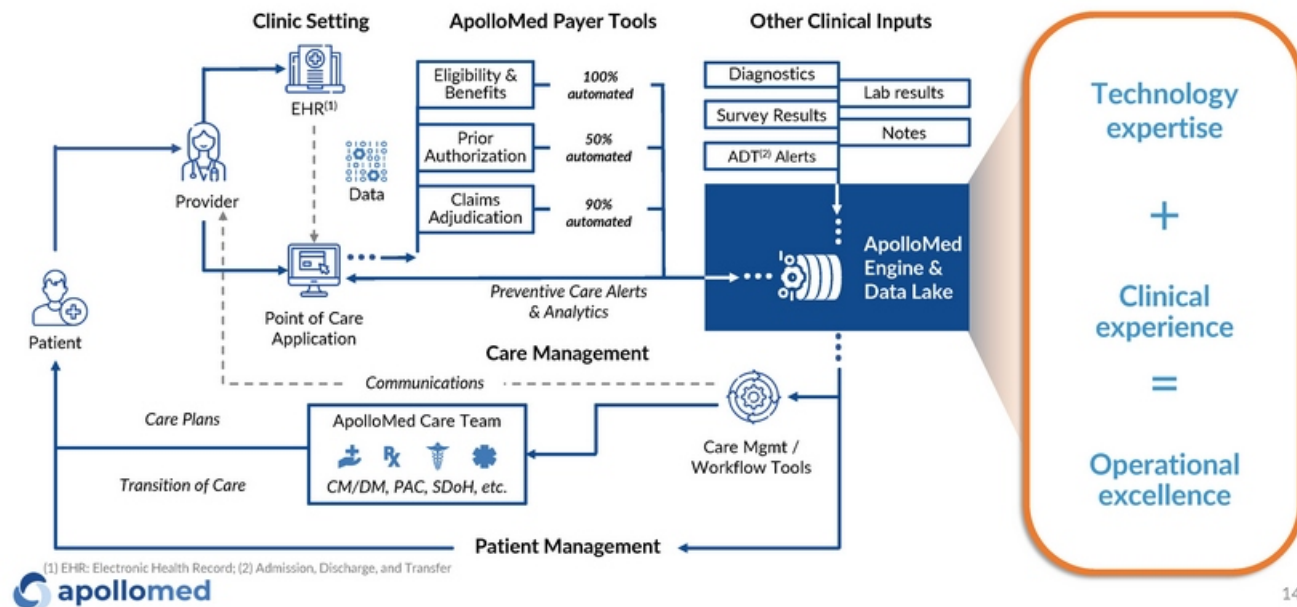




ApolloMed acts as a “single payer” by taking on risk-based contracts, connecting health ecosystem participants, and holistically supporting the care process

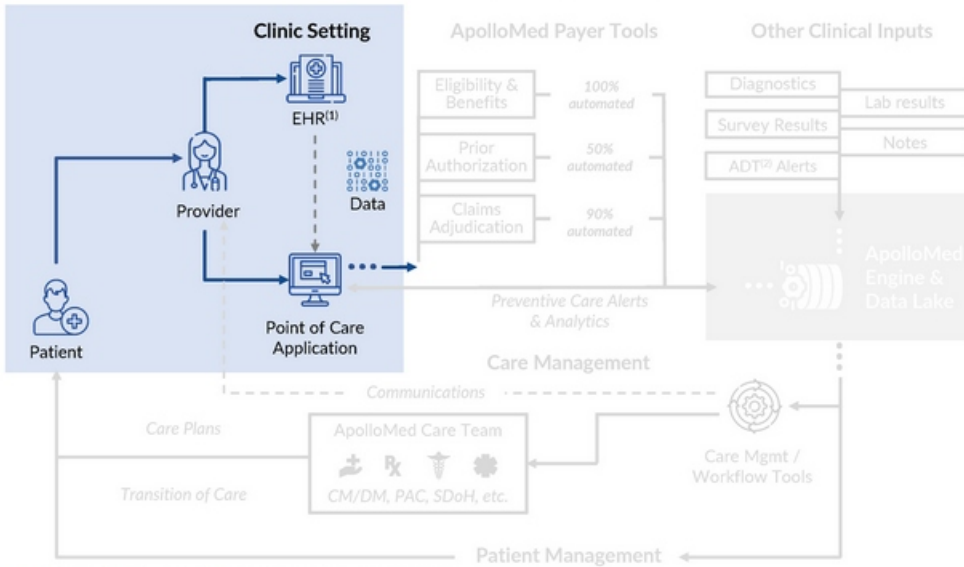


The ApolloMed ecosystem, powered by proprietary technology, connects patients, providers, and payers



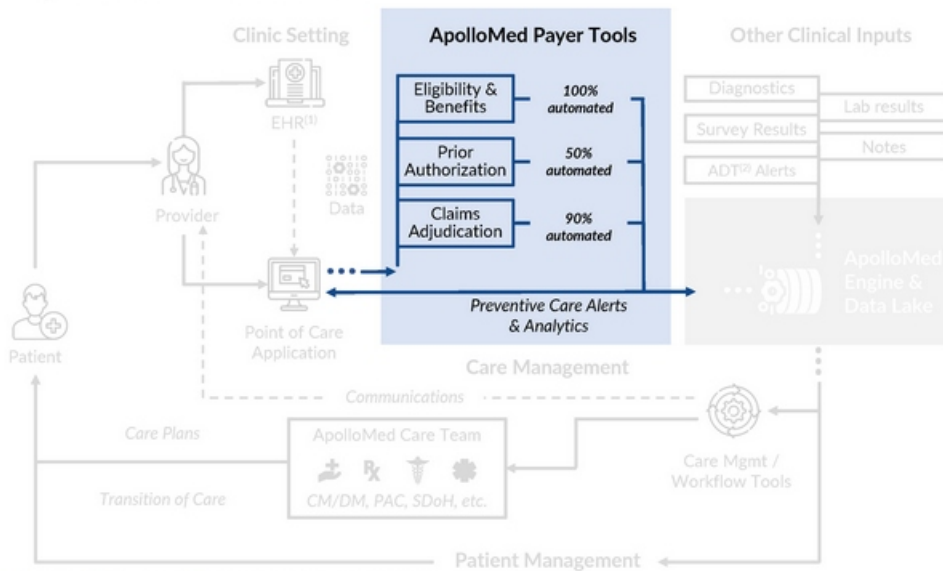
(1) EHR: Electronic Health Record; (2) Admission, Discharge, and Transfer

## Our proprietary point-of-care application is EHR-agnostic, enabling seamless transitions through our ecosystem and best-in-class care



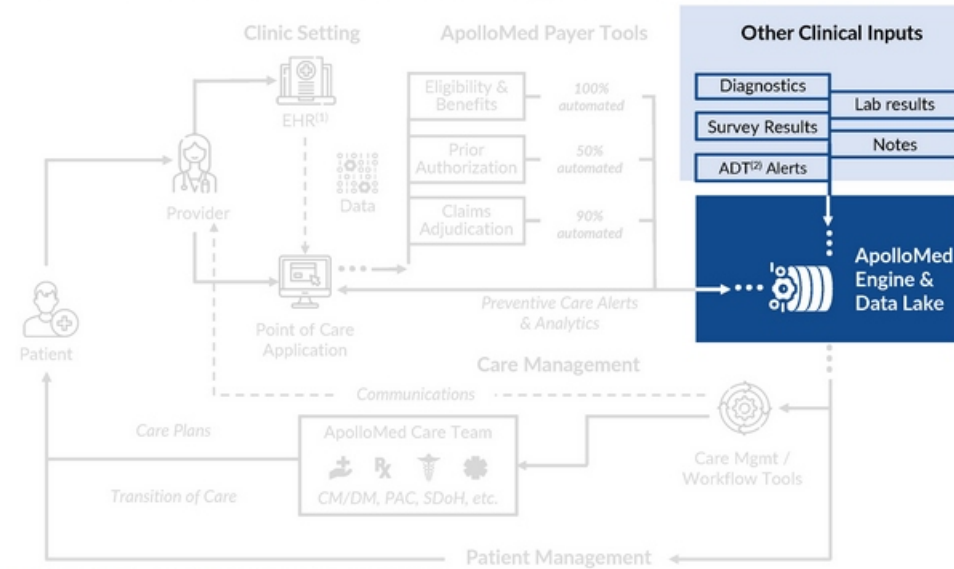
- Overview**
- ❖ ApolloMed providers use our point of care software before, during, and after patient encounters
  - ❖ The software is EHR-agnostic and contains analytics for chronic conditions, quality measures, and other care information
  - ❖ Providers can also use the software to check patients' eligibility and benefits, request referrals or authorizations, and submit claims

## Automated payer tools reduce administrative burden for physicians and create operational efficiencies



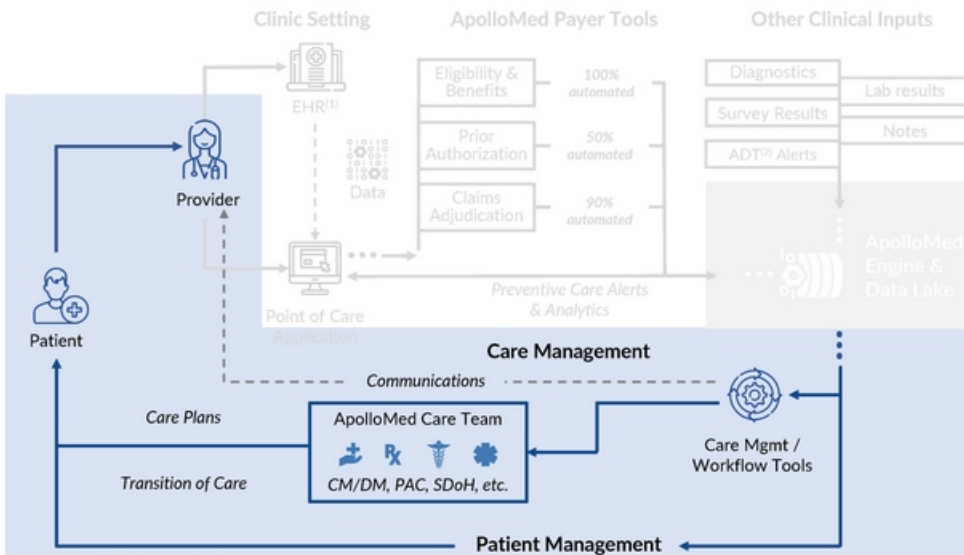
- Overview**
- ❖ To date, we have auto-approved more than **1M** prior authorization requests and auto-adjudicated more than **9M** claims, which would cost ~\$16M in labor at market rates
  - ❖ Automated prior authorization allows patients to get access to care more quickly and more easily, and allows our UM team to focus on more complex cases
  - ❖ Automated claims processing helps our providers be paid more quickly and more accurately

## Our backend engine and data lake power our provider solutions, allowing for workflow automation and data ingestion from dozens of sources



- Overview**
- ❖ Our backend engines ingest data from our proprietary applications, all major EHRs, 20 different payers, our care teams, and clinical partners
  - ❖ From there, the data can be accessed for reports and population health analytics, which are fed back into our apps
  - ❖ We also proactively generate data-driven preventive alerts for care teams to act on

## Our care teams act on the uncovered insights, enabling patients to receive seamless and complete care throughout their healthcare journey

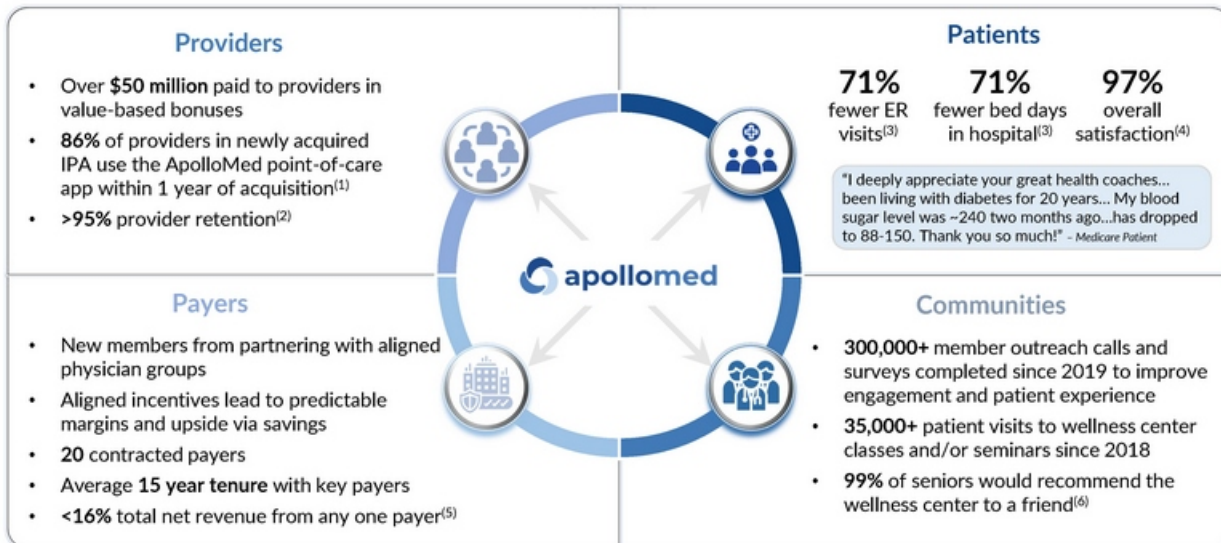


- Overview**
- ❖ ApolloMed's care teams comprise of inpatient & ambulatory care mgmt. teams, nurses, community health and social workers, translators, and other trained staff
  - ❖ Empowered with workflow tools that surface insights from our data engines, our teams create care plans, ensure smooth transitions, help manage chronic disease, and close gaps in crucial preventive care

# ApolloMed's large provider network and proprietary tech platform drive a virtuous cycle, powering growth and improving patient outcomes



## Our value-based care platform aligns incentives and benefits for all stakeholders



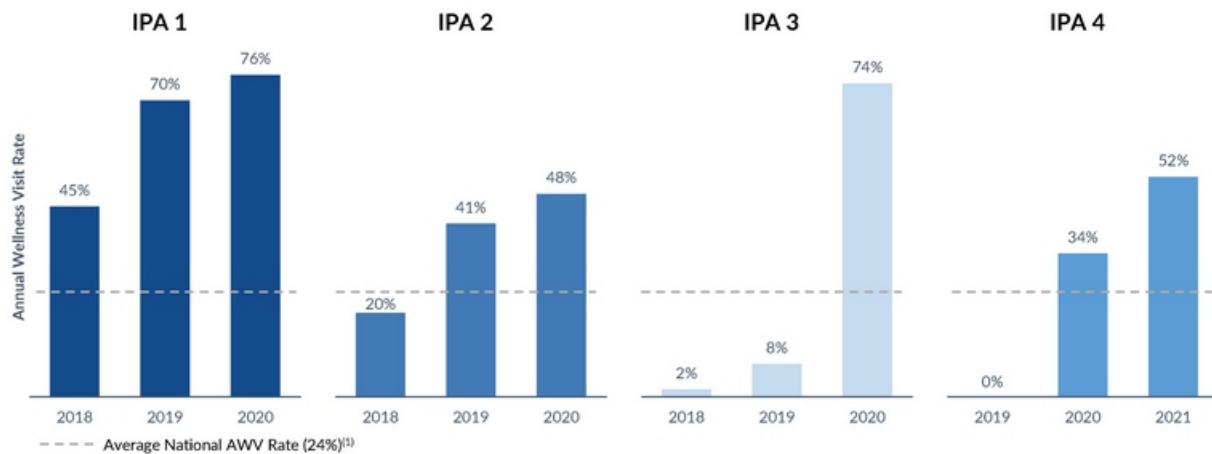
(1) Active providers in AlphaCare; (2) Retention rate of active providers in core IPAs under retirement age (65); (3) Compared to 2019 CMS Medicare benchmarks; (4) For members surveyed in 2021, n=8191; (5) For Q1-Q3 2021; (6) Of members surveyed since 2020



# Clinical and financial outcomes



## Provider groups consistently demonstrate improvement in patient engagement after joining ApolloMed

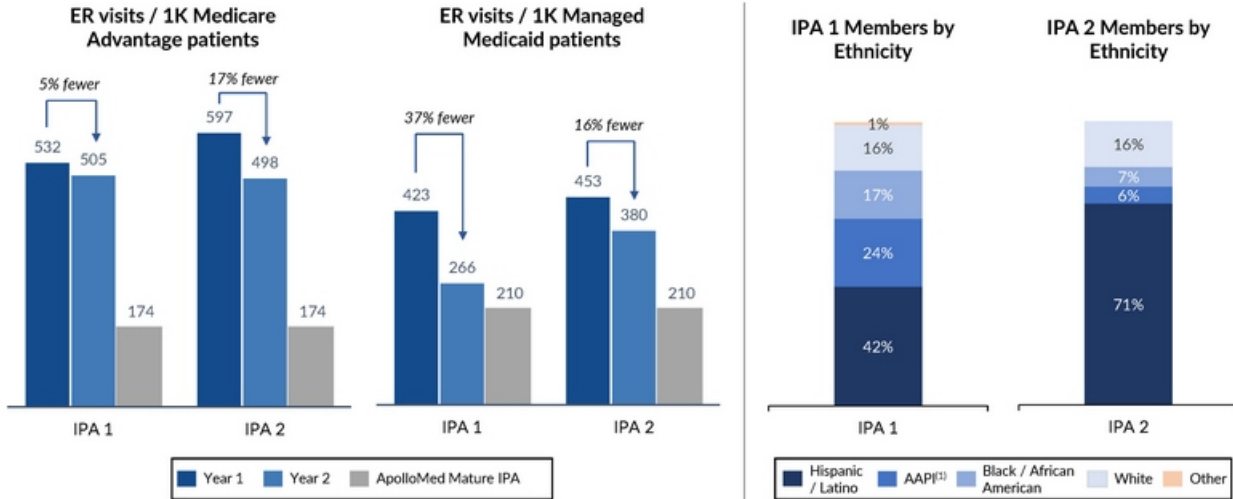


We have been able to significantly improve our annual wellness visit (AWV) completion across diverse IPAs through our tech-enabled ecosystem that enables our care team to proactively engage our patients through the most effective medium

(1) The American Journal of Accountable Care, September 2021



## As we expand geographically, culturally competent care has helped us deliver clinical improvements among diverse Medicare and Medicaid populations

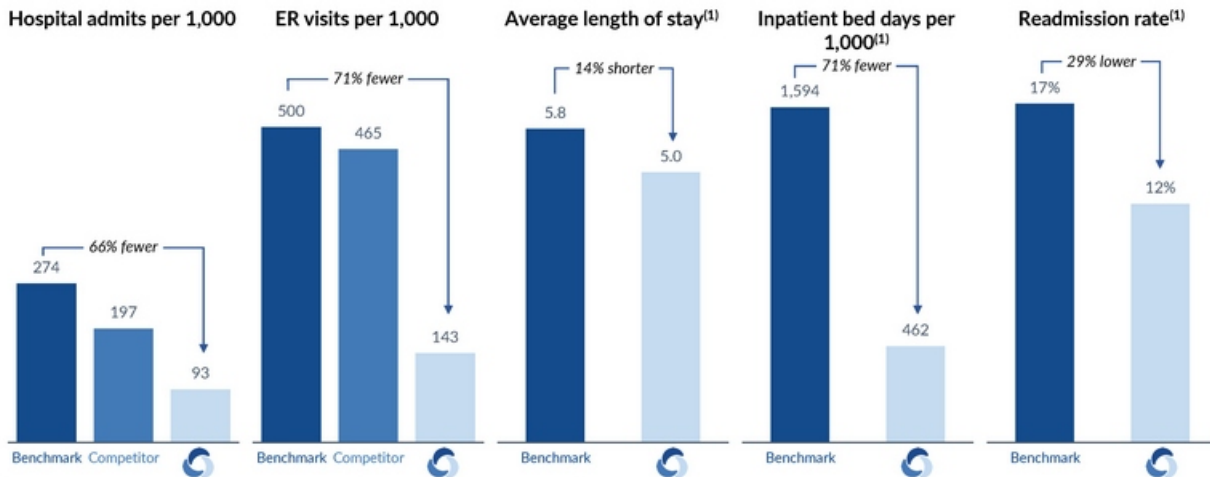


Source: Internal data and analysis  
 (1) AAPJ includes Amerasian, Asian Indian, Asian / Pacific Islander, Cambodian, Chinese, Filipino, Hawaiian, Japanese, Korean, Laotian, Samoan, and Vietnamese



## Overall, ApolloMed IPAs show superior clinical outcomes

### Medicare Advantage inpatient statistics comparison

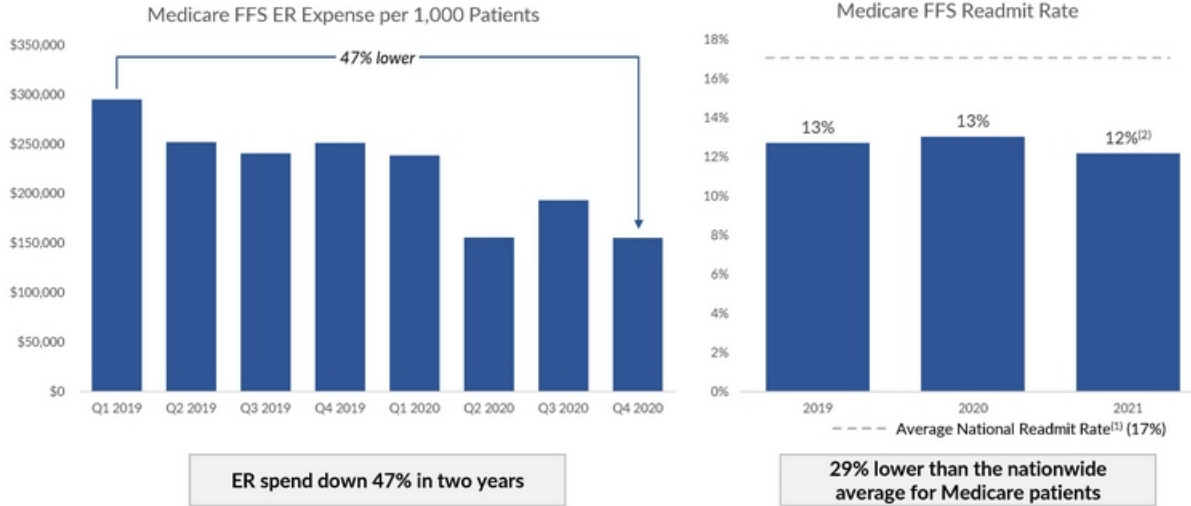


Source: CMS, Chronic Conditions Data Warehouse (CCW), AHRQ, competitors' IR, and internal figures for capitated MA patients from Jan 2021 - Sept 2021; competitor and national information provided is 2019 data unless otherwise noted  
 (1) Competitor did not provide metrics for average length of stay, inpatient bed days per 1,000, or readmission rates  
 (2) Risk Adjustment Factor score

National RAF <sup>(2)</sup> Avg.	1.00
ApolloMed RAF <sup>(2)</sup> '18-'21	0.90-1.05



# ApolloMed's model and platform work for both managed care and FFS populations, helping move FFS care into a value-based care framework



(1) Agency for Health Research and Quality, 2021; (2) 2021 Medicare FFS Readmit Rate from 1Q21-3Q21



## Our ACO has demonstrated sustainable success, proving our ability to deliver savings and quality in value-based agreements

**ApolloMed's ACO consistently among top analogous ACOs in country:**

- #1** 2020 gross savings \$
- #4** 2021 gross savings \$

**Gross savings<sup>(1)</sup>, 2017-2020**

**ApolloMed ACO**      **Median ACO\***

\*Median gross savings for ACOs which participated in analogous program during 2017-2020

**DCE Opportunity**

- ✓ DCE represents a \$450B+ opportunity
- ✓ ApolloMed is uniquely positioned to excel in DC given its past CMMI program performance
- ✓ ACO set to transition to DCE model under provisional rule due to current ACO model's sunset; formal public notices are embargoed until announced by the Dept. of Health & Human Services or CMS

Source: CMS, Kaiser Family Foundation, US Census, Internal data and analysis  
 (1) Gross savings defined as total benchmark expenditures less total aligned beneficiary expenditures



# Growth strategy



## ApolloMed has a proven model built over 25+ years

### Proven model for new markets and products



*Leading tech platform and time-tested playbook tried and true in a large and diverse market*

- ✓ Over 1.2 million members managed
- ✓ Members in Medicare Advantage, Medicaid, Commercial, Medicare FFS, ACO, ACA, and more



*Track record of expanding access to care*

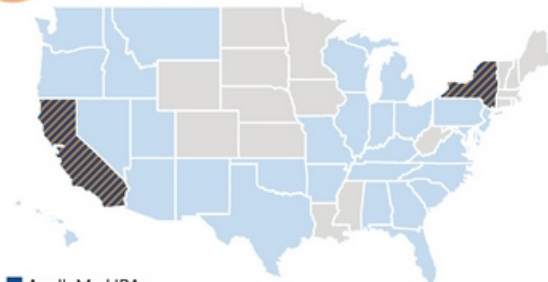
- ✓ Manage 10+ urgent care centers, outpatient surgery centers, diagnostic labs, and staffed specialty clinics



*Long-standing relationships with 20 national payers and strong care management reputation*



*Existing national presence with a comprehensive strategy to deploy playbook in new markets*



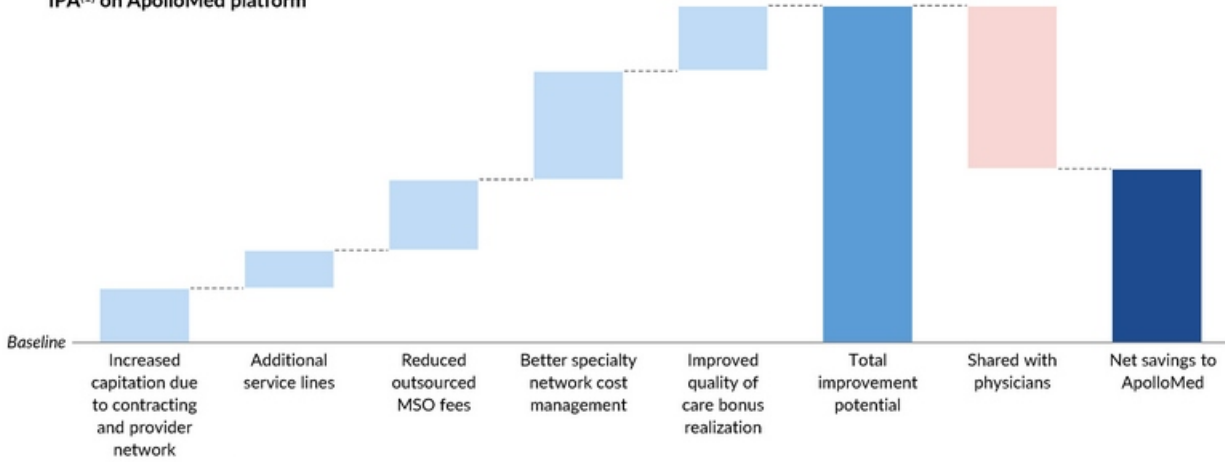
- ApolloMed IPAs
- ApolloMed ACOs
- Planned expansion





# For our existing membership base, we consistently create additional value as we grow by scaling revenue and driving down costs...

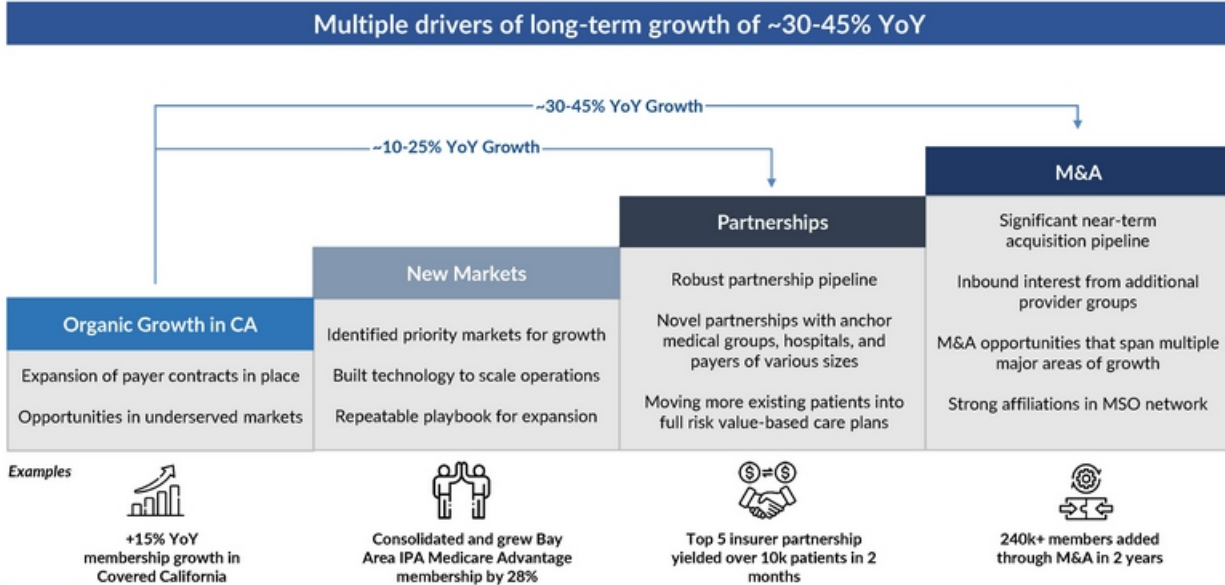
Illustration of potential value creation for IPA<sup>(1)</sup> on ApolloMed platform



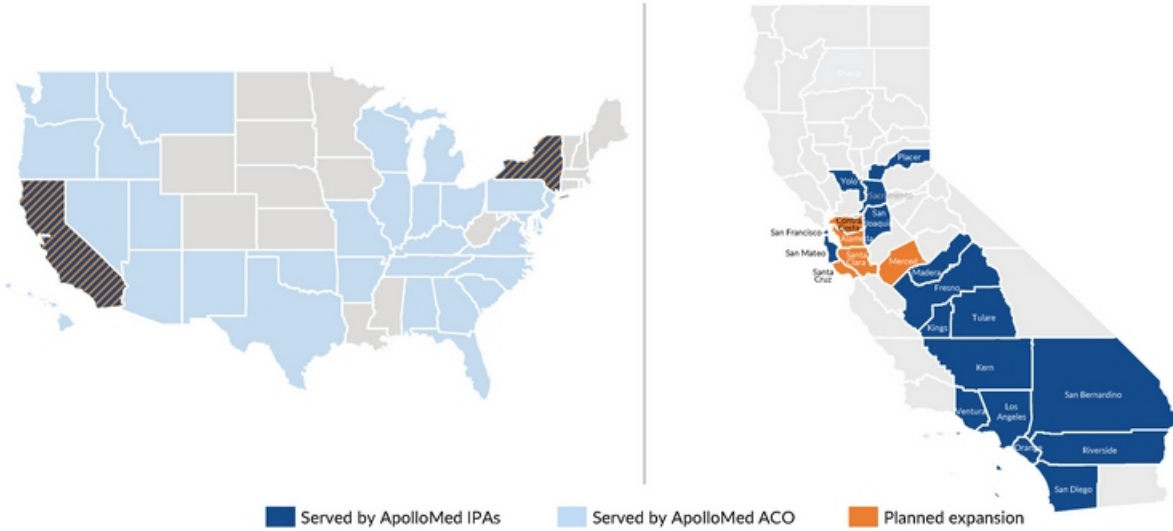
(1) IPA: Independent Practice/Physician Association



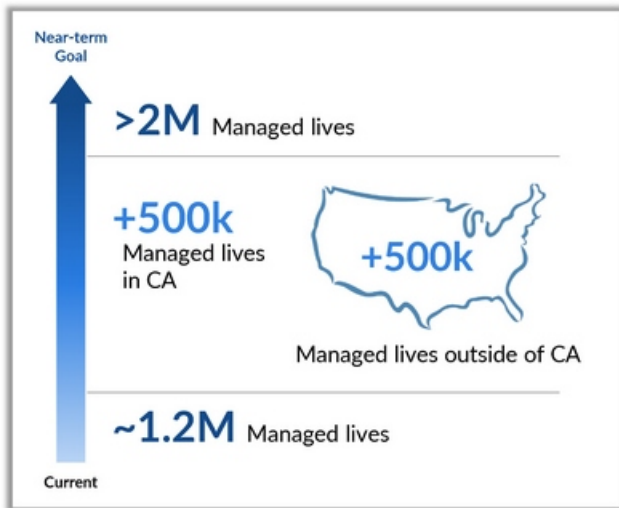
## ... And are at an inflection point with multiple long-term growth levers



Although we have established a strong foothold in CA and are already in 8 of the top 25 counties by population in the U.S...



... We are actively pursuing growth opportunities to capture greater share of the \$2T market



Provider services population includes:

- Medicare, Medicaid, Commercial and Other Third Parties

Potential membership in the State of California:

- ~21M<sup>(1)</sup>

Potential membership in CA counties currently served:

- ~14M<sup>(2)</sup>

U.S. total addressable market for ApolloMed services

- ~\$2T for 2021<sup>(3)</sup>

[1] Cattaneo & Stroud, Inc. – The Active California Medical Group Market report, March 31, 2019; [2] Cattaneo & Stroud, Inc. – Total of Medical Groups HMO Enrollment by Lines Business, 2004-2018, March 15, 2019; [3] CMS and HCP-LAN

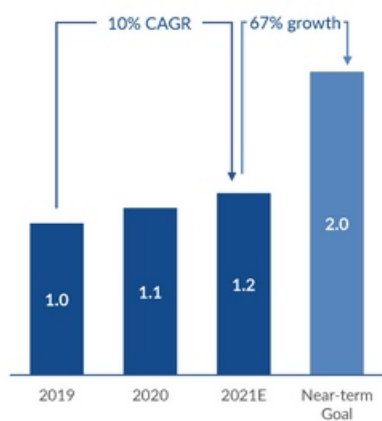


# Financials

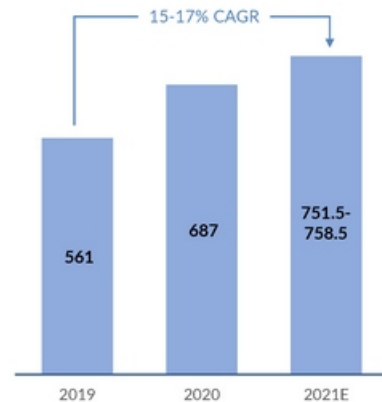


## Strong track record of membership and revenue growth, with robust margins

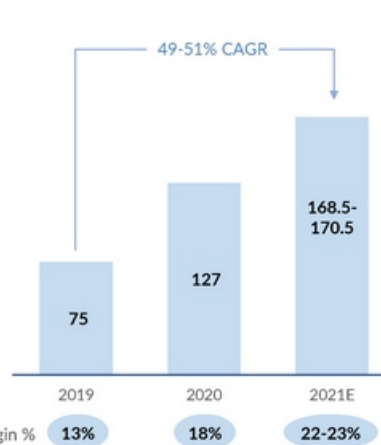
**Members**  
(in millions)



**Revenue**  
(\$ in millions)



**Adjusted EBITDA<sup>(1)</sup>**  
(\$ in millions)

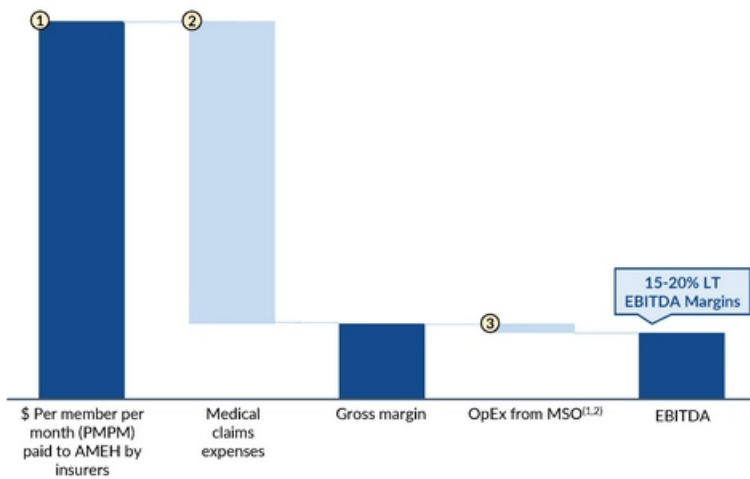


(1) See "Reconciliation of Net Income to EBITDA and Adjusted EBITDA," "2021 Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information.



# ApolloMed is profitable with attractive and differentiated unit economics

Illustration of ApolloMed's economics



① ApolloMed's scale and extensive experience in value-based care result in better per member per month (PMPM) payments vs industry standard

② Our large network of primary care and specialty providers, as well as our focus on population health and our tech platform, results in lower medical claims PMPM vs peers

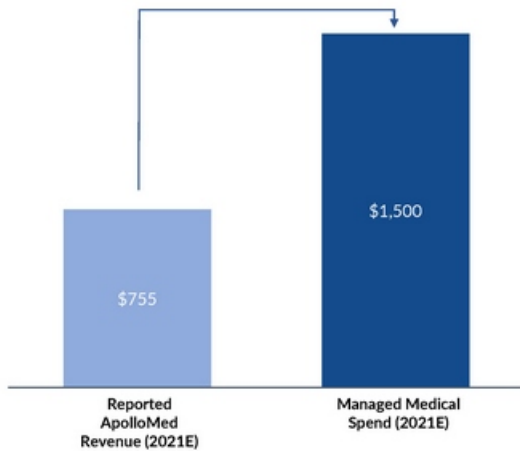
③ Our tech-enabled MSO<sup>(1)</sup> utilizes proprietary automation tools to reduce administrative costs, allowing us to scale profitably and enhance operating leverage

(1) Network Medical Management, ApolloMed's MSO (Managed Services Organization) and wholly owned subsidiary, pays claims, reviews authorizations, and performs other administrative tasks on behalf of its managed and consolidated IPAs; (2) Exclusive of D&A



# We manage ~\$1.5B of gross medical spend, yet recognize only a portion of the savings in revenue today

Illustration of ApolloMed's Potential Revenue Scale (\$M)



While we manage ~\$1.5B in medical spend, powered by proprietary technology, we only recognize a portion of shared savings in GAAP revenue

There continues to be a large and growing revenue opportunity, as we continue to take on more risk across all membership populations and innovate within value-based care



## Conclusion

ApolloMed's success and experience in value-based care position the company well to capture a growing \$2T market across all membership populations

With 25+ years of experience, our MSO has a proven track record of handling the challenges that prevent physicians from succeeding in value-based care

Combining in-house engineering and value-based care experience, we have built a technology suite to support operational and clinical excellence

Our model has produced improvements in clinical outcomes across a wide range of geographies and demographics, showing its scalability

ApolloMed's success in value-based care is validated by a robust financial profile, with both rapidly growing revenue and profitable margins

Our management team brings operational, engineering, and clinical expertise to the table, positioning us for continued success in the health care of the future

## Appendix



## 2021 Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(\$ in millions)	2021 Guidance Range (as of November 4, 2021)	
	Low	High
<b>Net income</b>	<b>\$81.0</b>	<b>\$83.5</b>
Interest expense, net	3.8	4.3
Provision for income taxes	37.0	38.0
Depreciation and amortization	17.2	17.2
<b>EBITDA</b>	<b>\$139.0</b>	<b>\$143.0</b>
Loss (income) from equity method investments	(3.9)	(3.6)
Provider bonus payments	8.9	8.9
Net loss adjustment for recently acquired IPAs	24.5	22.2
<b>Adjusted EBITDA</b>	<b>\$168.5</b>	<b>\$170.5</b>

[1] See "Use of Non-GAAP Financial Measures" slide for more information



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## Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(\$ in millions)	2019	2020
<b>Net income</b>	<b>\$17.7</b>	<b>\$122.3</b>
Interest expense, net	2.7	6.7
Provision for income taxes	18.3	18.4
Depreciation and amortization	8.2	56.1
<b>EBITDA</b>	<b>\$46.8</b>	<b>\$203.5</b>
Loss (income) from equity method investments	6.9	(3.7)
Gain from investments - fair value adjustments	-	(99.8)
Other loss (income)	(3.0)	(1.1)
Provider bonus payments	12.1	8.5
Impairment of intangibles	2.0	-
Provision for doubtful accounts	(1.4)	-
Net loss adjustment for recently acquired IPAs	11.1	19.2
<b>Adjusted EBITDA</b>	<b>\$74.5</b>	<b>\$126.5</b>

[1] See "Use of Non-GAAP Financial Measures" slide for more information



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## Reconciliation of TTM Net Income to TTM EBITDA and TTM Adjusted EBITDA

(\$ in millions)

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	TTM 2021 <sup>(2)</sup>
<b>Net income</b>	<b>\$12.9</b>	<b>\$14.4</b>	<b>\$59.5</b>	<b>(\$5.4)</b>	<b>\$81.4</b>
Interest expense, net	1.3	1.2	1.4	0.6	4.5
Provision for (benefit from) income taxes	11.9	6.8	24.9	(0.1)	43.5
Depreciation and amortization	4.3	4.2	4.2	4.7	17.4
<b>EBITDA<sup>(1)</sup></b>	<b>\$30.4</b>	<b>\$26.6</b>	<b>\$90.0</b>	<b>(\$0.3)</b>	<b>\$146.7</b>
(Income) loss from equity method investments	(0.4)	0.7	3.1	(0.1)	3.3
Gain on sale of equity method investment	(0.2)	-	-	(2.2)	(2.4)
Other (income) expense	0.4	(1.3)	15.9	(0.5)	14.5
Unrealized loss (gain) on investments	-	-	(83.8)	60.9	(22.8)
Provider bonus payments	-	-	-	8.7	8.7
Net loss adj. for recently acquired IPAs	5.5	3.2	5.5	7.9	22.1
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$35.7</b>	<b>\$29.2</b>	<b>\$30.7</b>	<b>\$74.5</b>	<b>\$170.1</b>

[1] See "Use of Non-GAAP Financial Measures" slide for more information; [2] Trailing Twelve Months 2021 ended September 30, 2021



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## Use of Non-GAAP Financial Measures

This presentation contains the non-GAAP financial measures EBITDA and adjusted EBITDA, of which the most directly comparable financial measure presented in accordance with U.S. generally accepted accounting principles ("GAAP") is net (loss) income. These measures are not in accordance with, or an alternative to, GAAP, and may be different from other non-GAAP financial measures used by other companies. The Company uses adjusted EBITDA as a supplemental performance measure of the Company's operations, for financial and operational decision-making, and as a supplemental means of evaluating period-to-period comparisons on a consistent basis. Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation, and amortization, excluding income from equity method investments, provider bonuses, impairment of intangibles, provision of doubtful accounts, and other income earned that is not related to the Company's normal operations. Adjusted EBITDA also excludes non-recurring items, including the effect on EBITDA of certain recently acquired IPAs.

The Company believes the presentation of these non-GAAP financial measures provides investors with relevant and useful information, as it allows investors to evaluate the operating performance of the business activities without having to account for differences recognized because of non-core or non-recurring financial information. When GAAP financial measures are viewed in conjunction with non-GAAP financial measures, investors are provided with a more meaningful understanding of the Company's ongoing operating performance. In addition, these non-GAAP financial measures are among those indicators the Company uses as a basis for evaluating operational performance, allocating resources, and planning and forecasting future periods. Non-GAAP financial measures are not intended to be considered in isolation from, or as a substitute for, GAAP financial measures. To the extent this release contains historical or future non-GAAP financial measures, the Company has provided corresponding GAAP financial measures for comparative purposes. The reconciliation between certain GAAP and non-GAAP measures is provided above.



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