

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): August 7, 2023

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, California 91801
(Address of Principal Executive Offices) (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:

- Written communications 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 communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications 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 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

On August 7, 2023, Apollo Medical Holdings, Inc. (the "Company") issued a press release announcing its financial results for the three and six months ended June 30, 2023. A copy of the press release and supplemental data is furnished with this Current Report on Form 8-K as [Exhibit 99.1](#) and [Exhibit 99.2](#), respectively, and incorporated herein by this reference.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 2.02, including Exhibit 99.1 and Exhibit 99.2 furnished herewith, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of Apollo Medical Holdings, Inc. Regarding its Financial Results for the Three and Six Months Ended June 30, 2023, dated August 7, 2023.
99.2	Supplemental Data of Apollo Medical Holdings, Inc., dated August 7, 2023.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities 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.

Date: August 7, 2023

By: /s/ Thomas S. Lam
Name: Thomas S. Lam, M.D., M.P.H.
Title: Co-Chief Executive Officer and President



Apollo Medical Holdings, Inc. Reports Second Quarter 2023 Results
Company to Host Conference Call on Monday, August 7, 2023, at 2:30 p.m. PT/5:30 p.m. ET

ALHAMBRA, Calif., August 7, 2023 /PRNewswire/ -- Apollo Medical Holdings, Inc. ("ApolloMed," and together with its subsidiaries and affiliated entities, the "Company") (NASDAQ: AMEH), a leading physician-centric, technology-powered healthcare company focused on enabling providers in the successful delivery of value-based care, today announced its consolidated financial results for the second quarter ended June 30, 2023.

Brandon Sim, Co-Chief Executive Officer of ApolloMed, stated, "Our strong second quarter performance reflects the sustained momentum and scalability of the ApolloMed model, with revenue up 29%, net income attributable to ApolloMed up 10%, and adjusted EBITDA up 44% compared to a year ago. We remain focused on our three key operational goals of growing our membership, empowering our providers, and improving patient outcomes, and we continue to drive meaningful progress in all three areas in California, Nevada, Texas, and beyond."

"We want to thank our providers and teammates for their hard work and dedication that resulted in our continued solid financial performance in the second quarter of 2023 and our confidence in reiterating our previously provided guidance for full-year 2023."

Financial Highlights for Second Quarter Ended June 30, 2023:

All comparisons are to the quarter ended June 30, 2022 unless otherwise stated.

- Total revenue of \$348.2 million, up 29% from \$269.7 million
- Care Partners revenue of \$325.2 million, up 32% from \$247.3 million
- Net income attributable to ApolloMed of \$13.2 million, up 10% from \$12.0 million
- Adjusted EBITDA of \$35.8 million, up 44% from \$24.9 million

Financial Highlights for Six Months Ended June 30, 2023:

All comparisons are to the six months ended June 30, 2022 unless otherwise stated.

- Total revenue of \$685.5 million, up 29% from \$533.0 million
- Care Partners revenue of \$639.9 million, up 31% from \$488.6 million
- Net income attributable to ApolloMed of \$26.3 million, up 2% from \$25.7 million
- Adjusted EBITDA of \$65.6 million, up 11% from \$59.3 million

Recent Operating Highlights Subsequent to the End of the Second Quarter:

- On July 12, 2023, the Company announced that it had entered into a definitive agreement to acquire assets of Texas Independent Providers, LLC ("TIP"), a value-based provider network with over 120 primary care providers that is expected to be an anchor for our high-quality Care Partners business in Houston. Through this transaction, ApolloMed intends to empower TIP's provider network to deliver best-in-class clinical outcomes and to improve the healthcare experience for patients. This transaction is expected to close in the third quarter of 2023, and TIP's providers are expected to be onboarded onto ApolloMed's Care Enablement platform by the end of 2023.
- On July 27, 2023, the Company formed a long-term partnership with a primary care group operating in California with over 50 providers. The group is expected to be onboarded onto ApolloMed's Care Enablement platform by September 1, 2023.

- On July 31, 2023, the Company announced a partnership with IntraCare, an operator of a value-based primary care provider network with over 425 providers located in Dallas, Fort Worth, El Paso, Austin, and Oklahoma City. Through this partnership, IntraCare's providers are expected to join ApolloMed's high-quality Care Partners business in these regions and onboarded onto ApolloMed's Care Enablement platform by the end of 2023. In addition, ApolloMed will lend IntraCare a \$25 million senior secured convertible promissory note maturing in 2028 to further IntraCare's mission and growth.

Segment Results for the Second Quarter Ended June 30, 2023:

	Three Months Ended June 30, 2023						
	Care Enablement	Care Partners	Care Delivery	Other	Intersegment Elimination	Corporate Costs	Consolidated Total
Total revenues	\$ 34,975	\$ 325,246	\$ 26,718	\$ 157	\$ (38,887)	\$ —	\$ 348,209
<i>% change vs. prior year quarter</i>	18%	32%	14%	—	—	—	29%
Cost of services	15,162	292,119	22,523	70	(36,998)	—	292,876
General and administrative ⁽¹⁾	12,175	5,298	3,626	926	(2,933)	9,212	28,304
Total expenses	27,337	297,417	26,149	996	(39,931)	9,212	321,180
Income (loss) from operations	\$ 7,638	\$ 27,829	\$ 569	\$ (839)	\$ 1,044 ⁽²⁾	\$ (9,212)	\$ 27,029
<i>% change vs. prior year quarter</i>	4%	250%	(83)%	—	—	—	76%

⁽¹⁾ Balance includes general and administrative expenses and depreciation and amortization.

(2) Income from operations for the intersegment elimination represents rental income from segments renting from other segments. Rental income is presented within other income which is not presented in the table.

Guidance:

ApolloMed is reiterating the following guidance for total revenue, net income, EBITDA, Adjusted EBITDA, and EPS - diluted, based on the Company's existing business, current view of existing market conditions and assumptions for the year ending December 31, 2023.

(\$ in millions)

	2023 Guidance Range	
	Low	High
Total revenue	\$ 1,300.0	\$ 1,500.0
Net income	\$ 49.5	\$ 71.5
EBITDA	\$ 89.5	\$ 129.5
Adjusted EBITDA	\$ 120.0	\$ 160.0
EPS – diluted	\$ 0.95	\$ 1.20

See "Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" below for additional information. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. See "Forward-Looking Statements" below for additional information.

Conference Call and Webcast Information:

ApolloMed will host a conference call at 2:30 p.m. PT/5:30 p.m. ET today (Monday, August 7, 2023), during which management will discuss the results of the second quarter ended June 30, 2023. To participate in the conference call, please use the following dial-in numbers about 5 minutes prior to the scheduled conference call time:

U.S. & Canada (Toll-Free): +1 (877) 858-9810
International (Toll): +1 (201) 689-8517

The conference call can also be accessed via webcast at: <https://event.choruscall.com/mediaframe/webcast.html?webcastid=SC6cioUx>.

An accompanying slide presentation will be available in PDF format on the "IR Calendar" page of the Company's website (<https://www.apollomed.net/investors/news-events/ir-calendar>) after issuance of the earnings release and will be furnished as an exhibit to ApolloMed's current report on Form 8-K to be filed with the SEC, accessible at www.sec.gov.

Those who are unable to attend the live conference call may access the recording at the above webcast link, which will be made available shortly after the conclusion of the call.

Note About Consolidated Entities

The Company consolidates entities in which it has a controlling financial interest. The Company consolidates subsidiaries in which it holds, directly or indirectly, more than 50% of the voting rights, and VIEs in which the Company is the primary beneficiary. Noncontrolling interests represent third party equity ownership interests in the Company's consolidated entities (including certain VIEs). The amount of net income attributable to noncontrolling interests is disclosed in the Company's consolidated statements of income.

Note About Stockholders' Equity, Certain Treasury Stock and Earnings Per Share

As of the date of this press release, 140,954 holdback shares have not been issued to certain former shareholders of the Company's subsidiary, Network Medical Management, Inc. ("NMM"), who were NMM shareholders at the time of closing of the merger, as they have yet to submit properly completed letters of transmittal to ApolloMed in order to receive their pro rata portion of ApolloMed's common stock and warrants as contemplated under that certain Agreement and Plan of Merger, dated December 21, 2016, among ApolloMed, NMM, Apollo Acquisition Corp. ("Merger Subsidiary") and Kenneth Sim, M.D., as amended, pursuant to which Merger Subsidiary merged with and into NMM, with NMM as the surviving corporation. Pending such receipt, such former NMM shareholders have the right to receive, without interest, their pro rata share of dividends or distributions with a record date after the effectiveness of the merger. The Company's consolidated financial statements have treated such shares of common stock as outstanding, given the receipt of the letter of transmittal is considered perfunctory and ApolloMed is legally obligated to issue these shares in connection with the merger.

Shares of ApolloMed's common stock owned by Allied Physicians of California, a Professional Medical Corporation d.b.a. Allied Pacific of California ("APC"), a VIE of the Company, are legally issued and outstanding but excluded from shares of common stock outstanding in the Company's consolidated financial statements, as such shares are treated as treasury shares for accounting purposes. Such shares, therefore, are not included in the number of shares of common stock outstanding used to calculate the Company's earnings per share.

About Apollo Medical Holdings, Inc.

ApolloMed is a leading physician-centric, technology-powered, risk-bearing healthcare company. Leveraging its proprietary end-to-end technology solutions, ApolloMed operates an integrated healthcare delivery platform that enables providers to successfully participate in value-based care arrangements, thus empowering them to deliver outcomes-based medical care to patients in a cost-effective manner.

Headquartered in Alhambra, California, ApolloMed's subsidiaries and affiliates include management services organizations (MSOs), affiliated independent practice associations (IPAs), and entities participating in the Centers for Medicare & Medicaid Services Innovation Center (CMMI) innovation models. For more information, please visit www.apollomed.net.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements about the Company's guidance for the year ending December 31, 2023, ability to meet operational goals, ability to meet expectations in deployment of care coordination and management capabilities, ability to decrease cost of care while improving quality and outcomes, ability to deliver sustainable revenue and EBITDA growth as well as long-term value, ability

to respond to the changing environment, and successful implementation of strategic growth plans, acquisition strategy, and merger integration efforts. 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 SEC, including, without limitation the risk factors discussed in the Company's Annual Report on Form 10-K/A for the year ended December 31, 2022, and any subsequent quarterly reports on Form 10-Q. Any forward-looking statement made by the Company in this release speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by any applicable securities laws.

Restatement

In connection with a review of the Company's income tax filing structure, the Company identified unintentional errors in its accounting for the income tax effects of certain intercompany dividends and certain net operating losses, which resulted in an understatement of income tax expense in prior periods and also had an impact on purchase accounting (goodwill) as a portion of the net operating losses affected by the errors pertained to acquisitions in prior periods. As a result of the errors, the Company has restated the December 31, 2022 consolidated balance sheet and the consolidated statement of operations for each of the three and six months ended June 30, 2022.

FOR MORE INFORMATION, PLEASE CONTACT:

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APOLLO MEDICAL HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	<u>June 30,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u> (Restated)
Assets		
Current assets		
Cash and cash equivalents	\$ 293,921	\$ 288,027
Restricted cash	345	—
Investments in marketable securities	3,789	5,567
Receivables, net	66,927	49,631
Receivables, net – related parties	82,820	65,147
Other receivables	1,201	1,834
Prepaid expenses and other current assets	15,088	14,798
Loans receivable	973	996
Loan receivable – related party	—	2,125
Total current assets	<u>465,064</u>	<u>428,125</u>
Non-current assets		
Land, property, and equipment, net	123,859	108,536
Intangible assets, net	74,421	76,861
Goodwill	274,029	269,053
Income taxes receivable, non-current	15,943	15,943
Investments in other entities – equity method	45,831	40,299
Investments in privately held entities	2,896	896
Operating lease right-of-use assets	17,905	20,444
Other assets	7,229	6,056
Total non-current assets	<u>562,113</u>	<u>538,088</u>
Total assets⁽¹⁾	<u>\$ 1,027,177</u>	<u>\$ 966,213</u>
Liabilities, mezzanine equity and equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 49,904	\$ 49,562
Fiduciary accounts payable	8,603	8,065
Medical liabilities	100,047	81,255
Income taxes payable	19,628	4,279
Dividend payable	638	664
Finance lease liabilities	591	594
Operating lease liabilities	3,027	3,572

	<u>June 30, 2023</u>	<u>December 31, 2022</u> (Restated)
Current portion of long-term debt	2,630	619
Total current liabilities	185,068	148,610
Non-current liabilities		
Deferred tax liability	12,383	14,217
Finance lease liabilities, net of current portion	1,078	1,275
Operating lease liabilities, net of current portion	17,852	19,915
Long-term debt, net of current portion and deferred financing costs	205,136	203,389
Other long-term liabilities	21,383	20,260
Total non-current liabilities	257,832	259,056
Total liabilities⁽¹⁾	442,900	407,666
Mezzanine equity		
Non-controlling interest in Allied Physicians of California, a Professional Medical Corporation	14,523	14,237
Stockholders' 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 zero outstanding	—	—
Series B Preferred stock, par value \$0.001; 5,000,000 shares authorized (inclusive of Series A Preferred stock); 555,555 issued and zero outstanding	—	—
Common stock, \$0.001 par value per share; 100,000,000 shares authorized, 46,553,517 and 46,575,699 shares issued and outstanding, excluding 10,569,340 and 10,299,259 treasury shares, at June 30, 2023, and December 31, 2022, respectively	47	47
Additional paid-in capital	357,246	360,097
Retained earnings	208,720	182,417
Total stockholders' equity	566,013	542,561
Non-controlling interest	3,741	1,749
Total equity	569,754	544,310
Total liabilities, mezzanine equity and equity	\$ 1,027,177	\$ 966,213

(1) The Company's consolidated balance sheets include the assets and liabilities of its consolidated variable interest entities ("VIEs"). The consolidated balance sheets include total assets that can be used only to settle obligations of the Company's consolidated VIEs totaling \$520.8 million and \$515.1 million as of June 30, 2023 and December 31, 2022, respectively, and total liabilities of the Company's consolidated VIEs for which creditors do not have recourse to the general credit of the primary beneficiary of \$145.8 million and \$133.5 million as of June 30, 2023 and December 31, 2022, respectively. The VIE balances do not include \$325.5 million of investment in affiliates and \$5.4 million of amounts due to affiliates as of June 30, 2023 and \$304.8 million of investment in affiliates and \$30.3 million of amounts due from affiliates as of December 31, 2022 as these are eliminated upon consolidation and not presented within the consolidated balance sheets.

APOLLO MEDICAL HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2023</u>	<u>2022 (restated)</u>	<u>2023</u>	<u>2022 (restated)</u>
Revenue				
Capitation, net	\$ 300,549	\$ 227,623	\$ 600,753	\$ 449,682
Risk pool settlements and incentives	20,121	18,793	33,583	36,868
Management fee income	12,493	9,984	22,389	20,457
Fee-for-service, net	13,262	11,740	25,324	22,835
Other revenue	1,784	1,557	3,404	3,112
Total revenue	348,209	269,697	685,453	532,954
Operating expenses				
Cost of services, excluding depreciation and amortization	292,876	230,070	582,273	450,798
General and administrative expenses	24,056	19,894	45,236	31,837
Depreciation and amortization	4,248	4,351	8,541	8,725
Total expenses	321,180	254,315	636,050	491,360
Income from operations	27,029	15,382	49,403	41,594
Other income (expense)				
Income from equity method investments	2,723	1,512	5,207	2,945
Interest expense	(3,632)	(1,854)	(6,901)	(2,927)
Interest income	3,327	421	6,335	467
Unrealized gain (loss) on investments	859	(1,866)	(5,533)	(10,829)

Other income	1,185	3,034	2,389	3,647
Total other income (expense), net	4,462	1,247	1,497	(6,697)
Income before provision for income taxes	31,491	16,629	50,900	34,897
Provision for income taxes	14,009	5,352	20,930	12,170
Net income	17,482	11,277	29,970	22,727
Net income (loss) attributable to non-controlling interest	4,312	(673)	3,668	(2,987)
Net income attributable to Apollo Medical Holdings, Inc.	<u>\$ 13,170</u>	<u>\$ 11,950</u>	<u>\$ 26,302</u>	<u>\$ 25,714</u>
Earnings per share – basic	\$ 0.28	\$ 0.27	\$ 0.57	\$ 0.57
Earnings per share – diluted	\$ 0.28	\$ 0.26	\$ 0.56	\$ 0.56

Reconciliation of Net Income to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022 (restated)	2023 (restated)	2022 (restated)
Net income	\$ 17,482	\$ 11,277	\$ 29,970	\$ 22,727
Interest expense	3,632	1,854	6,901	2,927
Interest income	(3,327)	(421)	(6,335)	(467)
Provision for income taxes	14,009	5,352	20,930	12,170
Depreciation and amortization	4,248	4,351	8,541	8,725
EBITDA	36,044	22,413	60,007	46,082
Income from equity method investments	(297)	(180)	(546)	(328)
Other, net	(1,618) ⁽¹⁾	—	(216) ⁽¹⁾	—
Stock-based compensation	4,213	3,920	7,658	6,975
APC excluded assets costs	(2,570)	(1,247)	(1,304)	6,537
Adjusted EBITDA	<u>\$ 35,772</u>	<u>\$ 24,906</u> ⁽²⁾	<u>\$ 65,599</u>	<u>\$ 59,266</u> ⁽²⁾

⁽¹⁾ Other, net for the three and six months ended June 30, 2023 relates to non-cash changes in the fair value of our financing obligation to purchase the remaining equity interests, changes in the fair value of our contingent liabilities, and changes in the fair value of the Company's Collar Agreement.

⁽²⁾ Adjusted EBITDA under the historical method for the three and six months ended June 30, 2022 was \$36.9 million and \$75.1 million, respectively. See "Use of Non-GAAP Financial Measures" below for additional information on change of methodology.

Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	2023 Guidance Range	
	Low	High
Net income	\$ 49,500	\$ 71,500
Interest expense	1,000	1,000
Provision for income taxes	23,000	38,000
Depreciation and amortization	16,000	19,000
EBITDA	89,500	129,500
Loss (income) from equity method investments	(750)	(750)
Other, net	3,250	3,250
Stock-based compensation	16,000	16,000
APC excluded assets costs	12,000	12,000
Adjusted EBITDA	<u>\$ 120,000</u>	<u>\$ 160,000</u>

Use of Non-GAAP Financial Measures

This earnings release 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 income. These measures are not in accordance with, or alternatives to GAAP, and may be calculated differently from similar non-GAAP financial measures used by other companies. The Company uses Adjusted EBITDA as a supplemental performance measure of our 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 or loss from equity method investments, non-recurring and non-cash transactions, stock-based compensation, and APC excluded assets costs. Beginning in the third quarter ended September 30, 2022, the Company has revised the calculation for Adjusted EBITDA to exclude provider bonus payments and losses from recently acquired IPAs, which it believes to be more reflective of its business.

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, 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.



Apollo Medical Holdings

(NASDAQ: AMEH)

Second Quarter 2023 Earnings Call Supplement
August 7, 2023

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, 2022, 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.

Company Overview

ApolloMed is a technology-powered, value-based healthcare platform that enables the delivery of high-quality, coordinated, efficient, and accessible care for all through the following business segments:

Care Enablement delivers an integrated clinical and administrative platform to enable payers and providers in the delivery of high-quality, value-based care.

Care Partners enables aligned providers to participate in high-performing, risk-bearing organizations.

Care Delivery provides patient-centric clinical operations, including primary care, multi-specialty, and ancillary services.

25+
years in operation

1.3M
managed lives

15*
managed IPAs and groups

12,000+
contracted physicians

 **apollomed** IPA: independent physician association *As of 6/30/2023

ApolloMed At-A-Glance

Ticker	NASDAQ: AMEH
Headquarters	Alhambra, California
Recent Stock Price (as of 8/4/2023)	\$37.67
Market Cap (as of 8/4/2023)	\$2.2 billion
Common Shares Outstanding* (as of 8/1/2023)	57.6 million
Book Value Per Common Share	\$9.94
TTM Revenues	\$1.30 billion

*Includes 10.6 million in treasury shares
Information as of 6/30/2023 unless otherwise noted

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Highlights

Q2 2023 financial results

% vs. prior-year period

Revenue	\$348.2M	↑ 29%
Net income attr. to AMEH	\$13.2M	↑ 10%
EPS - diluted	\$0.28	↑ 8%
Adj. EBITDA*	\$35.8M	↑ 44%

Operational updates

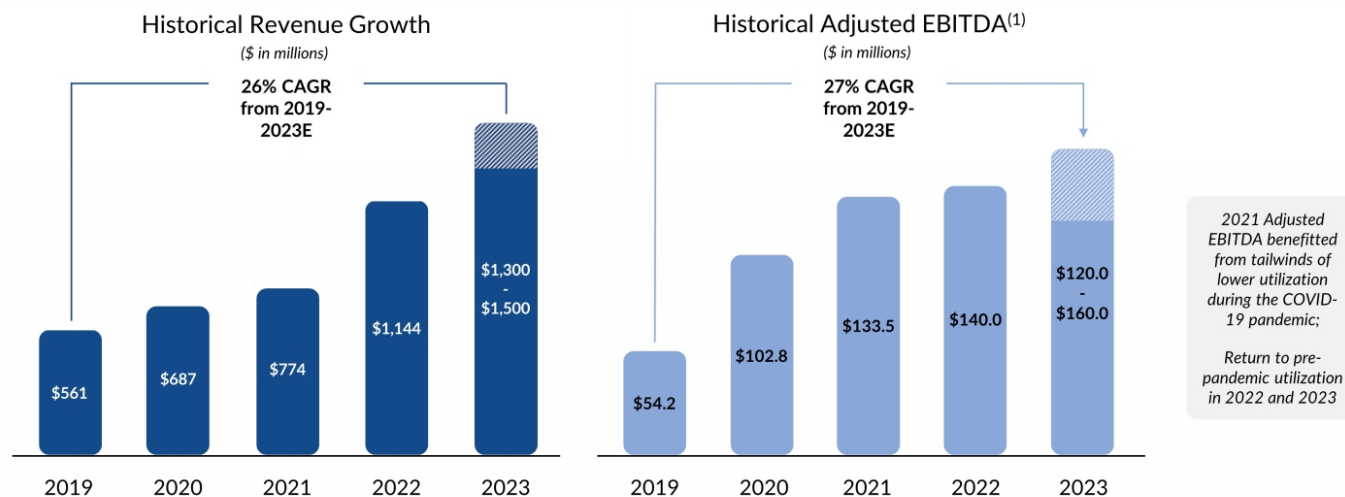
-  Formed a long-term partnership with a primary care group in California with over 50 providers
- Expected to be onboarded onto Care Enablement (CE) platform by September 1, 2023
-  Entered definitive agreement to acquire assets relating to Texas Independent Providers, a primary care service provider serving patients in Houston metro with a network of over 120 providers
- Transaction expected to close in Q3 2023 and providers onboarded onto CE platform by end of 2023
-  Formed partnership with IntraCare, an operator of a value-based primary care network with over 425 providers in Texas & Oklahoma
- Expected to be onboarded onto CE platform by end of 2023

 **apollomed**

*See "Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information. Please note that beginning the third quarter ended September 30, 2022, the Company has revised the calculation for Adjusted EBITDA to exclude addbacks related to provider bonus payments and losses from recently acquired IPAs, which it believes to be more reflective of its business.

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Historical Financial Profile



(1) See "Use of Non-GAAP Financial Measures" slide for more information

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Tax Restatement

	As Restated			As Original			\$ Change		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
<i>\$ in 000s except per share data</i>									
Income before provision for income tax	\$ 86,616	77,748	178,427	\$ 86,616	77,748	178,427	\$ -	-	-
Provision for income tax	40,875	31,693	56,344	36,085	28,454	56,107	4,790	3,239	237
Net income	45,741	46,055	122,083	50,531	49,294	122,320	(4,790)	(3,239)	(237)
Net income (loss) attributable to non-controlling interest	570	(22,868)	84,395	1,482	(24,564)	84,454	(912)	1,696	(59)
Net income attributable to Apollo Medical Holdings	45,171	68,923	37,688	49,049	73,858	37,866	(3,878)	(4,935)	(178)
Earnings per share - basic	\$ 1.00	1.57	1.03	\$ 1.09	1.69	1.04	\$ (0.09)	(0.12)	(0.01)
Earnings per share - diluted	\$ 0.99	1.52	1.01	\$ 1.08	1.63	1.01	\$ (0.09)	(0.11)	-

Note: 2019 was immaterial and therefore no restatement

Please see Form 8-K filed on August 7, 2023, for more details. In summary:

- The Company did not appropriately account for the income tax impact associated with certain intercompany dividends and also neglected to include certain loss generating entities in certain consolidated tax filing groups.
- Going forward, we are evaluating changes to our tax structure to reduce the current effective tax rate and amount of cash taxes.
- We expect to have this put in place by the fourth quarter of 2023, which we believe will result in a normalized tax rate moving forward.
- There was no impact on GAAP and non-GAAP measures the Company reports, including revenue, gross profit, pretax income from continuing operations, EBITDA, or Adjusted EBITDA, in past and go-forward periods as a result of this tax-related restatement.



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Summary of Selected Financial Results

\$ in 000s except per share data	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022 (restated)	2023 (restated)	2022 (restated)
Revenue				
Capitation, net	\$ 300,549	\$ 227,623	\$ 600,753	\$ 449,682
Risk pool settlements and incentives	21,121	18,793	33,583	36,868
Management fee income	12,493	9,984	22,389	20,457
Fee-for-service, net	13,262	11,740	25,324	22,835
Other income	1,784	1,557	3,404	3,112
Total revenue	348,209	269,697	685,453	532,954
Total expenses	321,180	254,315	636,050	491,360
Income from operations	27,029	15,382	49,403	41,594
Net income	17,482	11,277	29,970	22,727
Net income (loss) attributable to noncontrolling interests	4,312	(673)	3,668	(2,987)
Net income attributable to ApolloMed	\$ 13,170	\$ 11,950	\$ 26,302	\$ 25,714
Earnings per share – diluted	\$ 0.28	\$ 0.26	\$ 0.56	\$ 0.56
EBITDA	\$ 36,044	\$ 22,413	\$ 60,007	\$ 46,082
Adjusted EBITDA	\$ 35,772	\$ 24,906	\$ 65,599	\$ 59,266



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Segment Results

For the three months ended June 30, 2023

\$ in 000s	Care Enablement	Care Partners	Care Delivery	Other	Intersegment Elimination	Corporate Costs	Consolidated Total
Total revenues	\$ 34,975	325,246	26,718	157	(38,887)	-	348,209
<i>% change vs prior year quarter</i>	18%	31%	14%				29%
Cost of services	15,162	292,119	22,523	70	(36,988)	-	292,876
General and administrative expenses ⁽¹⁾	12,175	5,298	3,626	926	(2,933)	9,212	28,304
Total expenses	27,337	297,417	26,149	996	(39,931)	9,212	321,180
Income (loss) from operations	\$ 7,638	27,829	569	(839)	1044⁽²⁾	(9,212)	27,029
<i>% change vs prior year quarter</i>	4%	250%	(82%)				76%



⁽¹⁾ Balance includes general and administrative expenses and depreciation and amortization.

⁽²⁾ Income from operations for the intersegment elimination represents rental income from segments renting from other segments. Rental income is presented within other income, which is not presented in the table.

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Revenue Breakdown

Revenue by Line of Business



Business Mix By Payer Type



Balance Sheet Highlights

<i>\$ in millions</i>	6/30/2023	12/31/2022	\$ Change	% Change
Cash and cash equivalents and investments in marketable securities*	\$297.7	\$293.6	\$4.1	↑ 1.0%
Working capital	\$280.0	\$279.5	\$0.5	↑ 0.2%
Total stockholders' equity	\$566.0	\$542.6	\$23.4	↑ 4.3%

*Excluding restricted cash

2023 Guidance

\$ in millions, except for per share information **Actual YE 2022 Results** **2023 Guidance Range**

Total Revenue	\$1,144.2	\$1,300.0-\$1,500.0
Net Income ⁽¹⁾	\$50.5	\$49.5-\$71.5
EBITDA ^(1,2)	\$110.1	\$89.5-\$129.5
Adjusted EBITDA ⁽²⁾	\$140.0	\$120.0-\$160.0
EPS – Diluted	\$1.08	\$0.95-\$1.20

(1) Net income and EBITDA forecast includes the impact of APC excluded assets, which assume no change in value.

(2) See "Reconciliation of Net Income to EBITDA and Adjusted EBITDA," "Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. See "Forward-Looking Statements" on slide 2.



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Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(\$ in millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net income	\$ 17.5	\$ 11.3	\$ 30.0	\$ 22.7
Interest expense	3.6	1.9	6.9	2.9
Interest income	(3.3)	(0.4)	(6.3)	(0.5)
Provision for income taxes	14.0	5.4	20.9	12.2
Depreciation and amortization	4.2	4.4	8.5	8.7
EBITDA⁽¹⁾	\$ 36.0	\$ 22.4	\$ 60.0	\$ 46.1
Income from equity method investments	\$ (0.3)	\$ (0.2)	\$ (0.5)	\$ (0.3)
Other, net ⁽²⁾	(1.6)	-	(0.2)	-
Stock-based compensation	4.2	3.9	7.7	7.0
APC excluded assets costs	(2.6)	(1.2)	(1.3)	6.5
Adjusted EBITDA^(1,3)	\$ 35.8	\$ 24.9	\$ 65.6	\$ 59.3

(1) See "Use of Non-GAAP Financial Measures" slide for more information.

(2) Other, net for the three and six months ended June 30, 2023, relates to non-cash changes in the fair value of the Company's financing obligations to purchase the remaining equity interest, changes in the fair value of its contingent liabilities, and changes in the fair value of the Company's Collar Agreement.

(3) Adjusted EBITDA under the historical method for the three and six months ended June 30, 2023, was \$36.9 million and \$75.1 million, respectively. See "Use of Non-GAAP Financial Measures" slide for additional information on change of methodology.



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Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(\$ in millions)	Year Ending December 31, 2023	
	Low	High
Net income	\$ 49.5	\$ 71.5
Interest expense	1.0	1.0
Provision for income taxes	23.0	38.0
Depreciation and amortization	16.0	19.0
EBITDA⁽¹⁾	\$ 89.5	\$ 129.5
Income from equity method investments	\$ (0.8)	\$ (0.8)
Other, net	3.3	3.3
Stock-based compensation	16.0	16.0
APC excluded assets costs	12.0	12.0
Adjusted EBITDA⁽¹⁾	\$ 120.0	\$ 160.0

(1) See "Use of Non-GAAP Financial Measures" slide for more information.



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Summary of Selected Financial Results – Breaking Out Excluded Assets ⁽¹⁾

\$ in millions	Six Months Ended June 30, 2023			Six Months Ended June 30, 2022		
	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets
Revenue						
Capitation, net	\$ 600.8	-	600.8	\$ 449.7	-	449.7
Risk pool settlements and incentives	33.6	-	33.6	36.9	-	36.9
Management fee income	22.4	-	22.4	20.5	-	20.5
Fee-for-service, net	25.3	-	25.3	22.8	-	22.8
Other income	3.4	-	3.4	3.1	-	3.1
Total revenue	685.5	-	685.5	533.0	-	533.0
Total operating expenses	636.0	1.3	634.8	491.3	1.6	489.7
Income (loss) from operations	49.4	(1.3)	50.7	41.7	(1.6)	43.3
Total other income (expense), net	1.5	2.1	(0.6)	(6.7)	(8.5)	1.8
Net income (loss)	\$ 30.0	0.9	29.1	\$ 22.8	(10.1)	32.9



(1) Includes AP Excluded Assets and certain other assets such as APC's minority interests in LMA and PMIOC where APC owns the asset but not the right to the dividends associated with those assets.

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Summary Balance Sheet – Breaking Out Excluded Assets

\$ in millions	June 30, 2023			December 31, 2022		
	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets
Current assets						
Cash and cash equivalents	\$ 294.2	13.1	281.1	\$ 288.0	30.2	257.8
Investments in marketable securities	3.8	1.1	2.7	5.6	4.5	1.1
Receivables, net	66.9	-	66.9	49.6	-	49.6
Receivables - related parties and loan receivable - related party	82.8	-	82.8	67.2	-	67.2
Other receivables, prepaid expenses and other current assets	17.3	1.2	16.1	17.6	0.8	16.8
Income taxes receivable	-	-	-	-	(1.1)	1.1
Total current assets	465.0	15.4	449.6	428.0	34.4	393.6
Non-current assets						
Land, property, and equipment, net	123.9	116.9	7.0	108.5	101.3	7.2
Goodwill and intangibles	348.4	-	348.4	346.0	-	346.0
Loan receivable and loan receivable - related parties, net of current portion	-	-	-	-	-	-
Income taxes receivable, non-current	15.9	-	15.9	15.9	-	15.9
Investments in other entities and privately held entities	48.7	32.2	16.5	41.2	27.6	13.6
Other assets and right-of-use assets	25.1	4.2	20.9	26.5	3.2	23.3
Total non-current assets	562.0	153.3	408.7	538.1	132.1	406.0
Total assets	\$ 1,027.0	168.7	858.3	\$ 966.1	166.5	799.6



(1) Includes AP Excluded Assets and certain other assets such as APC's minority interests in LMA and PMIOC where APC owns the asset but not the right to the dividends associated with those assets.

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Summary Balance Sheet – Breaking Out Excluded Assets (continued)

\$ in millions	June 30, 2023			December 31, 2022		
	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets
Current liabilities						
Fiduciary payable, accounts payable and accrued liabilities	\$ 58.5	0.7	57.8	\$ 57.7	2.8	54.9
Medical liabilities	100.0	-	100.0	81.3	-	81.3
Income taxes payable	19.6	1.1	18.5	4.3	-	4.3
Dividend payable	0.6	-	0.6	0.7	-	0.7
Finance and operating lease liabilities	3.6	0.1	3.5	4.2	-	4.2
Current portion of long-term debt	2.6	0.6	2.0	0.6	0.6	-
Total current liabilities	184.9	2.5	182.4	148.8	3.4	145.4
Non-current liabilities						
Deferred tax liability	12.4	0.9	11.5	14.2	0.9	13.3
Finance and operating lease liabilities, net of current portion	19.0	0.90	18.1	21.2	-	21.2
Other long-term liabilities	21.4	-	21.4	20.3	-	20.3
Long-term debt, net of current portion and deferred financing costs	205.1	27.9	177.2	203.4	26.6	176.8
Total non-current liabilities	257.9	29.7	228.2	259.1	27.5	231.6
Total liabilities	442.8	32.2	410.6	407.9	30.9	377.0
Total mezzanine equity and stockholder's equity	\$ 584.2	136.5	447.1	\$ 558.2	135.6	422.6



(1) Includes AP Excluded Assets and certain other assets such as APC's minority interests in LMA and PMIOC where APC owns the asset but not the right to the dividends associated with those assets.

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Summary Cash Flow Statement – Breaking Out Excluded Assets

\$ in millions	June 30, 2023			June 30, 2022		
	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets
Cash flows from operating activities						
Net income	\$ 30.0	0.9	29.1	\$ 22.7	(10.1)	32.8
Adjustments to reconcile net income to net cash provided by operating activities:						
Depreciation and amortization	\$ 8.5	0.8	7.7	\$ 8.7	0.5	8.2
Amortization of debt issuance cost	0.5	-	0.5	0.5	-	0.5
Share-based compensation	7.7	-	7.7	7.0	-	7.0
Unrealized loss on investments	5.5	3.5	2.0	13.7	11.3	2.4
Gain on sales of investment	-	-	-	(2.3)	-	(2.3)
Loss (income) from equity method investments, net	(5.2)	(4.7)	(0.5)	(2.9)	(0.1)	(2.8)
Unrealized gain on interest rate swaps	-	-	-	(2.8)	(2.8)	-
Deferred tax	(3.7)	-	(3.7)	3.4	-	3.4
Changes in operating assets and liabilities, net of acquisition amounts:						
Receivables, net, receivable, net - related parties, other receivable, prepaid expenses and other current assets, right of use assets, other assets, fiduciary accounts payable, medical liabilities, and operating lease liabilities	(22.4)	(0.5)	(21.9)	(15.1)	0.7	(15.8)
Accounts payable and accrued liabilities	(2.9)	(2.1)	(0.8)	14.2	(0.1)	14.3
Income taxes payable	15.3	-	15.3	(14.0)	-	(14.0)
Net cash provided by (used in) operating activities	\$ 33.3	(2.1)	35.4	\$ 33.1	(0.6)	33.7



(1) Includes AP Excluded Assets and certain other assets such as APC's minority interests in LMA and PMIOC where APC owns the asset but not the right to the dividends associated with those assets.

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Summary Cash Flow Statement – Breaking Out Excluded Assets (continued)

\$ in millions	June 30, 2023			June 30, 2022		
	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets	ApolloMed Consolidated	Excluded Assets ⁽¹⁾	ApolloMed Assets
Cash flows from investing activities						
Payments for business and asset acquisition, net of cash acquired	\$ 0.4	-	0.4	\$ (0.9)	-	(0.9)
Proceeds from repayment of loans receivable - related parties	2.1	-	2.1	4.0	4.0	-
Purchase of marketable securities	(2.0)	-	(2.0)	(1.8)	-	(1.8)
Purchase of investments - privately held	(2.0)	-	(2.0)	-	-	-
Purchase of investments - equity method	(0.3)	-	(0.3)	-	-	-
Proceeds from sale of marketable securities	-	-	-	6.5	(0.1)	6.6
Distribution from investments - equity method	-	-	-	0.4	0.4	-
Contribution to investment - equity method	-	-	-	(1.7)	(1.7)	-
Purchases of property and equipment	(17.4)	(16.4)	(1.0)	(18.8)	(17.8)	(1.0)
Net cash (used in) provided by investing activities	(19.2)	(16.4)	(2.8)	(12.3)	(15.2)	2.9
Cash flows from financing activities						
Dividends paid	\$ (0.8)	-	(0.8)	\$ (12.6)	(10.0)	(2.6)
Repayments on long-term debt	(0.3)	(0.3)	-	(0.2)	(0.2)	-
Payment of finance lease obligations	(0.3)	-	(0.3)	(0.3)	-	(0.3)
Proceeds from exercise of stock options and warrants	1.3	-	1.3	1.7	-	1.7
Repurchase of common stock	-	-	-	(9.5)	-	(9.5)
Repurchase of treasury shares	(9.5)	-	(9.5)	-	-	-
Purchase of non-controlling interest	(0.1)	-	(0.1)	(0.2)	-	(0.2)
Proceeds from sale of non-controlling interest	-	-	-	-	-	-
Borrowings on loans	1.7	1.6	0.1	1.2	0.6	0.6
Amounts due from affiliates	-	-	-	-	(16.6)	16.6
Net cash (used in) provided by financing activities	\$ (8.0)	1.3	(9.3)	\$ (19.9)	(26.2)	6.3
Net change in cash and cash equivalents	6.1	(17.2)	23.3	1.1	(41.9)	43.0
Cash and cash equivalents at beginning of year	\$ 288.0	30.2	257.8	\$ 233.1	62.5	170.6
Cash and cash equivalents at end of year	\$ 294.1	13.0	281.1	\$ 234.2	20.6	213.6



(1) Includes AP Excluded Assets and certain other assets such as APC's minority interests in LMA and PMIOC where APC owns the asset but not the right to the dividends associated with those assets.

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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 income. These measures are not in accordance with, or alternatives 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 our 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 or loss from equity method investments, non-recurring transactions, stock-based compensation, and APC excluded assets costs. Beginning in the third quarter ended September 30, 2022, the Company has revised the calculation for Adjusted EBITDA to exclude provider bonus payments and losses from recently acquired IPAs, which it believes to be more reflective of its business.

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, 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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