

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): May 5, 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, 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 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 (§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 May 5, 2022, Apollo Medical Holdings, Inc. (the “Company”) issued a press release announcing its financial results for the quarter ended March 31, 2022. A copy of the press release and supplemental data are 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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 5, 2022, the Company appointed Chan Basho as the Company's Interim Chief Financial Officer, effective May 5, 2022.

Mr. Basho, 40, possesses 15 years of experience in strategy, finance and operations at reputable healthcare companies, most recently having served as Vice President of Strategy and Corporate Development at Alignment Healthcare since 2018. From 2017 to 2018, Mr. Basho served as Chief Financial Officer at Alsana, a private equity-backed behavioral health company. From 2014 to 2017, Mr. Basho served in different positions at HealthCare Partners, a DaVita Medical Group company, including as Vice President of Strategy and Corporate Development leading strategy and development for the California market. From 2007 to 2014, Mr. Basho served in different capacities related to strategy and finance at DaVita Kidney Care, including as Director of Corporate Finance. Mr. Basho received a bachelor's degree in Bioengineering from the University of California, Berkeley, and an MBA from the Wharton School at the University of Pennsylvania.

Under his current employment agreement, Mr. Basho will receive an annual base salary of \$300,000, a sign-on bonus of \$200,000 and an initial equity award in the form of time-vesting restricted stock valued at \$1,200,000. Mr. Basho will also be eligible for an annual bonus and long term incentive awards consistent with awards for other senior executives.

In connection with the appointment, Eric Chin will step down for personal reasons as Chief Financial Officer effective May 5, 2022. Mr. Chin will continue to work with the Company as an executive advisor.

Item 7.01 Regulation FD Disclosure.

A copy of the press release announcing the matters referenced in Item 5.02 is furnished with this Current Report on Form 8-K as Exhibit 99.3.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 7.01, including Exhibit 99.3 furnished herewith, shall not be deemed “filed” for purposes of Section 18 of 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 Quarter Ended March 31, 2022, dated May 5, 2022.
99.2	Supplemental Data of Apollo Medical Holdings, Inc., dated May 5, 2022.
99.3	Press Release of Apollo Medical Holdings, Inc. Regarding Appointment of Chief Financial Officer dated May 5, 2022.
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: May 5, 2022

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 First Quarter 2022 Results
Company to Host Conference Call Today at 2 p.m. PT/5 p.m. ET**

ALHAMBRA, Calif., May 5, 2022 /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 first quarter ended March 31, 2022.

Financial Highlights for First Quarter Ended March 31, 2022:

- Q1 total revenue of \$263.3 million, up 50% from \$176.1 million for the prior-year quarter
- Q1 net income of \$12.1 million, compared to \$14.5 million for the prior-year quarter (additional detail provided in the Q1 GAAP financial review below)
- Q1 net income attributable to ApolloMed of \$14.3 million, up 8% from \$13.2 million for the prior-year quarter
- Q1 earnings per share - diluted ("EPS - diluted") of \$0.31, up 3% from \$0.30 per share for the prior-year quarter
- Q1 adjusted EBITDA of \$38.2 million, up 25% from \$30.5 million for the prior-year quarter
- Cash and cash equivalents of \$237.9 million as of March 31, 2022

Recent Operating Highlights:

- In April 2022, the Company completed the previously announced acquisition of 100% of the fully diluted capitalization of Jade Health Care Medical Group ("Jade Health"), a primary and specialty care physician group focused on providing high-quality care to local San Francisco Bay area communities. Jade Health is committed to delivering high-quality, affordable healthcare to Medicaid, Medicare, and commercial members through its over 350 primary and specialty care providers. The transaction will add approximately 13,000 members, primarily located in the City and County of San Francisco and San Mateo County, to ApolloMed's membership.
- The Company appointed Chan Basho as Chief Strategy Officer. Mr. Basho will also assume the position of Interim Chief Financial Officer effective May 5, 2022, as Eric Chin is stepping down as Chief Financial Officer for personal reasons. Mr. Chin will continue to work with the Company as an executive advisor to ensure a smooth transition.

Guidance:

ApolloMed is raising its guidance for total revenue and the lower end of its guidance ranges for net income, EBITDA, and adjusted EBITDA, previously disclosed on March 14, 2022, as a result of strong organic membership growth and favorable membership mix. Net income and EBITDA include the impact of Allied Physicians of California, a Professional Medical Corporation's ("APC") investment in a payer partner, which completed an initial public offering to become a publicly traded company in June 2021. As APC's investment is an excluded asset solely for the benefit of APC and its shareholders, any gains or losses as a result of this investment do not affect the net income attributable to ApolloMed and adjusted EBITDA attributable to ApolloMed. The May 5, 2022, revised net income and EBITDA guidance ranges assume a stock price of the payer partner of \$1.93. These assumptions are based on the Company's existing business, current view of existing market conditions and assumptions for the year ending December 31, 2022.

(\$ in millions)

	2022 Guidance Range		2022 Guidance Range	
	(as of March 14, 2022)		(as of May 5, 2022)	
	Low	High	Low	High
Total revenue	\$ 1,030.0	\$ 1,080.0	\$ 1,055.0	\$ 1,085.0
Net income	\$ 33.0	\$ 57.0	\$ 38.0	\$ 57.0
EBITDA	\$ 72.0	\$ 111.0	\$ 81.0	\$ 111.0
Adjusted EBITDA	\$ 130.0	\$ 166.0	\$ 136.0	\$ 166.0

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.

Management Commentary:

Brandon Sim, Co-Chief Executive Officer of ApolloMed, added, “We are pleased to announce another impressive quarter of results, having achieved 50% growth on the top line for the first quarter of 2022 as a result of strong organic membership growth and favorable membership mix, while continuing to increase profitability. More importantly, we remain committed to our mission of empowering healthcare providers, especially independent physicians, to care for and serve their communities more effectively, as well as participate in the movement towards value-based care. We are seeing strong tailwinds for the business, as independent physicians across the country express interest in our unique model; in this quarter alone, we added two new physician groups in Northern California. To assist with our significant growth trajectory, I am pleased to have recently welcomed Chan Basho as Chief Strategy Officer as well as Interim Chief Financial Officer. We are excited to have Chan on board and expect to benefit from his extensive experience in driving new business growth for leading healthcare companies.”

GAAP Financial Review for the First Quarter Ended March 31, 2022:

- Total revenue of \$263.3 million for the quarter ended March 31, 2022, an increase of 50%, compared to \$176.1 million for the quarter ended March 31, 2021.
- Capitation revenue, net, of \$222.1 million for the quarter ended March 31, 2022, an increase of 53%, compared to \$144.7 million for the quarter ended March 31, 2021. Capitation revenue represented 84% of total revenue for the quarter ended March 31, 2022.
- Net income was \$12.1 million for the quarter ended March 31, 2022, compared to net income of \$14.5 million for the quarter ended March 31, 2021. The decrease in net income was primarily a result of higher non-controlling interest losses of \$9.0 million due to unrealized losses for shares held for the benefit of APC excluded assets.
- Net income attributable to ApolloMed of \$14.3 million for the quarter ended March 31, 2022, an increase of 8%, compared to \$13.2 million for the quarter ended March 31, 2021.
- EPS - diluted of \$0.31 per share for the quarter ended March 31, 2022, compared to \$0.30 per share for the quarter ended March 31, 2021.

Non-GAAP Measures for the First Quarter Ended March 31, 2022:

- EBITDA of \$23.7 million for the quarter ended March 31, 2022, compared to \$26.6 million for the quarter ended March 31, 2021.
- Adjusted EBITDA increased to \$38.2 million for the quarter ended March 31, 2022, an increase of 25%, compared to \$30.5 million for the quarter ended March 31, 2021.

Balance Sheet Highlights:

- As of March 31, 2022, ApolloMed’s cash and cash equivalents and investments in marketable securities were \$280.8 million, working capital was \$284.0 million, and total stockholders’ equity increased to \$479.5 million; compared to cash and cash equivalents and investments in marketable securities of \$286.5 million, working capital of \$283.4 million and total stockholders’ equity of \$460.5 million, respectively, as of December 31, 2021.
-

For more details on ApolloMed's financial results for the quarter ended March 31, 2022, please refer to ApolloMed's Quarterly Report on Form 10-Q to be filed with the U.S. Securities Exchange Commission ("SEC"), which is accessible at www.sec.gov.

Conference Call and Webcast Information:

ApolloMed will host a conference call at 2 p.m. PT/5 p.m. ET today (Thursday, May 5, 2022), during which management will discuss the results of the first quarter ended March 31, 2022. 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) 407-9753
International (Toll): +1 (201) 493-6739

The conference call can also be accessed via webcast at: <https://services.choruscall.com/mediaframe/webcast.html?webcastid=sp5fahl1>.

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 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 high quality 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, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as statements about the Company's guidance for the year ending December 31, 2022, continued growth, acquisition strategy, ability to deliver sustainable long-term value, ability to respond to the changing environment, operational focus, strategic growth plans and merger integration efforts, as well as the impact of the COVID-19 pandemic on the Company's business, operations and financial results. 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 for the year ended December 31, 2021, and any subsequent quarterly reports on Form 10-Q.

FOR MORE INFORMATION, PLEASE CONTACT:

Investor Relations
(626) 943-6491
investors@apollomed.net

Carolyne Sohn, The Equity Group
(415) 568-2255
csohn@equityny.com

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

	<u>March 31,</u> <u>2022</u>	<u>December 31,</u> <u>2021</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 237,942	\$ 233,097
Investments in marketable securities	42,893	53,417
Receivables, net	64,244	10,608
Receivables, net – related parties	76,410	69,376
Other receivables	13,260	9,647
Prepaid expenses and other current assets	14,631	18,637
Loan receivable – related party	4,000	4,000
Total current assets	<u>453,380</u>	<u>398,782</u>
Non-current assets		
Land, property, and equipment, net	70,366	53,186
Intangible assets, net	80,148	82,807
Goodwill	252,379	253,039
Loans receivable	549	569
Investments in other entities – equity method	44,383	41,715
Investments in privately held entities	896	896
Operating lease right-of-use assets	14,770	15,441
Other assets	4,424	5,928
Total non-current assets	<u>467,915</u>	<u>453,581</u>
Total assets⁽¹⁾	<u>\$ 921,295</u>	<u>\$ 852,363</u>
Liabilities, mezzanine equity and stockholders' equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 48,252	\$ 43,951
Fiduciary accounts payable	6,305	10,534
Medical liabilities	104,722	55,783
Income taxes payable	4,894	652
Dividend payable	556	556
Finance lease liabilities	543	486
Operating lease liabilities	2,625	2,629

	March 31, 2022	December 31, 2021
Current portion of long-term debt	1,503	780
Total current liabilities	169,400	115,371
Non-current liabilities		
Deferred tax liability	9,686	9,127
Finance lease liabilities, net of current portion	1,172	973
Operating lease liabilities, net of current portion	12,558	13,198
Long-term debt, net of current portion and deferred financing costs	183,101	182,917
Other long-term liabilities	13,706	14,777
Total non-current liabilities	220,223	220,992
Total liabilities⁽¹⁾	389,623	336,363
Mezzanine equity		
Non-controlling interest in Allied Physicians of California, a Professional Medical Corporation	52,151	55,510
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, 44,845,059 and 44,630,873 shares issued and outstanding, excluding 10,925,702 and 10,925,702 treasury shares, at March 31, 2022, and December 31, 2021, respectively	45	45
Additional paid-in capital	316,047	310,876
Retained earnings	157,893	143,629
	473,985	454,550
Non-controlling interest	5,536	5,940
Total stockholders' equity	479,521	460,490
Total liabilities, mezzanine equity and stockholders' equity	\$ 921,295	\$ 852,363

⁽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 \$585.9 million and \$567.0 million as of March 31, 2022 and December 31, 2021, 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 \$111.0 million and \$91.7 million as of March 31, 2022 and December 31, 2021, respectively. The VIE balances do not include \$529.6 million of investment in affiliates and \$25.2 million of amounts due from affiliates as of March 31, 2022 and \$802.8 million of investment in affiliates and \$6.6 million of amounts due from affiliates as of December 31, 2021 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)

	Three Months Ended March 31,	
	2022	2021
Revenue		
Capitation, net	\$ 222,060	\$ 144,740
Risk pool settlements and incentives	18,075	18,010
Management fee income	10,473	8,550
Fee-for-service, net	11,095	3,086
Other income	1,555	1,672
Total revenue	263,258	176,058
Operating expenses		
Cost of services, excluding depreciation and amortization	220,730	140,616
General and administrative expenses	11,943	9,464
Depreciation and amortization	4,374	4,197
Total expenses	237,047	154,277
Income from operations	26,211	21,781
Other expense		
Income (loss) from equity method investments	1,433	(677)
Interest expense	(1,073)	(1,523)
Interest income	46	349
Unrealized loss on investments	(8,962)	—
Other income	613	1,304
Total other expense, net	(7,943)	(547)
Income before provision for income taxes	18,268	21,234
Provision for income taxes	6,195	6,776
Net income	12,073	14,458
Net (loss) income attributable to non-controlling interest	(2,191)	1,307
Net income attributable to Apollo Medical Holdings, Inc.	\$ 14,264	\$ 13,151
Earnings per share – basic	\$ 0.32	\$ 0.31
Earnings per share – diluted	\$ 0.31	\$ 0.30

Reconciliation of Net Income to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	Three Months Ended March 31,	
	2022	2021
Net income	\$ 12,073	\$ 14,458
Interest expense	1,073	1,523
Interest income	(46)	(349)
Provision for income taxes	6,195	6,776
Depreciation and amortization	4,374	4,197
EBITDA	23,669	26,605
(Income) loss from equity method investments	(1,433)	677
Other income	(613) ⁽¹⁾	(1,304)
Unrealized loss on investments	8,962	—
Stock-based compensation	3,055	1,346
APC excluded assets costs	750	—
Net loss adjustment for recently acquired IPAs	3,789	3,194
Adjusted EBITDA	\$ 38,179	\$ 30,518

⁽¹⁾ Other income excludes the impact of fair value of certain equity securities held by the Company.

Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	2022 Guidance Range (as of May 5, 2022)	
	Low	High
Net income	\$ 38,000	\$ 57,000
Interest expense	4,000	4,000
Provision for income taxes	20,000	31,000
Depreciation and amortization	19,000	19,000
EBITDA	81,000	111,000
Provider bonus payments	16,000	16,000
Stock-based compensation	13,000	13,000
APC excluded assets costs	9,000	9,000
Net loss adjustment for recently acquired IPAs	17,000	17,000
Adjusted EBITDA	\$ 136,000	\$ 166,000

Use of Non-GAAP Financial Measures

This press 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 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, unrealized gain or loss, provider bonuses, APC

excluded assets costs, stock-based compensation, and other income or expenses recognized that are not related to the Company's normal operations. Adjusted EBITDA also excludes the effect on EBITDA of certain IPAs we recently acquired.

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)

Powered by Technology.
Built by Doctors.
For Patients.

*First Quarter 2022 Earnings Call Supplement
May 5, 2022*



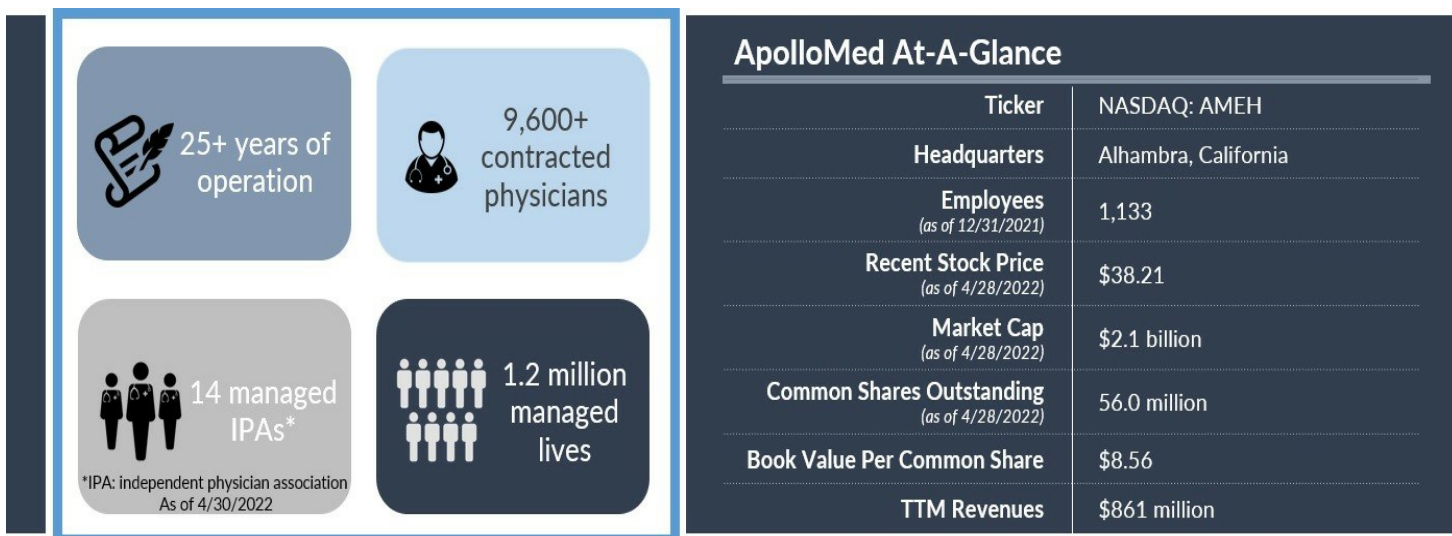
Forward-Looking Statements

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, 2021, 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

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 high-quality care to patients in a cost-effective manner.



Information as of 3/31/2022 unless otherwise noted

Q1 and Recent Highlights



Strong Q1 2022 financial results

Revenue	\$263.3M	↑ 50% from \$176.1M
Net income attr. to AMEH	\$14.3M	↑ 8% from \$13.2M
EPS - diluted	\$0.31	↑ 3% from \$0.30
Adj. EBITDA*	\$38.2M	↑ 25% from \$30.5M



Strengthening leadership team

Appointed [Chan Basha](#) as Chief Strategy Officer and Interim Chief Financial Officer

Added resources to boost operations and business development efforts



Strategic transactions

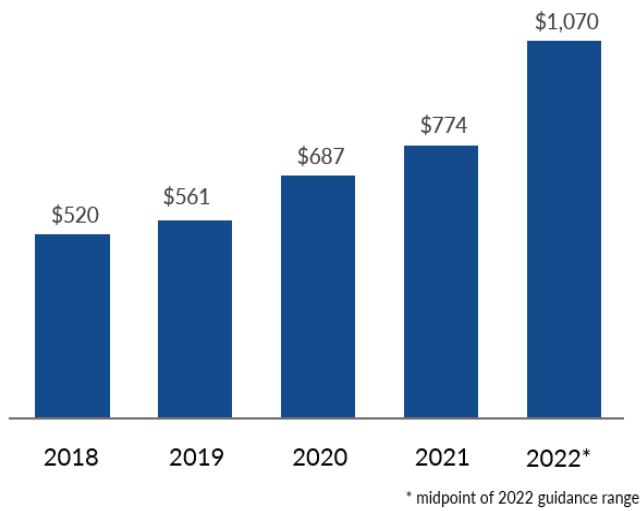
Closed the following transaction in April 2022:

- 100% of [Jade Health Medical Group](#), an SF Bay Area-based primary and specialty care physician group

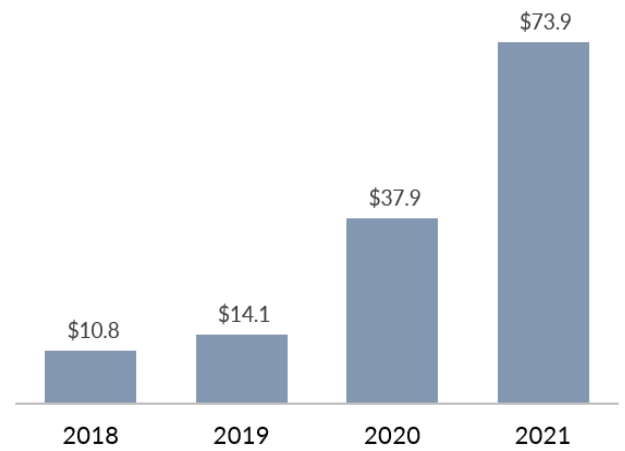
*See "Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information.

Historical Financial Profile

Historical revenue growth
(\$ in millions)



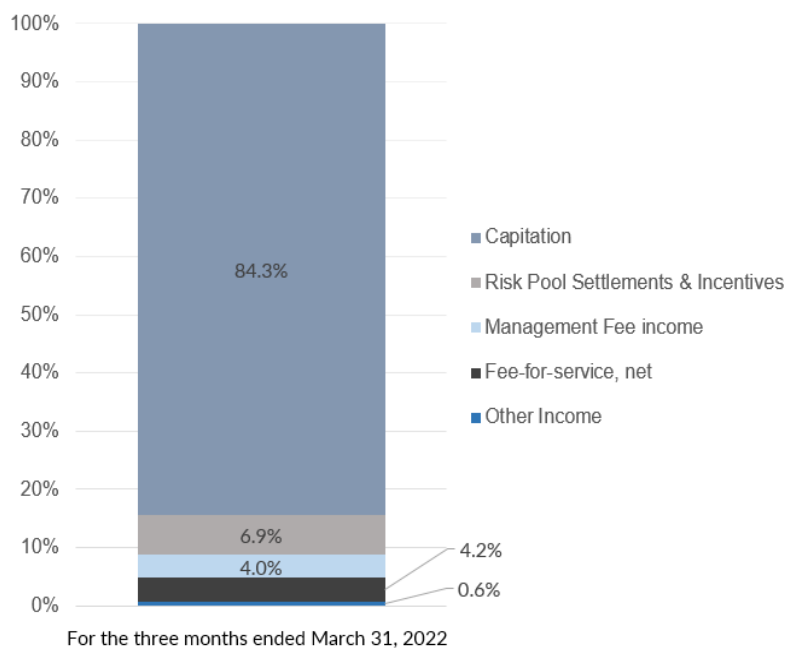
Historical net income attributable to ApolloMed growth
(\$ in millions)



Summary of Selected Financial Results

<i>\$ in 000s except per share data</i>	Three months ended March 31,	
	2022	2021
Revenue		
Capitation, net	\$ 222,060	\$ 144,740
Risk pool settlements and incentives	18,075	18,010
Management fee income	10,473	8,550
Fee-for-service, net	11,095	3,086
Other income	1,555	1,672
Total revenue	263,258	176,058
Total expenses	237,047	154,277
Income from operations	26,211	21,781
Net income	12,073	14,458
Net (loss) income attributable to noncontrolling interest	(2,191)	1,307
Net income attributable to ApolloMed	\$ 14,264	\$ 13,151
Earnings per share - diluted	\$ 0.31	\$ 0.30

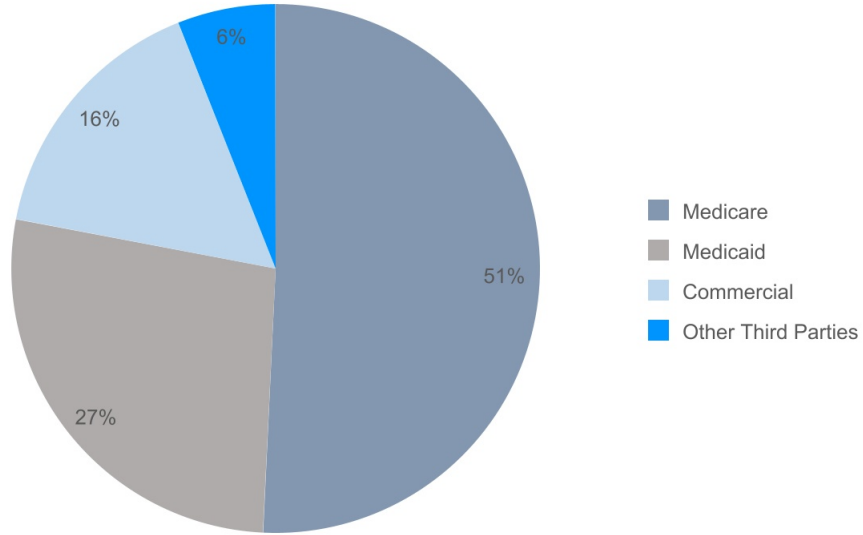
Revenue Breakdown





- A Capitation** - Capitated fees for medical services via direct arrangements with managed care providers. Typically pre-paid monthly based on number of enrollees
- B Risk Pool Settlements & Incentives** - Full and shared risk capitation arrangements with certain health plans, local hospitals and Next Generation Accountable Care Organizations
- C Management Fee Income** - Fees earned from providing management, physician advisory, healthcare staffing, administrative and other non-medical services
- D Fee-for-service** - Professional component of charges for medical services rendered by our contracted physicians at outpatient centers

Business Mix by Payer Type

Q1 2022
(% OF TOTAL REVENUE)



Balance Sheet Highlights

<i>\$ in millions</i>	3/31/2022	12/31/2021	\$ Change	% Change
Cash and cash equivalents and investments in marketable securities	\$280.8	\$286.5	\$(5.7)	 (2)%
Working capital	\$284.0	\$283.4	\$0.6	—%
Total stockholders' equity	\$479.5	\$460.5	\$19.0	 4%

Current Capitalization

(figures in millions, except per share price)

Recent Share Price (as of 4/28/2022)	\$	38.21
Common Shares Outstanding		56.0
Market Capitalization	\$	2,139.8
Plus: Total Bank Debt		188.6
Less: Cash and Cash Equivalents ⁽¹⁾		(138.5)
Implied Enterprise Value	\$	2,189.9
Notes: Letters of Credit Availability on Revolving Credit Facility	\$	25.0

Note: Data is as of 3/31/2022 unless otherwise stated.

⁽¹⁾ Excludes restricted cash of \$99.4M

Updated 2022 Guidance

<i>\$ in millions</i>	2022 Guidance Range (as of March 14, 2022)	2022 Guidance Range (as of May 5, 2022)
Total Revenue	\$1030 - \$1080	\$1,055 - \$1,085
Net Income ⁽¹⁾	\$33 - \$57	\$38 - \$57
EBITDA ^(1,2)	\$72 - \$111	\$82 - \$111
Adjusted EBITDA ⁽²⁾	\$130 - \$166	\$136 - \$166

(1) Net income and EBITDA forecast is a result of APC's investment in a payer partner that completed an initial public offering and became publicly traded on June 24, 2021. The revised net income and EBITDA guidance ranges assume the payer partner's stock price of \$1.93.

(2) See "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.

Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(\$ in millions)	Three months ended March 31,	
	2022	2021
Net income	\$ 12.1	\$ 14.5
Interest expense	1.1	1.5
Interest income	—	(0.3)
Provision for income taxes	6.2	6.8
Depreciation and amortization	4.4	4.2
EBITDA⁽¹⁾	\$ 23.7	\$ 26.6
(Income) loss from equity method investments	\$ (1.4)	\$ 0.7
Other income	(0.6)	(1.3)
Unrealized loss on investments	9.0	—
Stock-based compensation	3.1	1.3
APC excluded assets costs	0.8	—
Net loss adjustment for recently acquired IPAs	3.8	3.2
Adjusted EBITDA⁽¹⁾	\$ 38.2	\$ 30.5

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

Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

(\$ in millions)	Year Ending December 31, 2022	
	Low	High
Net income	\$ 38.0	\$ 57.0
Interest expense	4.0	4.0
Provision for income taxes	20.0	31.0
Depreciation and amortization	19.0	19.0
EBITDA	\$ 81.0	\$ 111.0
Stock-based compensation	\$ 13.0	\$ 13.0
APC excluded assets costs	9.0	9.0
Provider bonus payments	16.0	16.0
Net loss adjustment for recently acquired IPAs	17.0	17.0
Adjusted EBITDA	\$ 136.0	\$ 166.0

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 from equity method investments, provider bonuses, impairment of intangibles, provision for doubtful accounts and other income earned that are not related to the Company's normal operations. Adjusted EBITDA also excludes the effect on EBITDA of certain IPAs we recently acquired.

ApolloMed 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.

Key Acronyms

- **ACO:** Accountable Care Organization
- **AIPBP:** All-Inclusive Population-Based Payments
- **CMMI:** Center for Medicare and Medicaid Innovation
- **CMS:** Centers for Medicare & Medicaid Services
- **DME:** Durable Medical Equipment
- **Health Plan/Payers:** 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



apolloed

For inquiries, please contact:

ApolloMed Investor Relations
(626) 943-6491
investors@apolloed.net

Carolyne Sohn, The Equity Group
(415) 568-2255
csohn@equityny.com





Apollo Medical Holdings, Inc. Announces Appointment of Chief Strategy Officer and CFO Transition

ALHAMBRA, CA, May 5, 2022 /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 the appointment of Chan Basho to the newly created role of Chief Strategy Officer. Mr. Basho will also assume the position of Interim Chief Financial Officer as Eric Chin has stepped down as Chief Financial Officer for personal reasons. Mr. Chin will continue to work with the Company as an executive advisor to ensure a smooth transition.

As Chief Strategy Officer, Mr. Basho will work closely with the Company's Co-CEOs to lead the development and execution of ApolloMed's strategy and operations, as well as the improvement of operating discipline to ensure the Company's ability to scale successfully.

Brandon Sim, Co-Chief Executive Officer of ApolloMed, stated, "We are pleased to welcome Chan as Chief Strategy Officer and Interim CFO at ApolloMed. We believe Chan's insights and ability to drive results in his previous positions at Alignment Healthcare, HealthCare Partners and DaVita will prove increasingly valuable as our Company moves forward with its plans for future growth. Chan possesses a deep understanding of and commitment to our mission of providing quality healthcare in a cost-effective manner to our local communities, and our team is excited to be working closely with him in this important new role. I would like to thank Eric on behalf of ApolloMed's entire leadership team for his professionalism, expertise, and many contributions over the past few years. He was instrumental in developing our internal financial controls and spearheading our capital allocation, corporate finance and communications strategies. We wish him all the best and greatly appreciate his support during this period of transition."

Mr. Basho commented, "I am thrilled to be joining ApolloMed during this critical and exciting time in the Company's history. I look forward to working closely with Brandon and management to advance the Company's strategy and mission to empower providers around the country to successfully deliver value-based care and improved outcomes for our members. I am honored to have this opportunity to help ApolloMed continue to build upon its impressive 25-year legacy."

Mr. Basho possesses 15 years of experience in strategy, finance and operations at reputable healthcare companies, most recently having served as Vice President of Strategy and Corporate Development at Alignment Healthcare since 2018. From 2017 to 2018, Mr. Basho served as Chief Financial Officer at Alsana, a private equity-backed behavioral health company. From 2014 to 2017, Mr. Basho served in different positions at HealthCare Partners, a DaVita Medical Group company, including as Vice President of Strategy and Corporate Development leading strategy and development for the California market. From 2007 to 2014, Mr. Basho served in different capacities related to strategy and finance at DaVita Kidney Care, including as Director of Corporate Finance. Mr. Basho received a bachelor's degree in Bioengineering from the University of California, Berkeley, and an MBA from the Wharton School at the University of Pennsylvania.

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 high quality 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 a Next Generation Accountable Care Organization (NGACO). 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, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, such as statements about the Company's continued growth, operational focus and strategic growth plans. 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 for the year ended December 31, 2021, filed with the SEC and any subsequent quarterly reports on Form 10-Q.

FOR MORE INFORMATION, PLEASE CONTACT:

Investor Relations
(626) 943-6491
investors@apollomed.net

Carolyne Sohn, The Equity Group
(415) 568-2255
csohn@equityny.com