

Apollo Medical Holdings, Inc.
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JOINT PROXY STATEMENT/PROSPECTUS

To the stockholders of Apollo Medical Holdings, Inc. and the shareholders of Network Medical Management, Inc.:

On December 21, 2016, Apollo Medical Holdings, Inc., a Delaware corporation (“ApolloMed”), Network Medical Management, Inc., a California corporation (“NMM”), Apollo Acquisition Corp., a California corporation and a wholly owned subsidiary of ApolloMed (“Merger Sub”), and Kenneth Sim (the “Shareholders’ Representative”) entered into an agreement and plan of merger (as amended on March 30, 2017 and October 17, 2017, the “Merger Agreement”) that provides for, among other things, the merger of Merger Sub with and into NMM, with NMM continuing as the surviving entity and a wholly owned subsidiary of ApolloMed, on the terms and conditions set forth in the Merger Agreement (the “Merger”). The boards of directors of each of ApolloMed and NMM have approved the Merger Agreement and the transactions contemplated by the Merger Agreement, including the Merger. If consummated, the Merger will be made effective at the time of filing a certificate of merger (the “Certificate of Merger”) with the Secretary of State of the State of California or at such later time as agreed to by the parties in writing and specified in the Certificate of Merger (the “Effective Time”).

Pursuant to the Merger Agreement, at the Effective Time, each issued and outstanding share of NMM common stock will be converted into the right to receive such number of fully paid and nonassessable ApolloMed shares of common stock that results in the NMM shareholders having a right to receive (A) an aggregate number of shares of ApolloMed common stock that represents 82% of the total issued and outstanding shares of ApolloMed common stock immediately following the Effective Time, assuming there are no NMM dissenting shareholder interests as of the Effective Time, calculated in accordance with the Merger Agreement (see “THE MERGER AGREEMENT – Effects of Merger; Merger Consideration” beginning on page 145), plus (B) an aggregate of 2,566,666 shares of ApolloMed common stock, assuming there are no NMM dissenting shareholder interests as of the Effective Time. In addition, each NMM shareholder shall be entitled to receive such shareholder’s pro rata portion of (i) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share and (ii) warrants to

purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share. At the Effective Time, pre-Merger ApolloMed stockholders will continue to own and hold their existing shares of ApolloMed common stock. At the Effective Time, ApolloMed will hold back 10% of the total number of shares of ApolloMed common stock issuable to pre-Merger NMM shareholders in the Merger to secure indemnification rights of ApolloMed and its affiliates under the Merger Agreement. Separately, any indemnification of pre-Merger NMM shareholders under the Merger Agreement will be made by the issuance by ApolloMed to pre-Merger NMM shareholders of new additional shares of common stock (capped at the same number of shares of ApolloMed common stock as are subject to the holdback for the indemnification of ApolloMed).

ApolloMed's common stock is currently quoted on OTC Pink and traded under the symbol "AMEH." ApolloMed has applied for listing of its common stock on the NASDAQ Global Market effective as of the closing of the Merger. No assurance can be given that ApolloMed's application will be approved. On December 21, 2016, the last full trading day before the announcement of the Merger, the last reported sale price of ApolloMed common stock was \$3.99 per share, and, on November 10, 2017, the latest practicable date prior to the date of this joint proxy statement/prospectus, the last reported sale price of ApolloMed common stock was \$7.79 per share. **ApolloMed and NMM urge you to obtain current market quotations for the price of ApolloMed common stock.**

The Merger has been structured to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended.

ApolloMed and NMM each will hold a special meeting of its shareholders. ApolloMed stockholders will be asked to consider and vote on the following proposals: (i) to approve the Merger between Merger Sub and NMM pursuant to the terms and conditions of the Merger Agreement and the transactions contemplated thereunder, including the issuance of shares of common stock and warrants of ApolloMed to NMM shareholders as merger consideration in the Merger (the “ApolloMed Merger Proposal”); (ii) to approve amendments to the ApolloMed Restated Certificate of Incorporation (the “ApolloMed Charter”) and Restated Bylaws (“ApolloMed Bylaws”) to divide the board of directors of ApolloMed into three classes (the “Board Classification Proposal”); (iii) to elect nine directors to serve as members of ApolloMed’s board for one-year, two-year or three-year terms (the “Election of Directors Proposal”); (iv) to consider and vote on a proposal to approve, in a non-binding advisory vote, certain compensation arrangements for ApolloMed’s named executive officers (the “ApolloMed Compensation Proposal”); and (v) to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to ApolloMed stockholders for vote (the “ApolloMed Adjournment Proposal”).

The ApolloMed special meeting will be held on December 6, 2017 at 10:00 a.m., Pacific Standard Time, at 700 N. Brand Blvd., Suite 1400, Glendale, California.

NMM shareholders will be asked to consider and vote on the following proposals: (i) to approve the Merger between NMM and Merger Sub pursuant to the terms and conditions of the Merger Agreement and the transactions contemplated thereunder (the “NMM Merger Proposal”); and (ii) to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to ApolloMed shareholders for vote (the “NMM Adjournment Proposal”).

The NMM special meeting will be held on December 6, 2017 at 6:00 p.m., Pacific Standard Time, at 1668 S. Garfield Avenue, Alhambra, California.

Completion of the Merger is conditioned upon the satisfaction or waiver of all closing conditions under the Merger Agreement, including, (i) the adoption and approval of the ApolloMed Merger Proposal, the Board Classification Proposal, and each of the directors in the Election of Directors Proposal by the affirmative vote of holders of (a) a majority of the shares of ApolloMed common stock Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, and (b) a majority of the shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, not owned by NMM (excluding shares of preferred stock owned by NMM) and (ii) approval of the NMM Merger Proposal by the affirmative vote of NMM shareholders holding at least 95% of the outstanding shares of NMM common stock and representing at least 95% in number of the NMM shareholders.

ApolloMed's board of directors determined that it is advisable and in the best interest of ApolloMed and its stockholders for ApolloMed to enter into the Merger Agreement and the board authorized and approved the terms of the Merger Agreement and the transactions contemplated thereby, approved the Merger Agreement and recommends that ApolloMed stockholders vote "FOR" the ApolloMed Merger Proposal, "FOR" the Board Classification Proposal, "FOR" each of the directors in the Election of Directors Proposal, "FOR" the ApolloMed Compensation Proposal and "FOR" the ApolloMed Adjournment Proposal.

NMM's board of directors has determined that it is advisable and in the best interest of NMM and its shareholders to enter into the Merger Agreement, the board has authorized and approved the terms of the Merger Agreement and the transactions contemplated thereby, has approved the Merger Agreement and recommends that NMM shareholders vote "FOR" the NMM Merger Proposal and "FOR" the NMM Adjournment Proposal.

This joint proxy statement/prospectus provides you with important information about the special meetings and about ApolloMed and NMM and the proposed Merger and other transactions and documents related to the Merger.

Please carefully read this entire joint proxy statement/prospectus, including "RISK FACTORS" beginning on page 29.

Your vote is very important. Whether or not you plan to attend the special meeting of ApolloMed or the special meeting of NMM, please take the time to vote by completing and returning the enclosed proxy card to ApolloMed or NMM, as applicable, or by granting your proxy electronically over the Internet or by telephone. If your shares are held in "street name," you must instruct your broker in order to vote on all proposals.

Sincerely,

Warren Hosseinion, M.D. Thomas Lam, M.D.
Chief Executive Officer Chief Executive Officer
Apollo Medical Holdings, Inc. Network Medical Management, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the ApolloMed common stock to be issued in the Merger or determined if this joint proxy statement/prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated November 14, 2017 and is first being mailed to ApolloMed stockholders on or about November 20, 2017 and NMM shareholders on or about November 24, 2017.

APOLLO MEDICAL HOLDINGS, INC.

700 N. Brand Blvd., Suite 1400

Glendale, CA 91203

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON December 6, 2017

To the Stockholders of Apollo Medical Holdings, Inc.:

NOTICE IS HEREBY GIVEN that a special meeting of the stockholders (the “ApolloMed special meeting”) of Apollo Medical Holdings, Inc., a Delaware corporation (“ApolloMed”), will be held on December 6, 2017, at 10:00 a.m., Pacific Standard Time, at 700 N. Brand Blvd., Suite 1400, Glendale, California 91203, to consider and vote upon the following matters:

(1) *The ApolloMed Merger Proposal* — to approve the merger between Apollo Acquisition Corp., a California corporation and a wholly owned subsidiary of ApolloMed (“Merger Sub”), and Network Medical Management, Inc., a California corporation (“NMM”), pursuant to the terms and conditions of the Agreement and Plan of Merger (the “Merger Agreement”), dated as of December 21, 2016, as amended on March 30, 2017 and October 17, 2017, among ApolloMed, Merger Sub, NMM and Kenneth Sim, M.D., the Merger Agreement and the transactions contemplated thereunder, including the issuance of shares of common stock and warrants of ApolloMed to NMM shareholders as merger consideration in the Merger (the “ApolloMed Merger Proposal”);

(2) *The Board Classification Proposal* – to approve amendments to the ApolloMed Restated Certificate of Incorporation (the “ApolloMed Charter”) and Restated Bylaws (“ApolloMed Bylaws”) to divide the board of directors of ApolloMed into three classes (the “Board Classification Proposal”);

(3) *The Election of Directors Proposal* – to elect nine directors to serve as members of ApolloMed’s board for one-year, two-year or three-year terms (the “Election of Directors Proposal”);

(4) *The ApolloMed Compensation Proposal* – to consider and vote on a proposal to approve, in a non-binding advisory vote, certain compensation arrangements for ApolloMed’s named executive officers (the “ApolloMed Compensation Proposal”); and

(5) *The ApolloMed Adjournment Proposal* – to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to stockholders for vote (the “ApolloMed Adjournment Proposal”).

ApolloMed’s board has fixed the close of business on November 14, 2017, as the record date for the special meeting. Only holders of record of shares of ApolloMed common stock and Series A preferred stock and Series B preferred stock at the close of business on such date are entitled to receive notice of, and vote at, the special meeting or at any postponement(s) or adjournment(s) of the special meeting. A complete list of ApolloMed’s stockholders of record entitled to vote at the special meeting will be available for 10 days before the special meeting at our principal executive office for inspection by stockholders during ordinary business hours for any purpose germane to the special meeting.

Approval of each of the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal requires the affirmative vote of holders of (i) a majority of the shares of ApolloMed common stock and Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, and (ii) a majority of the shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, not owned by NMM. The ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal requires the affirmative vote of a majority of the shares of ApolloMed stock entitled to vote present in person or represented by proxy at the ApolloMed special meeting.

APOLLOMED'S BOARD DETERMINED THAT IT IS ADVISABLE AND IN THE BEST INTEREST OF APOLLOMED AND ITS STOCKHOLDERS TO ENTER INTO THE MERGER AGREEMENT AND THE BOARD HAS AUTHORIZED AND APPROVED THE TERMS OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY. APOLLOMED'S BOARD APPROVED THE MERGER AGREEMENT AND RECOMMENDS THAT APOLLOMED STOCKHOLDERS VOTE "FOR" THE APOLLOMED MERGER PROPOSAL, "FOR" THE BOARD CLASSIFICATION PROPOSAL, "FOR" EACH OF THE DIRECTORS IN THE ELECTION OF DIRECTORS PROPOSAL, "FOR" THE APOLLOMED COMPENSATION PROPOSAL AND "FOR" THE APOLLOMED ADJOURNMENT PROPOSAL

Your vote is very important. If your shares are registered in your name as a stockholder of record of ApolloMed, whether or not you expect to attend the special meeting, please sign and return the enclosed proxy card promptly in the envelope provided or promptly submit your proxy by telephone or over the Internet following the instructions on the proxy card, to ensure that your shares will be represented at the special meeting.

If your shares are held in "street name" through a broker, trust, bank or other nominee, and you received the notice of the special meeting through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by such broker or other intermediary to instruct such broker or other intermediary how to vote your shares or contact your broker or other intermediary directly in order to obtain a proxy issued to you by your nominee holder to attend the special meeting and vote in person. Failure to do so may result in your shares not being eligible to be voted by proxy at the special meeting.

You may revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the enclosed joint proxy statement/prospectus.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON December 6, 2017: This notice is not a form for voting and presents only an overview of the more complete joint proxy statement/prospectus. We urge you to read the accompanying joint proxy statement/prospectus, including its annexes and the section entitled "RISK FACTORS" beginning on page 29, carefully and in their entirety. Copies of the joint proxy statement/prospectus and the accompanying proxy card are available, without charge on the internet at http://irdirect.net/AMEH/sec_filings and www.proxyvote.com, respectively, and can be obtained by calling (818) 396-8050 or sending an e-mail to Investors@apollomed.net. To obtain timely delivery, ApolloMed stockholders must request the materials no later than five business days prior to the ApolloMed special meeting. If you have any questions concerning the proposals, the ApolloMed special meeting of stockholders or the accompanying joint proxy statement/prospectus or need help voting your shares of ApolloMed capital stock, please contact Mihir Shah at (818) 396-8050.

By Order of the Board of Directors,

/s/ Gary Augusta
Gary Augusta
Chairman of the Board of Directors

November 14, 2017

NETWORK MEDICAL MANAGEMENT, INC.

1668 S. Garfield Avenue, 3rd Floor

Alhambra, CA, 91801

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON DECEMBER 6, 2017

To the Shareholders of Network Medical Management, Inc.:

NOTICE IS HEREBY GIVEN that a special meeting of the shareholders (the “NMM special meeting”) of Network Medical Management, Inc., a California corporation (“NMM”) will be held on December 6, 2017, at 6:00 p.m., Pacific Standard Time, at 1668 S. Garfield Avenue, 3rd Floor, Alhambra, California 91801, to consider and vote upon the following matters:

(1) *The NMM Merger Proposal* – to approve the merger between NMM and Apollo Acquisition Corp., a California corporation (“Merger Sub”), pursuant to the terms and conditions of the Agreement and Plan of Merger (the “Merger Agreement”), dated as of December 21, 2016, as amended on March 30, 2017 and October 17, 2017, among Apollo Medical Holdings, Inc., a Delaware corporation (“ApolloMed”), the Merger Sub, NMM and Kenneth Sim, M.D., as the shareholders’ representative, the Merger Agreement and the transactions contemplated thereunder (the “NMM Merger Proposal”); and

(2) *The NMM Adjournment Proposal* – to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to shareholders for vote (the “NMM Adjournment Proposal”).

NMM’s board of directors has fixed the close of business on November 17, 2017 as the record date for the special meeting. Only holders of record of shares of NMM common stock at the close of business on such date are entitled to receive notice of, and vote at, the special meeting or at any postponement(s) or adjournment(s) of the special meeting. A complete list of our shareholders of record entitled to vote at the special meeting will be available for 10 days

before the special meeting at NMM's principal executive office for inspection by shareholders during ordinary business hours for any purpose germane to the special meeting.

Eddie Lam, M.D., Thomas Lam, M.D., Su Kin Lee, M.D., Kenneth Sim, M.D., Theresa Tseng, M.D., Yang Chern Tseng, M.D., and Albert Young, M.D. have each entered into an agreement with ApolloMed pursuant to which each has agreed to vote all of the shares of NMM common stock owned or controlled by them in favor of the NMM Merger Proposal and the Merger Agreement. As of the close of business on November 10, 2017, the record date for the special meeting, Eddie Lam, M.D., Thomas Lam, M.D., Su Kin Lee, M.D., Kenneth Sim, M.D., Theresa Tseng, M.D., Yang Chern Tseng, M.D., and Albert Young, M.D. collectively owned, directly or indirectly, 106,548,833 shares of NMM common stock, which represented approximately 26.7% of the outstanding shares of NMM common stock.

Approval of the NMM Merger Proposal requires the affirmative vote of NMM shareholders holding at least 95% of the outstanding shares of NMM common stock and representing at least 95% in number of the NMM shareholders. The NMM Adjournment Proposal requires the affirmative vote of a majority of the outstanding shares of NMM stock entitled to vote present in person or represented by proxy at the NMM special meeting.

You are entitled to the right to seek appraisal of the fair value of your shares of NMM common stock under Chapter 13 of the California Corporations Code. A summary of the dissenters' rights that may be available to you are described in "THE MERGER – Dissenters' Rights" on page 140.

NMM'S BOARD DETERMINED THAT IT IS ADVISABLE AND IN THE BEST INTEREST OF NMM AND ITS SHAREHOLDERS TO ENTER INTO THE MERGER AGREEMENT AND THE BOARD HAS AUTHORIZED AND APPROVED THE TERMS OF THE MERGER AGREEMENT AND THE TRANSACTIONS CONTEMPLATED THEREBY. NMM'S BOARD APPROVED THE MERGER AGREEMENT AND RECOMMENDS THAT NMM SHAREHOLDERS VOTE "FOR" THE NMM MERGER PROPOSAL AND "FOR" THE NMM ADJOURNMENT PROPOSAL.

Your vote is very important. Whether or not you expect to attend the special meeting, please sign and return the enclosed proxy card promptly in the envelope provided to ensure that your shares will be represented at the special meeting.

You may revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the enclosed joint proxy statement/prospectus.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON December 6, 2017: This notice is not a form for voting and presents only an overview of the more complete joint proxy statement/prospectus. We urge you to read the accompanying joint proxy statement/prospectus, including its annexes and the section entitled “RISK FACTORS” beginning on page 29, carefully and in their entirety. Copies of the joint proxy statement/prospectus and the accompanying proxy card can be obtained, without charge, by calling (626) 229-9828 or sending an e-mail to tlee@tinkinlee.com. To obtain timely delivery, NMM shareholders must request the materials no later than 5 business days prior to the NMM special meeting. If you have any questions concerning the proposals, the NMM special meeting or the accompanying joint proxy statement/prospectus or need help voting your shares of NMM common stock, please contact Tin Kin Lee at (626) 229-9828.

By Order of the Board of Directors,

/s/ Kenneth Sim
Kenneth Sim
Chairman of the Board of Directors

REFERENCE TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about ApolloMed that is not included in or delivered with this document. Additional information about ApolloMed is available to you without charge upon your request. You can obtain any of the documents filed with or furnished to the Securities and Exchange Commission, or the “SEC,” by ApolloMed at no cost from the SEC’s website at <http://www.sec.gov>. You may also request copies of these documents at no cost by requesting them in writing or by telephone at the following address and telephone number:

Apollo Medical Holdings, Inc.:

700 N. Brand Blvd., Suite 1400

Glendale, CA 91203

Attention: Corporate Secretary

Telephone: (818) 396-8050

E-mail: tthai@apollomed.net

To obtain timely delivery of these documents, you must request them no later than five business days before the date of the special meeting. This means that Apollo stockholders should request documents by November 29, 2017 and NMM shareholders requesting documents must do so by November 29, 2017.

You should rely only on the information contained in this document. No one has been authorized to provide you with information that is different from that contained in this document. This document is dated November 14, 2017, and you should assume that the information in this document is accurate only as of such date. Neither the mailing nor delivery of this document to ApolloMed stockholders or NMM shareholders nor the issuance by ApolloMed of shares of ApolloMed common stock in connection with the Merger will create any implication to the contrary.

ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

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This joint proxy statement/prospectus, which forms a part of a registration statement on Form S-4 filed with the SEC by ApolloMed (File No. 333-219898), constitutes a prospectus of ApolloMed under Section 5 of the Securities Act of 1933, as amended, with respect to the shares of ApolloMed common stock to be issued to the NMM shareholders in connection with the Merger. This joint proxy statement/prospectus does not contain all of the information included in the registration statement, certain items of which are contained in schedules and exhibits to the registration statement as permitted by the rules and regulations of the SEC. You should refer to the registration statement and its exhibits to read that information. Statements made in this joint proxy statement/prospectus as to certain of ApolloMed's contracts, agreements or other documents referred to are not necessarily complete and you should refer to the exhibits attached to the registration statement for copies of the actual contract, agreement or other document. This information is available by mail from the Public Reference Room of the SEC and at the Internet website that the SEC maintains, as well as from other sources, including from ApolloMed at the address provided above.

This joint proxy statement/prospectus also constitutes a notice of meeting and a proxy statement with respect to an ApolloMed special meeting of stockholders, at which time ApolloMed stockholders will be asked to consider and vote upon certain proposals as further described herein. This joint proxy statement/prospectus also constitutes a notice of meeting and a proxy statement with respect to a NMM special meeting of shareholders, at which time NMM shareholders will be asked to consider and vote upon certain proposals as further described herein.

You should rely only on the information contained in this joint proxy statement/prospectus to vote your shares. Neither ApolloMed nor NMM has authorized anyone to give any information or make any representation about the Merger, ApolloMed or NMM that is different from, or in addition to, the information or representations contained in this joint proxy statement/prospectus. Therefore, if anyone does give you information or representations of this sort, you should not rely on it or them. The information contained in this joint proxy statement/prospectus speaks only as of the date of this document unless the information specifically indicates that another date applies.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to any person or entity to whom it is unlawful to make any such offer or solicitation. Information contained in this joint proxy statement/prospectus regarding ApolloMed or its affiliates has been provided by ApolloMed and information contained in this joint proxy statement/prospectus regarding NMM or its affiliates has been provided by NMM.

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QUESTIONS AND ANSWERS

The following are answers to some questions that you, as an ApolloMed stockholder or NMM shareholder, may have regarding the proposed merger and the other proposals being considered. We urge you to carefully read this entire joint proxy statement/prospectus, including the annexes, because the information in this section does not provide all the information that might be important to you.

Unless the context otherwise requires, references in this joint proxy statement/prospectus to “ApolloMed” refers to Apollo Medical Holdings, Inc., a Delaware corporation, “Merger Sub” refers to Apollo Acquisition Corp., a California corporation and a wholly owned subsidiary of ApolloMed, and “NMM” refers to Network Medical Management, Inc., a California corporation.

QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: Why am I receiving this joint proxy statement/prospectus?

A: You are receiving this joint proxy statement/prospectus because ApolloMed, Apollo Acquisition Corp., NMM and Kenneth Sim, M.D. (the “Shareholders’ Representative”) have signed an Agreement and Plan of Merger, dated as of December 21, 2016, as amended on March 30, 2017 and on October 17, 2017 (the “Merger Agreement”), which is described in more detail in this joint proxy statement/prospectus. In connection with the merger and as contemplated by the Merger Agreement, the stockholders of ApolloMed and the shareholders of NMM are being asked to vote upon certain proposals as further described herein.

This joint proxy statement/prospectus contains important information about the merger and the proposals being voted on by ApolloMed stockholders and NMM shareholders, and you should read it carefully. This document collectively serves as a joint proxy statement of ApolloMed and NMM and a prospectus of ApolloMed. It is a joint proxy statement because both the ApolloMed board of directors (the “ApolloMed board” or the “ApolloMed board of directors”) and NMM board of directors (the “NMM board” or the “NMM board of directors”) are soliciting proxies from their respective shareholders. It is a prospectus because ApolloMed will issue shares of ApolloMed common stock to NMM shareholders in connection with the merger. Your vote is important. You are encouraged to submit your proxy as soon as possible after carefully reviewing this joint proxy/prospectus and its annexes.

A complete copy of the Merger Agreement is attached to this joint proxy statement/prospectus as Annex A or a more complete discussion of the proposed merger, its effects and the other transactions contemplated by the Merger Agreement, see “The Merger.”

Q: What will happen in the merger?

A: At the closing of the merger, Merger Sub will merge with and into NMM, with NMM continuing as the surviving entity and a wholly owned subsidiary of ApolloMed (the “Merger”). The surviving entity and ApolloMed are collectively referred to in this joint proxy statement/prospectus as the “combined company.” If consummated, the Merger will be made effective by filing a certificate of merger (the “Certificate of Merger”) with the Secretary of State of the State of California or at such later time as agreed to by the parties in writing and specified in the Certificate of Merger (the “Effective Time”).

Pursuant to the Merger Agreement, at the Effective Time, each issued and outstanding share of NMM common stock will be converted into the right to receive such number of fully paid and nonassessable ApolloMed shares of common stock that results in the NMM shareholders having a right to receive (A) an aggregate number of shares of ApolloMed common stock that represents 82% of the total issued and outstanding shares of ApolloMed common stock immediately following the Effective Time, assuming there are no NMM dissenting shareholder interests as of the Effective Time, calculated in accordance with the Merger Agreement (see “THE MERGER AGREEMENT – Effects of Merger; Merger Consideration” beginning on page 145), plus (B) an aggregate of 2,566,666 shares of ApolloMed common stock, assuming there are no NMM dissenting shareholder interests as of the Effective Time (the “Additional Shares”). In addition, each NMM shareholder shall be entitled to receive such shareholder’s pro rata portion of (i) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share and (ii) warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share (collectively, the “Warrant Consideration”). At the Effective Time, pre-Merger ApolloMed stockholders will continue to own and hold their existing shares of ApolloMed common stock. At the Effective Time, ApolloMed will hold back 10% of the total number of shares of ApolloMed common stock issuable to pre-Merger NMM shareholders in the Merger to secure indemnification of ApolloMed and its affiliates under the Merger Agreement (the “Holdback Shares”). Separately, indemnification of pre-Merger NMM shareholders under the Merger Agreement will be made by the issuance by ApolloMed to pre-Merger NMM shareholders of new additional shares of common stock (capped at the same number of shares of ApolloMed common stock as the Holdback Shares). For a more complete description of what NMM shareholders will receive in the Merger, please see the section “THE MERGER AGREEMENT — Effects of Merger; Merger Consideration” in this joint proxy statement/prospectus.

Q: When do ApolloMed and NMM expect to complete the Merger?

A: ApolloMed and NMM anticipate that the Merger will be consummated promptly following the ApolloMed and NMM special meetings, provided that all other conditions to the consummation of the Merger in the Merger Agreement have been satisfied or waived. However, it is possible that the failure to timely meet the closing conditions specified in the Merger Agreement or other factors outside of the control of ApolloMed or NMM control could require ApolloMed and NMM to complete the Merger at a later time or not at all. See “THE MERGER AGREEMENT — Conditions to Completion of the Merger” on page 152 of this joint proxy statement/prospectus for a more complete summary of the conditions that must be satisfied prior to closing.

Q: Why are the two companies proposing to merge?

ApolloMed and NMM believe that the combined company following the Merger will have the potential to establish a leading position in the population health management market. ApolloMed and NMM believe that the combined company will have the following potential advantages: (i) increased and synergistic operational expertise and capabilities, increased scale, including financial, clinical, network size as well as the aforementioned operational attributes, which would potentially create near and long-term value for both ApolloMed stockholders and NMM shareholders; (ii) an experienced management team; and (iii) the potential to access additional sources of capital. For a discussion of ApolloMed and NMM reasons for the Merger, please see the section entitled “The Merger — ApolloMed’s Reasons for the Merger” and “The Merger —NMM’s Reasons for the Merger” in this joint proxy statement/prospectus.

Q: What do I need to do now?

A: After you have carefully read this joint proxy statement/prospectus and have decided how you wish to vote your shares, please authorize a proxy to vote your shares promptly so that your shares are represented and voted at the ApolloMed and NMM special meeting.

QUESTIONS AND ANSWERS FOR APOLLOMED STOCKHOLDERS

Q: What will I receive in the Merger?

A: If the Merger is completed, ApolloMed stockholders will not receive any consideration in the Merger and will continue to hold the shares of ApolloMed common stock that they hold immediately prior to the Merger.

ApolloMed's common stock is currently quoted on OTC Pink and traded under the symbol "AMEH." ApolloMed has applied for listing of its common stock on the NASDAQ Global Market effective as of the closing of the Merger. No assurance can be given that ApolloMed's application will be approved. On December 21, 2016, the last full trading day before the announcement of the Merger, the last reported sale price of ApolloMed common stock was \$3.99 per share, and, on November 10, 2017, the latest practicable date prior to the date of this joint proxy statement/prospectus, the last reported sale price of ApolloMed common stock was \$7.79 per share.

ApolloMed stockholders will experience significant dilution as a result of the issuance of ApolloMed common stock and warrants to the NMM shareholders as merger consideration in connection with the Merger.

Immediately following completion of the Merger, the current ApolloMed stockholders will continue to hold 6,033,495 shares, or 16.7% of the outstanding common stock of ApolloMed, and former NMM shareholders will own 30,052,587 shares, or 83.3% of the outstanding common stock of ApolloMed (both percentages assuming (A) the issuance of 30,052,587 shares of ApolloMed common stock to former merger NMM shareholders, (B) excluding (i) 499,000 shares of common stock issuable upon the exercise of a Convertible Promissory Note to Alliance Apex, LLC ("Alliance") for \$4.99 million (as amended on October 16, 2017, the "Alliance Note"), (ii) shares of common stock issuable upon the exercise of the Warrant Consideration, and (C) without giving effect to any shares of common stock issuable upon payment of any indemnification obligations under the Merger Agreement ("Indemnification Shares")).

In the event all of the Warrant Consideration were to be exercised or converted in full and without giving effect to the issuance of any Indemnification Shares or shares issuable upon exercise of the Alliance Note, then immediately following completion of the Merger, current ApolloMed stockholders, would own 6,033,495 shares of common stock, and their ownership percentage would be approximately 15.9% of the outstanding common stock of ApolloMed, and the former NMM shareholders would own 31,802,587 shares of common stock, or approximately 84.1% of the outstanding common stock of ApolloMed.

Q: When and where is the ApolloMed special meeting?

A: The ApolloMed special meeting will be held on December 6, 2017, at 10:00 a.m., Pacific Standard Time, at 700 N. Brand Blvd., Suite 1400, Glendale, California 91203.

Q: What is being voted on?

A: At the ApolloMed special meeting, ApolloMed stockholders will be asked to consider and vote in favor of the following:

(1) The ApolloMed Merger Proposal – to approve the Merger between Merger Sub and NMM pursuant to the terms and conditions of the Merger Agreement, the Merger Agreement and the transactions contemplated thereunder, including the issuance of shares of common stock and warrants of ApolloMed to NMM shareholders as merger consideration in the Merger (the “ApolloMed Merger Proposal”);

(2) The Board Classification Proposal – to approve amendments to the ApolloMed Restated Certificate of Incorporation (the “ApolloMed Charter”) and Restated Bylaws (the “ApolloMed Bylaws”) to divide the board of directors of ApolloMed into three classes (the “Board Classification Proposal”);

(3) The Election of Directors Proposal – to elect nine directors to serve as members of ApolloMed’s board for one-year, two-year or three-year terms (the “Election of Directors Proposal”);

(4) The ApolloMed Compensation Proposal – to consider and vote on a proposal to approve, in a non-binding advisory vote, certain compensation arrangements for ApolloMed’s named executive officers (the “ApolloMed Compensation Proposal”); and

(5) The ApolloMed Adjournment Proposal – to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to stockholders for vote (the “ApolloMed Adjournment Proposal”).

Q: What constitutes a quorum for the ApolloMed special meeting?

A: Pursuant to the ApolloMed Bylaws, the presence of holders of at least a majority of the ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on as-converted basis, is required to constitute a quorum. Stockholders present in person or by proxy will be counted for purposes of determining whether a quorum is present.

In the absence of a quorum, the chair of the meeting or the holders of a majority of the shares of ApolloMed stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, date, and time. As of the record date for the special meeting, 3,850,081 shares of ApolloMed’s common stock (on an as-converted basis), would be required to achieve a quorum.

Q: What is the record date and what does it mean?

A: The record date to determine the stockholders entitled to notice of and to vote at the special meeting is the close of business on November 14, 2017. The record date was established by the ApolloMed board of directors as required by Delaware law. As of the ApolloMed record date, there were 6,033,495 shares of ApolloMed common stock, 1,111,111 shares of Series A preferred stock and 555,555 shares of Series B preferred stock outstanding and entitled to vote at the ApolloMed special meeting held by 352 record holders. As of the ApolloMed record date all the outstanding shares of Series A preferred stock and Series B preferred stock were held by NMM.

Q: Who is entitled to vote at the special meeting?

A: Holders of ApolloMed common stock, Series A preferred stock and Series B preferred stock at the close of business on the ApolloMed record date may vote at the special meeting.

Q: How many votes do I have?

A: You are entitled to one vote on each proposal to be considered at the ApolloMed special meeting for each share of ApolloMed common stock, Series A preferred stock or Series B preferred stock that you owned as of the close of business on November 14, 2017, which is the ApolloMed record date.

Q: Why is my vote important?

A: If you do not submit a proxy or vote in person, it may be more difficult for ApolloMed to obtain the necessary quorum to transact business at its special meeting. In addition, the Merger cannot be completed unless the requisite vote of the holders of ApolloMed common stock and Series A preferred stock and Series B preferred stock in favor of the ApolloMed Merger Proposal is obtained.

Q: **How do I vote?**

A: If you are a stockholder of record, you may vote your shares of ApolloMed common stock or Series A preferred stock or Series B preferred stock on the matters to be presented at the ApolloMed special meeting in any of the following ways:

In Person – To vote in person, come to the ApolloMed special meeting and you will be able to vote by ballot. To ensure that your shares of ApolloMed common stock or Series A preferred stock or Series B preferred stock are voted at the ApolloMed special meeting, the ApolloMed board of directors recommends that you submit a proxy even if you plan to attend the ApolloMed special meeting.

By Mail – To vote using the enclosed proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the enclosed return envelope. If you return your signed proxy card to ApolloMed before the ApolloMed special meeting, the persons named as proxies will vote your shares as you direct.

By Telephone – To vote by telephone, dial the toll-free telephone number located on the enclosed proxy card using a touch-tone phone and follow the recorded instructions. You will be asked to provide the ApolloMed number and control number from the enclosed proxy card.

By Internet – To vote over the Internet, go to the web address identified on the enclosed proxy card to complete an electronic proxy card. You will be asked to provide the ApolloMed number and control number from the enclosed proxy card.

If your shares are held in “street name” by a broker, bank or other nominee, please refer to the voting instructions provided by your bank, brokerage firm or other nominee to see which of the above choices are available to you. Your bank, brokerage firm or other nominee cannot vote your shares without instructions from you. Please note that if your shares are held in “street name” and you wish to vote in person at the ApolloMed special meeting, you must obtain a legal proxy from your bank, brokerage firm or other nominee.

Q: What is the vote required to approve each proposal?

A: Assuming a quorum is present, approval of the ApolloMed Merger Proposal, the Board Classification Proposal, and each of the directors in the Election of Directors Proposal requires the affirmative vote of (i) a majority of the shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, and (ii) a majority of the shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, not owned by NMM. Approval of the ApolloMed Compensation Proposal and approval of the ApolloMed Adjournment Proposal will require the affirmative vote of a majority of the shares of ApolloMed stock entitled to vote present in person or represented by proxy at the ApolloMed special meeting.

Each of the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal are all conditioned on each other. The ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal are not conditioned on any other proposal.

Q: Do I have any appraisal rights with respect to any of the matters to be voted on at the special meeting?

A: No. ApolloMed stockholders do not have any appraisal rights under Delaware law in connection with the matters to be voted on at the special meeting.

Q: How does ApolloMed's board of directors recommend that I vote at the special meeting?

A: ApolloMed's board of directors recommends that you vote "FOR" the ApolloMed Merger Proposal, "FOR" the Board Classification Proposal, "FOR" each of the directors in the Election of Directors Proposal, "FOR" the ApolloMed Compensation Proposal and "FOR" the ApolloMed Adjournment Proposal.

Q: What interests do ApolloMed's current executive officers and directors have in the Merger?

A: ApolloMed's directors and executive officers may have interests in the proposals that are different from, or in addition to or in conflict with, yours. These interests include:

certain directors and officers of ApolloMed are expected to continue to serve as directors and officers of the combined company;

as current stockholders of ApolloMed, certain of ApolloMed's directors and officers will retain an ownership stake in ApolloMed after the closing of the Merger, at which time the operations of the NMM business will comprise the majority of ApolloMed's operations;

certain ApolloMed directors and officers have employment agreements with ApolloMed which are expected to remain in place following the Merger;

the Merger Agreement contemplates that Warren Hosseinion, M.D., the sole shareholder of Maverick Medical Group, Inc., a California professional corporation (“MMG”) and an affiliate of ApolloMed, will sell to APC-LSMA Designated Shareholder Medical Corporation, a California professional corporation (“APC-LSMA”), all the issued and outstanding shares of capital stock of MMG for \$100 under the Stock Purchase Agreement between Warren Hosseinion and APC-LSMA (the “Maverick Stock Purchase Agreement”); and

the continued indemnification of current directors and officers of ApolloMed and the continuation of directors’ and officers’ liability insurance after the Merger.

These interests may influence ApolloMed’s directors in making their recommendation that you vote in favor of the approval of the ApolloMed Merger Proposal and other proposals.

Q. Why am I being asked to consider and vote on the ApolloMed Compensation Proposal?

A. Under SEC rules, ApolloMed is required to seek a non-binding advisory vote with respect to the compensation that may be paid or become payable to its named executive officers that is based on or otherwise relates to the Merger, or so-called “golden parachute” compensation.

Q. What will happen if ApolloMed’s stockholders do not approve the ApolloMed Compensation Proposal?

A. The vote on the ApolloMed Compensation Proposal is a vote separate and apart from the vote to adopt the Merger Agreement and other related proposals. Accordingly, a stockholder may vote to approve the ApolloMed Compensation Proposal and vote not to approve the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal (which are conditioned on each other), or vote to approve such proposals and vote not to approve the ApolloMed Compensation Proposal. Because the vote on the ApolloMed Compensation Proposal is advisory only, it will not be binding on ApolloMed or the combined company after the Merger. Accordingly, if the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal are adopted by ApolloMed’s stockholders and the Merger is completed, the Merger-related compensation may be paid to ApolloMed’s named executive officers to the extent payable in accordance with the terms of their compensation agreements and arrangements even if ApolloMed’s stockholders do not approve the ApolloMed Compensation Proposal.

Q: What happens if I abstain from voting?

A: ApolloMed will count a properly executed proxy marked “ABSTAIN” with respect to a particular proposal as present for purposes of determining whether a quorum is present, but for purposes of approval an abstention will be counted toward the total vote and will have the same effect as a vote “AGAINST” the ApolloMed Merger Proposal, the Board Classification Proposal, each of the directors in the Election of Directors Proposal, the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal.

Q: What will happen if I sign and return my proxy card without indicating how I wish to vote?

A: All proxies will be voted in accordance with the instructions contained therein. Signed and dated proxies received by ApolloMed without an indication of how the stockholder intends to vote on a proposal will be voted “FOR” each of the ApolloMed Merger Proposal, the Board Classification Proposal, each of the directors in the Election of Directors Proposal, the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal.

Q: What happens if I sell my shares of ApolloMed stock before the special meeting?

A: Only holders of record of ApolloMed common stock and holders of Series A preferred stock and Series B preferred stock at the close of business on the record date are entitled to notice of the special meeting of stockholders and to vote at the special meeting and any adjournments or postponements of the special meeting. A complete list of stockholders of record entitled to vote at the special meeting will be available beginning 10 days before the special meeting at ApolloMed’s principal executive office for inspection by stockholders during ordinary business hours for any purpose germane to the special meeting.

Q: If my shares are held in “street name,” will my broker, bank or nominee automatically vote my shares for me?

A: No. Banks, brokers and other nominees that hold their customers’ shares in “street name” may not vote their customers’ shares on “non-routine” matters without instructions from their customers. As it is expected that each proposal is considered “non-routine,” such organizations do not have discretion to vote on any of the proposals. As a result, if you fail to provide your bank, broker or other nominee with instructions regarding how to vote your shares of ApolloMed capital stock, your shares will be counted for purposes of determining a quorum but will be considered a vote “AGAINST” the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal. For the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal, broker non-votes will not be counted toward the total vote and will have no effect on either proposal.

Q: Can I attend the ApolloMed special meeting and vote my shares in person?

A: Yes. All holders of ApolloMed common stock, Series A preferred stock and Series B preferred stock as of the record date, including stockholders of record and stockholders who hold their shares through banks, brokers, nominees or any other holder of record, are invited to attend the ApolloMed special meeting. Holders of record of ApolloMed common stock, Series A preferred stock and Series B preferred stock can vote in person at the ApolloMed special meeting. If you are not a stockholder of record, you must obtain a legal proxy, executed in your favor, from the record holder of your shares, such as a broker, bank or other nominee, to be able to vote in person at the ApolloMed special meeting. If you plan to attend the ApolloMed special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership.

Q: Can I change or revoke my vote?

A: Yes. If you are a holder of record of ApolloMed common stock or a holder of Series A preferred stock or Series B preferred stock, you may revoke any proxy at any time prior or at the ApolloMed special meeting by:

attending the ApolloMed special meeting and voting in person;

voting again by telephone or over the Internet (only your latest telephone or Internet vote submitted prior to the ApolloMed special meeting will be counted);

completing and submitting a new valid proxy card bearing a later date; or

sending written notice of revocation to ApolloMed at Apollo Medical Holdings, Inc., Attn: Secretary, 700 N. Brand Blvd., Suite 1400, Glendale, California 91203, which notice must be received before noon, Pacific Standard Time, on December 5, 2017.

Q: What should I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you hold your shares in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares. If you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive in order to cast your vote with respect to all of your shares.

Q: Who can help answer my questions?

A: The information provided above in this “Question and Answer” format is for your convenience only and is merely a summary of the information contained in this joint proxy statement/prospectus. ApolloMed urges you to carefully read this entire joint proxy statement/prospectus, including the documents referred to herein or otherwise incorporated by reference. If you have any questions, or need additional material, please feel free to contact:

Apollo Medical Holdings, Inc.:

700 N. Brand Blvd., Suite 1400

Glendale, CA 91203

Attention: Corporate Secretary

Telephone: (818) 396-8050

QUESTIONS AND ANSWERS FOR NMM SHAREHOLDERS

Q: What will I receive in the Merger?

A: Pursuant to the Merger Agreement, at the Effective Time, each issued and outstanding share of NMM common stock will be converted into the right to receive such number of fully paid and nonassessable ApolloMed shares of common stock that results in the NMM shareholders having a right to receive (A) an aggregate number of shares of ApolloMed common stock that represents 82% of the total issued and outstanding shares of ApolloMed common stock immediately following the Effective Time, assuming there are no NMM dissenting shareholder interests as of the Effective Time, calculated in accordance with the Merger Agreement (see “THE MERGER AGREEMENT – Effects of Merger; Merger Consideration” beginning on page 145), plus (B) an aggregate of 2,566,666 shares of ApolloMed common stock, assuming there are no NMM dissenting shareholder interests as of the Effective Time. In addition, each NMM shareholder shall be entitled to receive such shareholder’s pro rata portion of (i) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share, and (ii) warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share. At the Effective Time, ApolloMed will hold back the Holdback Shares to secure indemnification of ApolloMed and its affiliates under the Merger Agreement. Separately, indemnification of pre-Merger NMM shareholders under the Merger Agreement will be made by the issuance by ApolloMed to pre-Merger NMM shareholders of new additional shares of common stock (capped at the same number of shares of ApolloMed common stock as the Holdback Shares).

Assuming the issuance of 30,052,587 shares of ApolloMed common stock to NMM shareholders in the Merger, the value of such shares is estimated to be \$240,721,222 based upon a share price of \$8.01 per share, the closing price of ApolloMed common stock on October 17, 2017. In addition, the estimated fair value of the warrants to be issued to NMM’s shareholders by ApolloMed in the Merger is \$3,944,000, based on the estimated fair value of (i) \$1,811,000 for the warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock exercisable at \$11.00 per share and (ii) \$2,133,000 for the warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock exercisable at \$10.00 per share.

Q: When and where will the special meeting of NMM shareholders be held?

A: The NMM special meeting will be held on December 6, 2017, at 6:00 p.m., Pacific Standard Time, at the offices of NMM, 1668 S. Garfield Ave. 3rd Floor, Alhambra, California 91801.

Q: What is being voted on?

A: At the NMM special meeting, NMM shareholders will be asked to consider and vote in favor of the following:

(1) The NMM Merger Proposal – to approve the Merger between NMM and Merger Sub pursuant to which Merger Sub will merge with and into NMM, with NMM continuing as the surviving corporation and a wholly owned subsidiary of ApolloMed, the Merger Agreement and the transactions contemplated thereunder (the “NMM Merger Proposal”); and

(2) The NMM Adjournment Proposal – to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to stockholders for vote (the “NMM Adjournment Proposal”).

Q: What constitutes a quorum for the NMM special meeting?

A: Pursuant to the Amended and Restated NMM Bylaws (the “NMM Bylaws”), the presence of holders of at least a majority of the outstanding shares of NMM common stock is required to constitute a quorum. Shareholders present in person or by proxy will be counted for purposes of determining whether a quorum is present.

In the event that a quorum is not present, or if there are insufficient votes to approve the principal terms of the Merger and the Merger Agreement at the time of the special meeting, it is expected that the special meeting will be adjourned or postponed to solicit additional votes. As of the record date for the special meeting, 199,801,060 shares of NMM’s common stock would be required to achieve a quorum.

Q: What is the record date and what does it mean?

A: The record date to determine the NMM shareholders entitled to notice of and to vote at the special meeting is the close of business on December 6, 2017. The record date is set by the NMM board of directors pursuant to the NMM Bylaws. As of the NMM record date, there were 399,602,118 shares of NMM common stock outstanding and entitled to vote at the NMM special meeting held by 258 record holders.

Q: Who is entitled to vote at the special meeting?

A: Holders of NMM common stock at the close of business on the NMM record date may vote at the special meeting.

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Q: How many votes do I have?

A: You are entitled to one vote on each proposal to be considered at the NMM special meeting for each share of NMM common stock that you owned as of the close of business on November 17, 2017, which is the NMM record date.

Q: Why is my vote important?

A: If you do not submit a proxy or vote in person, it may be more difficult for NMM to obtain the necessary quorum to transact business at its special meeting. In addition, the Merger cannot be completed unless the requisite vote of the holders of NMM common stock in favor of the NMM Merger Proposal is obtained.

Q: How do I vote?

A: If you are a shareholder of record, you may vote your shares of NMM common stock on the matters to be presented at the NMM special meeting in any of the following ways:

· *In Person* – To vote in person, come to the NMM special meeting and you will be able to vote by ballot. To ensure that your shares of NMM common stock are voted at the NMM special meeting, the NMM board recommends that you submit a proxy even if you plan to attend the NMM special meeting.

· *By Mail* – To vote using the enclosed proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the enclosed return envelope. If you return your signed proxy card to NMM before the NMM special meeting, the persons named as proxies will vote your shares of NMM common stock as you direct.

Q: What is the vote required to approve each proposal?

A: Assuming a quorum is present, approval of the NMM Merger Proposal requires the affirmative vote of NMM shareholders holding at least 95% of the outstanding shares of NMM common stock and representing at least 95% in

number of the NMM shareholders. The NMM Adjournment Proposal requires the affirmative vote of a majority of the outstanding shares of NMM stock entitled to vote present in person or represented by proxy at the NMM special meeting.

If the NMM Merger Proposal does not receive the requisite vote for approval, then ApolloMed and NMM will not consummate the Merger.

Q: Do I have any appraisal rights with respect to any of the matters to be voted on at the special meeting?

A: Yes. You are entitled to the right to seek appraisal of the fair value of your shares of NMM common stock under Chapter 13 of the California Corporations Code. A summary of the dissenters' rights that may be available to you are described in "THE MERGER – Dissenters' Rights" on page 140.

Q: How does the NMM board recommend that I vote at the special meeting?

A: The NMM board recommends that you vote "FOR" the NMM Merger Proposal and "FOR" the NMM Adjournment Proposal.

Q: Have any NMM shareholders already agreed to vote in favor of the Merger?

A: Yes. Eddie Lam, M.D., Thomas Lam, M.D., Su Kin Lee, M.D., Kenneth Sim, M.D., Theresa Tseng, M.D., Yang Chern Tseng, M.D., and Albert Young, M.D. have each entered into an agreement with ApolloMed pursuant to which each has agreed to vote all of the shares of NMM common stock owned or controlled by them in favor of the Merger and the Merger Agreement. As of the close of business on November 17, 2017, the record date for the special meeting, Eddie Lam, M.D., Thomas Lam, M.D., Su Kin Lee, M.D., Kenneth Sim, M.D., Theresa Tseng, M.D., Yang Chern Tseng, M.D., and Albert Young, M.D. collectively owned, directly or indirectly, 106,548,833 shares of NMM common stock, which represented approximately 26.7% of the outstanding shares of NMM common stock.

Q: What interests do NMM's current executive officers and directors have in the Merger?

A: NMM's directors and executive officers may have interests in the proposals that are different from, or in addition to or in conflict with, yours. These interests include:

certain current directors and officers of NMM expect the continuation of service as directors and officers of the combined company;

the Merger Agreement contemplates that Warren Hosseinion, M.D., the sole shareholder of MMG, will sell to APC-LSMA (an entity in which Dr. Thomas Lam is the sole shareholder and the sole executive officer, but which is controlled and consolidated by Allied Physicians of California IPA *dba* Allied Pacific IPA (“APC”)) all the issued and outstanding shares of capital stock of MMG for \$100 under the Maverick Stock Purchase Agreement; and

the continued indemnification of current directors and officers of NMM and the continuation of directors’ and officers’ liability insurance after the Merger.

These interests may influence NMM’s directors in making their recommendation that you vote in favor of the approval of the NMM Merger Proposal and the NMM Adjournment Proposal.

Q: What happens if I abstain from voting?

A: NMM will count a properly executed proxy marked “ABSTAIN” with respect to a particular proposal as present for purposes of determining whether a quorum is present, but for purposes of approval, an abstention will be counted toward the total vote and will have the same effect as a vote “AGAINST” the NMM Merger Proposal and the NMM Adjournment Proposal.

Q: What will happen if I sign and return my proxy card without indicating how I wish to vote?

A: All proxies will be voted in accordance with the instructions contained therein. Signed and dated proxies received by NMM without an indication of how the shareholder intends to vote on a proposal will be voted “FOR” each of the NMM Merger Proposal and the NMM Adjournment Proposal.

Q: What happens if I sell my shares of NMM common stock before the special meeting?

A: Only holders of record of NMM common stock at the close of business on the record date are entitled to notice of the special meeting of shareholders and to vote at the special meeting and any adjournments or postponements of the special meeting. A complete list of shareholders of record entitled to vote at the special meeting

will be available beginning 10 days before the special meeting at NMM's principal executive office for inspection by shareholders during ordinary business hours for any purpose germane to the special meeting.

Q: Can I attend the NMM special meeting and vote my shares in person?

A: Yes. All holders of NMM common stock as of the record date are invited to attend the NMM special meeting. Holders of record of NMM common stock can vote in person at the NMM special meeting. If you are not a shareholder of record, you must obtain a legal proxy, executed in your favor, from the record holder of your shares to be able to vote in person at the NMM special meeting. If you plan to attend the NMM special meeting, you must hold your shares in your own name or have a letter from the record holder of your shares confirming your ownership.

Q: Can I change or revoke my vote?

A: Yes. If you are a holder of record of NMM common stock, you may revoke any proxy at any time prior or at the NMM special meeting by:

attending the NMM special meeting and voting in person;

completing and submitting a new valid proxy card bearing a later date; or

sending written notice of revocation to NMM at Network Medical Management, Inc., Attn: Secretary, 1668 S. Garfield Avenue, 3rd Floor, Alhambra, California 91801, which notice must be received before noon, Pacific Standard Time, on December 5, 2017.

Q: What should I do if I receive more than one set of voting materials?

A: You may receive more than one set of voting materials, including multiple copies of this joint proxy statement/prospectus and multiple proxy cards or voting instruction cards. For example, if you are a holder of record and your shares are registered in more than one name, you will receive more than one proxy card. Please complete, sign, date and return each proxy card and voting instruction card that you receive in order to cast your vote with respect to all of your shares.

Q: Is the transaction expected to be taxable to NMM shareholders?

A: The Merger has been structured to qualify as a “reorganization” within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the “Code”) and Treasury Regulations promulgated thereunder. As a result, NMM shareholders generally should not recognize gain or loss for U.S. federal income tax purposes upon the exchange of their shares of NMM stock for shares of ApolloMed common stock and warrants in connection with the Merger. To the extent, however, NMM distributes existing ApolloMed warrants to NMM shareholders prior to the consummation of the Merger, such distribution will constitute a dividend for U.S. federal income tax purposes to the extent of NMM’s current or accumulated earnings and profits as determined under U.S. federal income tax principles. See “CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER” on page 203 of this joint proxy statement/prospectus for information.

Q: When can I expect to receive the merger consideration?

A: As soon as reasonably practicable after the Effective Time of the Merger, NMM shareholders will receive a letter of transmittal with instructions informing you how to effect the surrender of your shares of NMM common stock in exchange for the merger consideration.

Q: Where can I find more information on ApolloMed?

A: ApolloMed files annual, quarterly and current reports, proxy statements and other information with the U.S. Securities and Exchange Commission (the “SEC”). ApolloMed’s SEC filings are available to the public from the SEC’s website at <http://www.sec.gov>. Information about ApolloMed, including its SEC filings, is also available through its website at <http://Apollomed.net>. The information contained on, or that can be accessed through, such websites is not part of this joint proxy statement/prospectus.

Q: Who can help answer my questions?

A: The information provided above in this “Question and Answer” format is for your convenience only and is merely a summary of the information contained in this joint proxy statement/prospectus. NMM urges you to carefully read this entire joint proxy statement/prospectus, including the documents referred to herein or otherwise incorporated by reference. If you have any questions, or need additional material, please feel free to contact:

Network Medical Management, Inc.

1668 S. Garfield Avenue, 3rd Floor

Alhambra, California 91801

Attention: Thomas Lam, M.D.

Chief Executive Officer

Telephone: (626) 282-0288

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SUMMARY

This summary highlights selected information from this joint proxy statement/prospectus and may not contain all of the information that is important to you. You are urged to carefully read this entire document, including the annexes, and the other documents to which ApolloMed and NMM refer for a more complete understanding of the Merger. In addition, ApolloMed and NMM encourage you to read the information about ApolloMed in the section entitled “Information About ApolloMed” beginning on page 207 of this joint proxy statement/prospectus, which includes important business and financial information about ApolloMed, and to read the information in the section entitled “Information About NMM” beginning on page 259 of this joint proxy statement/prospectus, which includes important business and financial information about NMM. Stockholders of ApolloMed and shareholders of NMM may obtain additional information about ApolloMed without charge by following the instructions in the section entitled “Where You Can Find More Information” beginning on page 311 of this joint proxy statement/prospectus.

This summary and the balance of this joint proxy statement/prospectus contain forward-looking statements about events that are not certain to occur, and you should not place undue reliance on those statements. Please carefully read “Cautionary Statement Regarding Forward-Looking Statements” on page 100 of this joint proxy statement/prospectus.

The Companies (Page 86)

Apollo Medical Holdings, Inc.

700 N. Brand Blvd., Suite 1400

Glendale, CA 91203

Tel: (818) 396-8050

Apollo Medical Holdings, Inc. was incorporated in the State of Delaware on November 1, 1985 under the name McKinnely Investment, Inc. On November 5, 1986 McKinnely Investment, Inc. changed its name to Acculine Industries, Incorporated and Acculine Industries, Incorporated changed its name to Siclone Industries, Incorporated on May 24, 1988. On July 3, 2008, Apollo Medical Holdings, Inc. merged into Siclone Industries, Incorporated and Siclone Industries, Incorporated, as the surviving entity from the merger, simultaneously changed its name to Apollo Medical Holdings, Inc.

ApolloMed is a physician-centric, integrated population health management company working to provide coordinated outcomes-based medical care in a cost-effective manner. Led by a management team with over a decade of experience, ApolloMed has built a company and culture that is focused on physicians providing high-quality medical care, population health management and care coordination for patients, particularly senior patients and patients with multiple chronic conditions. ApolloMed believes it is well-positioned to take advantage of changes in the rapidly evolving U.S. healthcare industry, as there is a growing national movement towards more results-oriented healthcare centered on the triple aim of patient satisfaction, high-quality care and cost efficiency.

ApolloMed's common stock is currently quoted on OTC Pink and traded under the symbol "AMEH." ApolloMed has applied for listing of its common stock on the NASDAQ Global Market effective as of the closing of the Merger. No assurance can be given that ApolloMed's application will be approved. On December 21, 2016, the last full trading day before the announcement of the Merger, the last reported sale price of ApolloMed common stock was \$3.99 per share, and, on November 10, 2017, the latest practicable date prior to the date of this joint proxy statement/prospectus, the last reported sale price of ApolloMed common stock was \$7.79 per share.

Additional information about ApolloMed can be found in the sections titled "INFORMATION ABOUT APOLLOMED — Overview" beginning on page 207, "INFORMATION ABOUT APOLLOMED — ApolloMed Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 235 and ApolloMed's financial statements included elsewhere in this joint proxy statement/prospectus.

ApolloMed's principal website is *www.apollomed.net*. The information contained on, or that can be accessed through, ApolloMed's website is specifically not incorporated by reference into this joint proxy statement/prospectus, and is not a part of this joint proxy statement/prospectus.

Apollo Acquisition Corp.

700 N. Brand Blvd., Suite 1400

Glendale, CA 91203

Tel: (818) 396-8050

Apollo Acquisition Corp., a California corporation, is a wholly owned subsidiary of ApolloMed that was recently formed solely for the purpose of entering into the Merger Agreement and consummating the Merger and the other transactions contemplated by the Merger Agreement. It is not engaged in any business and has no material assets. In the Merger, Merger Sub will merge with and into NMM, with NMM surviving the Merger as ApolloMed's wholly owned subsidiary, and Merger Sub will cease to exist.

Network Medical Management, Inc.

1668 S. Garfield Avenue

Alhambra, CA 91801

(626) 282-0288

Network Medical Management, Inc. is a California corporation formed in 1994. NMM, together with its subsidiaries and affiliated physician groups, constitutes a patient- and physician-centric, integrated health care delivery and management services company focused on providing coordinated, outcomes-based medical care in a cost-effective manner. Through capitation agreements between NMM's affiliated physician groups and various health plans, NMM is responsible for coordinating the care for over 600,000 covered patients in southern and central California through a network of over 10 independent practice associations ("IPAs") with approximately 4,000 contracted physicians. These covered patients are comprised of managed care members whose health coverage is provided through their employer or who have individually acquired health coverage directly from a health plan or as a result of their eligibility for Medicaid or Medicare benefits.

The patients of NMM's affiliated physician groups and IPAs benefit from an integrated approach to medical care that places the physician at the center of patient care. NMM manages the delivery of healthcare services to patients via a network of affiliated physician groups and other network primary care physicians, network hospitals, and affiliated group and network specialists. Together with case managers, registered nurses and other care coordinators, these medical professionals utilize a comprehensive data analysis engine, sophisticated risk management techniques and clinical protocols to provide high-quality, cost effective care to NMM's managed members. NMM monitors certain control metrics, such as the number of inpatient acute bed days per 1,000 patients and hospital readmission rates, as they are contributors to quality clinical outcomes and financial performance. Additionally, in an effort to identify changes or trends with respect to its commercial, senior and Medicaid payer classifications, NMM closely monitors the number of managed care members who have enrolled with a NMM affiliated physician group as such member's primary care physician.

NMM is headquartered in, and primarily operates from, Los Angeles County, California.

Additional information about NMM can be found in the sections titled "INFORMATION ABOUT NMM" beginning on page 259 and "INFORMATION ABOUT NMM — NMM Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 281 and NMM's financial statements included elsewhere in this joint proxy statement/prospectus.

NMM's principal website is www.nmm.cc. The information contained on, or that can be accessed through, NMM's website is specifically not incorporated by reference into this joint proxy statement/prospectus, and is not a part of this joint proxy statement/prospectus.

The Merger (Page 105)

The Merger Agreement (Page 144)

On December 21, 2016, ApolloMed, Merger Sub, NMM and the Shareholders' Representative entered into the Merger Agreement. The Merger Agreement was subsequently amended on March 30, 2017 and October 17, 2017. The Merger Agreement is the legal document governing the Merger and is included in this joint proxy statement/prospectus as Annex A. All descriptions in this Summary and elsewhere in this joint proxy statement/prospectus of the terms and conditions of the Merger are qualified in their entirety by reference to the full text of the Merger Agreement. Please read the Merger Agreement carefully for a more complete understanding of the Merger.

The Merger (Page 105)

At the Effective Time of the Merger, Merger Sub, a wholly owned subsidiary of ApolloMed, will merge with and into NMM. Upon completion of the Merger, the separate corporate existence of Merger Sub will cease, and NMM will continue as the surviving entity and as a wholly owned subsidiary of ApolloMed.

Effects of Merger; Merger Consideration (Page 145)

Pursuant to the Merger Agreement, at the Effective Time, each issued and outstanding share of NMM common stock will be converted into the right to receive such number of fully paid and nonassessable ApolloMed shares of common stock that results in the NMM shareholders having a right to receive (A) an aggregate number of shares of ApolloMed common stock that represents 82% of the total issued and outstanding shares of ApolloMed common stock immediately following the Effective Time, assuming there are no NMM dissenting shareholder interests as of the Effective Time, calculated in accordance with the Merger Agreement (see "THE MERGER AGREEMENT – Effects of Merger; Merger Consideration" beginning on page 145), plus (B) an aggregate of 2,566,666 shares of ApolloMed common stock, assuming there are no NMM dissenting shareholder interests as of the Effective Time. In addition, each NMM shareholder shall be entitled to receive such shareholder's pro rata portion of (i) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share and (ii) warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share. At the Effective Time, ApolloMed will hold back the Holdback Shares to secure indemnification of ApolloMed and its affiliates under the Merger Agreement. Separately, indemnification of pre-Merger NMM shareholders under the Merger Agreement will be made by the issuance by ApolloMed to pre-Merger NMM shareholders of new additional

shares of common stock (capped at the same number of shares of ApolloMed common stock as the Holdback Shares).

There will be no adjustment to the total number of shares of ApolloMed common stock that NMM shareholders will be entitled to receive for changes in the market price of ApolloMed common stock. Accordingly, the market value of the shares of ApolloMed common stock issued pursuant to the Merger will depend on the market value of the shares of ApolloMed common stock at the time the Merger closes, and could vary significantly from the market value on the date of this proxy statement/prospectus/information statement.

For a full description of the Merger Consideration, see the sections titled “THE MERGER” beginning on page 105 and “THE MERGER AGREEMENT — Effects of Merger; Merger Consideration” beginning on page 145 of this joint proxy statement/prospectus.

ApolloMed’s Reasons for the Merger

In approving and authorizing the Merger Agreement and the Merger, the ApolloMed board of directors considered a number of factors. In light of the number and wide variety of factors considered in connection with its evaluation of the Merger Agreement and the Merger, the ApolloMed board of directors did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its determination. The ApolloMed board of directors viewed its position and determinations as being based on all of the information available and the factors presented to and considered by it. In addition, individual directors may have given different weight to different factors.

In evaluating the Merger Agreement and the Merger, the ApolloMed board of directors consulted with ApolloMed’s management and legal and financial advisors, reviewed a significant amount of information, and considered a number of factors, including, among others, the factors that the ApolloMed board viewed as supportive of its decision, to approve the Merger Agreement and the Merger, as being advisable, fair and in the best interests of ApolloMed and ApolloMed’s stockholders.

The ApolloMed board of directors also carefully considered and discussed a number of risks, uncertainties, and other countervailing factors in its deliberations regarding entering into the Merger Agreement and consummating the Merger.

The ApolloMed board of directors believes that, overall, the potential benefits to ApolloMed stockholders of the Merger Agreement, the Merger and the other transactions contemplated thereby outweigh the risks and uncertainties.

For a more complete description of these reasons, see “THE MERGER — ApolloMed’s Reasons for the Merger” beginning on page 114 of this joint proxy statement/prospectus.

NMM’s Reasons for the Merger

In approving and authorizing the Merger Agreement and the Merger, the NMM board of directors considered a number of factors. In light of the number and wide variety of factors considered in connection with its evaluation of the Merger Agreement and the Merger, the NMM board of directors did not consider it practicable to, and did not attempt to, quantify or otherwise assign relative weights to the specific factors it considered in reaching its determination. The NMM board of directors viewed its position and determinations as being based on all of the information available and the factors presented to and considered by it. In addition, individual directors may have given different weight to different factors.

In evaluating the Merger Agreement and the Merger, the NMM board of directors consulted with NMM’s management and legal and financial advisors, reviewed a significant amount of information, and considered a number of factors, including, among others, the factors that the NMM board viewed as supportive of its decision, to approve the Merger Agreement and the Merger, as being advisable, fair and in the best interests of NMM and NMM’s shareholders.

The NMM board of directors also carefully considered and discussed a number of risks, uncertainties, and other countervailing factors in its deliberations regarding entering into the Merger Agreement and consummating the Merger.

The NMM board of directors believes that, overall, the potential benefits to NMM shareholders of the Merger Agreement, the Merger and the other transactions contemplated thereby outweigh the risks and uncertainties.

For a more complete description of these reasons, see “THE MERGER — NMM’s Reasons for the Merger” beginning on page 116 of this joint proxy statement/prospectus.

Risk Factors (Page 29)

In evaluating the Merger Agreement and the Merger and related transactions contemplated by the Merger Agreement, you should carefully consider all of the information into this joint proxy statement/prospectus. In particular, you are urged to read and consider all of the factors discussed in the section entitled “RISK FACTORS” beginning on page 29.

Recommendation of ApolloMed’s Board of Directors (Page 88)

ApolloMed’s board of directors has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger and the issuance of shares of common stock and warrants of ApolloMed to NMM shareholders pursuant to the terms of the Merger Agreement, are just, equitable and fair to ApolloMed and its stockholders and that it is in the best interests of ApolloMed and its stockholders that ApolloMed complete the Merger and has adopted and approved the Merger Agreement and the transactions contemplated thereby, including the Merger and the other transactions contemplated thereby. ApolloMed’s board of directors believes that each of the ApolloMed Merger Proposal, the Board Classification Proposal, each of the directors in the Election of Directors Proposal and the ApolloMed Adjournment Proposal to be presented at the special meeting is in the best interests of ApolloMed and its stockholders, and recommends that its stockholders vote “FOR” each of the proposals. For the factors considered by ApolloMed’s board of directors in reaching its decision to approve the Merger and Merger Agreement, see the section entitled “THE MERGER — ApolloMed’s Reasons for the Merger” beginning on page 114 of this joint proxy statement/prospectus.

Recommendation of NMM’s Board of Directors (Page 99)

NMM’s board of directors has determined that the Merger Agreement and the transactions contemplated thereby, including the Merger and the issuance of shares of common stock and warrants of ApolloMed to NMM shareholders pursuant to the terms of the Merger Agreement, are just, equitable and fair to NMM and its shareholders and that it is in the best interests of NMM and its shareholders that NMM complete the Merger and has adopted and approved the

Merger Agreement and the transactions contemplated thereby. NMM's board of directors believes that both the NMM Merger Proposal and the NMM Adjournment Proposal to be presented at the special meeting is in the best interests of NMM and its shareholders, and recommends that its shareholders vote "FOR" both of the proposals. For the factors considered by NMM's board of directors in reaching its decision to approve the Merger and Merger Agreement, see the section entitled "THE MERGER — NMM's Reasons for the Merger" beginning on page 116 of this joint proxy statement/prospectus.

The ApolloMed Special Meeting (Page 88)

The ApolloMed special meeting will be held on December 6, 2017, at 10:00 a.m., Pacific Standard Time, at 700 N. Brand Blvd., Suite 1400, Glendale, California 91203. At the special meeting, ApolloMed stockholders will be asked to consider and vote on the following:

- (1) The ApolloMed Merger Proposal — to approve the Merger between Merger Sub and NMM pursuant to the terms and conditions of the Merger Agreement and the transactions contemplated thereunder, including the issuance of shares of common stock of ApolloMed to NMM shareholders as merger consideration in the Merger;
- (2) The Board Classification Proposal — to approve amendments to the ApolloMed Charter and ApolloMed Bylaws to divide the board of directors of ApolloMed into three classes;
- (3) The Election of Directors Proposal — to elect nine directors to serve as members of ApolloMed's board for one-year, two-year or three-year terms;
- (4) The ApolloMed Compensation Proposal – to consider and vote on a proposal to approve, in a non-binding advisory vote, certain compensation arrangements for ApolloMed's named executive officers; and
- (5) The ApolloMed Adjournment Proposal — to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to stockholders for the vote.

Only the holders of record of shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, on the ApolloMed record date are entitled to receive notice of and to vote at the ApolloMed special meeting. Each share of ApolloMed common stock entitles the holder to one vote at the ApolloMed special meeting on each proposal to be considered at the ApolloMed special meeting. Holders of shares of Series A preferred stock and Series B preferred stock vote with holders of shares of common stock as one class, on an as-converted basis. Each share of Series A preferred stock and Series B preferred stock entitles the holder to one vote at the ApolloMed special meeting on each proposal to be considered at the ApolloMed special meeting.

As of the ApolloMed record date, there were 6,033,495 shares of ApolloMed common stock, 1,111,111 shares of Series A preferred stock and 555,555 shares of Series B preferred stock outstanding and entitled to vote at the ApolloMed special meeting.

At the close of business on the ApolloMed record date, directors and executive officers of ApolloMed and their affiliates were entitled to vote 2,130,619 shares of ApolloMed common stock (on an as-converted basis), or approximately 27.67% of the issued and outstanding shares of ApolloMed common stock (on an as-converted basis) on that date. ApolloMed currently expects that the ApolloMed directors and executive officers will vote their shares of ApolloMed common stock in favor of the proposed proposals, although none of them is obligated to do so. In addition, on the ApolloMed record date, NMM was entitled to vote 1,666,666 shares of ApolloMed common stock (on an as-converted basis), or approximately 21.64% of the issued and outstanding shares of ApolloMed common stock (on an as-converted basis) on that date. ApolloMed currently expects that the NMM will vote their shares of ApolloMed common stock in favor of the proposed proposals, although it is not obligated to do so.

Assuming a quorum is present, approval of the ApolloMed Merger Proposal, the Board Classification Proposal, and each of the directors in the Election of Directors Proposal requires the affirmative vote of (i) a majority of the shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, and (ii) a majority of the shares of ApolloMed common stock, Series A preferred stock and Series B preferred stock, voting together as one class on an as-converted basis, not owned by NMM. Approval of the ApolloMed Compensation Proposal and approval of the ApolloMed Adjournment Proposal will require the affirmative vote of a majority of the shares of ApolloMed stock entitled to vote present in person or represented by proxy at the ApolloMed special meeting.

The ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal are all conditioned on each other. The ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal are not conditioned on any other proposal.

ApolloMed will count a properly executed proxy marked “ABSTAIN” with respect to a particular proposal as present for purposes of determining whether a quorum is present, but for purposes of approval an abstention will be counted toward the total vote and will have the same effect as a vote “AGAINST” the ApolloMed Merger Proposal, the Board Classification Proposal, each of the directors in the Election of Directors Proposal, the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal. If you fail to provide your bank, broker or other nominee with instructions regarding how to vote your shares of ApolloMed capital stock, your shares will be counted for purposes of determining a quorum but will be considered a vote “AGAINST” the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal. For the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal, broker non-votes will not be counted toward the total vote and will have no effect on either proposal.

The NMM Special Meeting (Page 99)

The NMM special meeting will be held on December 6, 2017, at 6:00 p.m., Pacific Standard Time, at 1668 S. Garfield Ave. 3rd Floor, Alhambra, California 91801. At the special meeting, NMM shareholders will be asked to consider and vote on the following proposals:

- (1) The NMM Merger Proposal – to approve the Merger between NMM and Merger Sub pursuant to which Merger Sub will merge with and into NMM, with NMM continuing as the surviving corporation and a wholly owned subsidiary of ApolloMed, the Merger Agreement and the transactions contemplated thereunder; and
- (2) The NMM Adjournment Proposal – to consider and vote upon a proposal to adjourn the special meeting to a later date or dates, if necessary, to permit the solicitation of additional proxies if, based upon the tabulated vote at the time of the special meeting, there are not sufficient votes to approve one or more proposals presented to shareholders for vote.

The NMM board of directors has fixed the close of business on November 17, 2017 as the record date for the NMM special meeting. Only holders of record of shares of NMM common stock on the NMM record date are entitled to vote at the NMM special meeting. Each share of NMM common stock entitles the holder to one vote at the NMM special meeting on each proposal or action to be considered at the NMM special meeting.

As of the NMM record date, there were 399,602,118 shares of NMM common stock outstanding and entitled to vote at the NMM special meeting.

Eddie Lam, M.D., Thomas Lam, M.D., Su Kin Lee, M.D., Kenneth Sim, M.D., Theresa Tseng, M.D., Yang Chern Tseng, M.D., and Albert Young, M.D. have each entered into an agreement with ApolloMed pursuant to which each has agreed to vote all of the shares of NMM common stock owned or controlled by them in favor of the Merger and the Merger Agreement. As of the close of business on November 17, 2017, the record date for the special meeting, Eddie Lam, M.D., Thomas Lam, M.D., Su Kin Lee, M.D., Kenneth Sim, M.D., Theresa Tseng, M.D., Yang Chern Tseng, M.D., and Albert Young, M.D. collectively owned, directly or indirectly, 106,548,833 shares of NMM common stock, which represented approximately 26.7% of the outstanding shares of NMM common stock.

Assuming a quorum is present, approval of the NMM Merger Proposal requires the affirmative vote of NMM shareholders holding at least 95% of the outstanding shares of NMM common stock and representing at least 95% in number of the NMM shareholders. The NMM Adjournment Proposal requires the affirmative vote of a majority of the outstanding shares of NMM stock entitled to vote present in person or represented by proxy at the NMM special meeting.

If the NMM Merger Proposal does not receive the requisite vote for approval, then ApolloMed and NMM will not consummate the Merger.

NMM will count a properly executed proxy marked “ABSTAIN” with respect to a particular proposal as present for purposes of determining whether a quorum is present, but for purposes of approval an abstention will be counted toward the total vote and will have the same effect as a vote “AGAINST” the NMM Merger Proposal and the NMM Adjournment Proposal.

Interests of ApolloMed’s Directors and Executive Officers in the Merger (Page 137)

In considering the recommendation of the ApolloMed board of directors that ApolloMed stockholders vote to approve all of the presented proposals, ApolloMed stockholders should be aware that some of ApolloMed's directors and officers have interests in the Merger and have arrangements that are different from, or in addition to, those of ApolloMed stockholders generally. These interests and arrangements may create potential conflicts of interest. ApolloMed's board of directors was aware of these interests and considered these interests, among other matters, in adopting and approving the Merger Agreement and the transactions contemplated thereby, including the Merger, and in recommending that ApolloMed stockholders approve the ApolloMed Merger Proposal, the Board Classification Proposal, each of the directors in the Election of Directors Proposal, the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal.

When ApolloMed's stockholders consider the recommendation of ApolloMed's board of directors in favor of approval of the ApolloMed Merger Proposal, the Board Classification Proposal, each of the directors in the Election of Directors Proposal, the ApolloMed Compensation Proposal and the ApolloMed Adjournment Proposal, ApolloMed's stockholders should keep in mind that ApolloMed's directors and officers have interests in the proposals that are different from, or in addition to or in conflict with, the interests of its stockholders. These interests include:

· certain directors and officers of ApolloMed are expected to continue to serve as directors and officers of the combined company;

· as current stockholders of ApolloMed, certain of ApolloMed's directors and officers will retain an ownership stake in ApolloMed after the closing of the Merger, at which time the operations of the NMM business will comprise the majority of ApolloMed's operations;

· certain ApolloMed directors and officers have employment agreements with ApolloMed which are expected to remain in place following the Merger;

· the Merger Agreement contemplates that Warren Hosseinion, M.D., the sole shareholder of MMG, will sell to APC-LSMA all the issued and outstanding shares of capital stock of MMG for \$100 under the Maverick Stock Purchase Agreement; and

the continued indemnification of current directors and officers of ApolloMed and the continuation of directors' and officers' liability insurance after the Merger.

For a more complete description of these interests, see "THE MERGER — Interests of ApolloMed's Directors and Executive Officers in the Merger" beginning on page 137 of this joint proxy statement/prospectus.

Interests of NMM's Directors and Executive Officers in the Merger (Page 139)

In considering the recommendation of the NMM board of directors that NMM shareholders vote to approve both of the presented proposals, NMM shareholders should be aware that some of NMM's directors and officers have interests in the Merger and have arrangements that are different from, or in addition to, those of NMM shareholders generally. These interests and arrangements may create potential conflicts of interest. NMM's board of directors was aware of these interests and considered these interests, among other matters, in adopting and approving the Merger Agreement and the transactions contemplated thereby, including the Merger, and in recommending that NMM shareholders approve the NMM Merger Proposal and the NMM Adjournment Proposal. For a more complete description of these interests, see "THE MERGER — Interests of NMM's Directors and Executive Officers in the Merger" beginning on page 139 of this joint proxy statement/prospectus.

When NMM's shareholders consider the recommendation of NMM's board of directors in favor of approval of the NMM Merger Proposal and the NMM Adjournment Proposal, NMM's shareholders should keep in mind that NMM's directors and officers have interests in the proposals that are different from, or in addition to or in conflict with, the interests of its shareholders. These interests include:

certain directors and officers of NMM are expected to continue to serve as directors and officers of the combined company;

the Merger Agreement contemplates that Warren Hosseinion, M.D., the sole shareholder of MMG, will sell to APC-LSMA (an entity in which Dr. Thomas Lam is the sole shareholder and the sole executive officer, but which is controlled and consolidated by APC) all the issued and outstanding shares of capital stock of MMG for \$100 under the Maverick Stock Purchase Agreement; and

the continued indemnification of current directors and officers of NMM and the continuation of directors' and officers' liability insurance after the Merger.

For a more complete description of these interests, see “THE MERGER — Interests of NMM’s Directors and Executive Officers in the Merger” beginning on page 139 of this joint proxy statement/prospectus.

Treatment of Existing ApolloMed Warrants Held by NMM Shareholders

Currently, NMM has an outstanding Series A warrant to purchase 1,111,111 shares of ApolloMed common stock and Series B warrant to purchase 555,555 shares of ApolloMed common stock (the “ApolloMed Warrants”), which were previously issued by ApolloMed to NMM. Immediately prior to the consummation of the Merger, NMM may distribute the ApolloMed Warrants, in-kind, to the NMM shareholders such that the ApolloMed Warrants shall not be exercised prior to the consummation of the Merger.

Board Composition and Management of ApolloMed after the Merger (Page 172)

Board of Directors

The ApolloMed board of directors at the Effective Time will consist of nine directors divided into three classes. At or immediately following the Effective Time, the ApolloMed board of directors will be designated as follows:

Class I Directors

- Michael F. Eng (NMM designee)
- Thomas Lam, M.D. (NMM designee)
- David G. Schmidt (ApolloMed designee)

Class II Directors

- Mitchell W. Kitayama (NMM designee)
- Kenneth Sim, M.D. (NMM designee)
- Mark Fawcett (ApolloMed designee)

Class III Directors

- Li Yu (NMM designee)
- Warren Hosseinion, M.D. (ApolloMed designee)
- Gary Augusta (ApolloMed designee)

Management

At or immediately following the Effective Time, the ApolloMed executive officers will be appointed as follows:

Officer Name:	Position:
Kenneth Sim, M.D.	Executive Chairman
Thomas Lam, M.D.	Co-Chief Executive Officer
Warren Hosseinion, M.D.	Co-Chief Executive Officer
Gary Augusta	President
Hing Ang	Chief Operating Officer
Mihir Shah	Chief Financial Officer

Adrian Vazquez, M.D. Co-Chief Medical Officer

Albert Young, M.D. Co-Chief Medical Officer

Dissenters' Rights (Page 144)

ApolloMed stockholders will not have any appraisal rights under Delaware law in connection with the matters to be voted on at the ApolloMed special meeting.

NMM shareholders have the right to dissent from the Merger and assert dissenters' rights, provided the requirements of the California Corporations Code are followed. Any NMM shareholder electing to exercise dissenters' rights must strictly comply with the provisions of Chapter 13 of the California Corporations Code.

The failure of a NMM shareholder to comply strictly with the California Corporations Code requirements will result in a loss of dissenters' rights. A copy of the relevant statutory provisions is attached as Annex I. See the section titled "THE MERGER – Dissenters' Rights" beginning on page 140 of this joint proxy statement/prospectus.

Pursuant to the terms of the Merger Agreement, prior to the closing of the Merger, NMM has agreed to repurchase and cancel all NMM common stock (including any other securities exercisable for or convertible into NMM common stock, or rights to acquire NMM common stock) that are held by dissenting shareholders or by other shareholders who have exercised their dissenters' rights in accordance with Chapter 13 of the California Corporations Code.

No Solicitation

The Merger Agreement contains provisions that restrict each of ApolloMed and NMM from encouraging, soliciting, initiating or knowingly facilitating inquiries or proposals with respect to, or engaging in negotiations or discussions with, or providing confidential or non-public information to, any person concerning a merger, consolidation, sale of substantially all assets or other similar transaction involving ApolloMed or NMM that would result in the acquisition in any manner of more than 15% of the voting power in, or more than 15% of the fair market value of the applicable entity.

Conditions to Completion of the Merger (Page 152)

Currently, ApolloMed and NMM expect to complete the Merger during the fourth quarter of 2017. As set forth in this joint proxy statement/prospectus and in the Merger Agreement, each party's obligation to complete the Merger depends on a number of conditions being satisfied or, where legally permissible, waived, including the following:

the absence of any legal restraint or governmental order that would prevent or prohibit the completion of the Merger and the other transactions contemplated by the Merger Agreement;

the approval of the ApolloMed stockholders of the ApolloMed Merger Proposal, the Board Classification Proposal and each of the directors in the Election of Directors Proposal;

the approval of the Merger Agreement and the transactions contemplated thereby by NMM shareholders holding at least 95% of the outstanding shares of NMM common stock and representing at least 95% in number of the NMM shareholders; and

the effectiveness of the registration statement of which this joint proxy statement/prospectus is a part and the absence of any stop order or related proceeding initiated or threatened by the SEC and not concluded or withdrawn.

The obligation of ApolloMed and Merger Sub to complete the Merger is subject to the satisfaction or waiver of the following additional conditions:

NMM's representations and warranties being true in all respects (to the extent qualified by materiality or material adverse effect) and being true in all material respects (to the extent not qualified by materiality or material adverse effect) as of the date of the Merger Agreement and closing, except for those otherwise qualified as to a specified date;

the performance, in all material respects, by NMM and the Shareholders' Representative, of its covenants and agreements required to be performed or complied with before or on the closing date of the Merger;

no action commenced or threatened in writing by a governmental authority, in effect, that would restrain or prevent the closing of the Merger or transactions contemplated by the Merger Agreement or seeks damages in connection with such transactions;

delivery to ApolloMed at or before closing of all required approvals, consents and waivers from NMM and all other closing deliverables from NMM, including, but not limited to, delivery by all NMM shareholders of executed shareholder lock-up agreements (each, a “Lock-Up Agreement” and together, the “Lock-Up Agreements”);

the absence of any material adverse effect on NMM and no event will have occurred or circumstance will exist that, individually or in combination with any other events or circumstances, would reasonably be expected to have a material adverse effect on NMM. For a more complete discussion on what constitutes a material adverse effect on NMM, see the section titled “THE MERGER AGREEMENT — Representations and Warranties” beginning on page 147 of this joint proxy statement/prospectus;

NMM’s repurchase and cancellation of all shares of NMM common stock that will not be voted in favor of the Merger or the other transactions contemplated by the Merger Agreement such that there shall be no NMM shareholders who have exercised their dissenters’ rights in respect of the Merger or any other dissenting shareholders; and

satisfaction or waiver of all conditions precedent to APC-LSMA’s purchase of all of the issued and outstanding capital stock of MMG.

The obligation of NMM to complete the Merger is subject to the satisfaction or waiver of the following additional conditions:

the representations and warranties of ApolloMed and Merger Sub being true in all respects, to the extent qualified by materiality or material adverse effect, and otherwise will be true in all material respects as of the date of the Merger Agreement and closing, except for those otherwise qualified as to a specified date;

the performance, in all material respects, by ApolloMed and Merger Sub of their covenants and agreements required to be performed or complied with before or on the closing date of the Merger;

no action commenced or threatened in writing by a governmental authority, in effect, that would restrain or prevent the closing of the Merger or transactions contemplated by the Merger Agreement or seeks damages in connection with such transactions;

receipt by, and delivery to, NMM at or before closing of all required approvals, consents and waivers from ApolloMed and Merger Sub and all closing deliverables and payments from ApolloMed;

the absence of any material adverse effect on ApolloMed and no event will have occurred or circumstance will exist that, individually or in combination with any other events or circumstances, would reasonably be expected to have a material adverse effect on NMM. For a more complete discussion on what constitutes a material adverse effect on NMM, see the section titled “THE MERGER AGREEMENT — Representations and Warranties” beginning on page 161 of this joint proxy statement/prospectus; and

satisfaction or waiver of all conditions precedent to APC-LSMA’s purchase of all of the issued and outstanding capital stock of MMG.

Neither ApolloMed nor NMM can be certain when, or if, the conditions to the Merger will be satisfied or waived, or that the Merger will be completed. See “THE MERGER AGREEMENT — Conditions to Completion of the Merger” on page 152 of this joint proxy statement/prospectus for a more complete summary of the conditions that must be satisfied prior to closing.

Termination of Merger Agreement (Page 153)

The Merger Agreement may be terminated at any time prior to the closing of the Merger by mutual written consent of the parties. The Merger Agreement may also generally be terminated by either party, prior to closing of the Merger, in the following circumstances:

if the Merger and other transactions contemplated by the Merger Agreement have not been consummated on or before March 31, 2018 (the “End Date”);

any law, order or legal restraint (a) makes the consummation of the Merger and the other transactions contemplated by the Merger Agreement illegal or otherwise prohibited or (b) enjoins a party from consummating the Merger and the other transactions contemplated by the Merger Agreement and such injunction, other legal restraint or order shall have become final and non-appealable;

if either party (i) withdraws its approval, recommendation or declaration of advisability of the Merger, the Merger Agreement or the consummation of the transactions contemplated thereunder, (ii) adopts, approves or declares advisable the adoption of any offer, proposal for merger, acquisition of assets or other business combination that would result in the acquisition of more than 15% of the voting power in, or more than 15% of the fair market value of the business, assets or deposits of such party (an “Acquisition Proposal”) or (iii) agree or propose to take any such actions (each such action, an “Adverse Recommended Change”);

if ApolloMed fails to obtain the requisite approval of the ApolloMed Merger Proposal, the Board Classification Proposal or each of the directors in the Election of Directors Proposal at its special meeting of stockholders or any adjournment or postponement thereof;

if NMM fails to obtain the requisite approval of the NMM Merger Proposal at its special meeting of shareholders or any adjournment or postponement thereof;

if there has been a material adverse effect by either party and such material adverse effect is not cured within 10 business days after receipt of written notice by the other party;

if there is a material breach by either party of the non-solicitation provisions or approval provisions in the Merger Agreement; or

if there has been a material breach by either party of any representation, warranty, covenant or agreement contained in Merger Agreement that has prevented or would prevent the satisfaction of any condition to the obligations of such party at the closing and such breach has not been waived or cured within 10 business days after written notice by the other party.

In the event that the Merger Agreement is terminated pursuant to the above, the Merger Agreement will be void without further obligation or liability of any party (except for certain parties' obligations of confidentiality and non-use of the other party's confidential information) and no party will be entitled to any monetary damages, injunctive relief or any indemnification subject to certain limited exceptions; provided, that no party will be relieved from liability resulting from a knowing and intentional breach prior to such termination of any of its representations, warranties, covenants or agreements set forth in the Merger Agreement or any other transaction contemplated thereunder.

Notwithstanding the above, ApolloMed and NMM are each subject to a \$1,500,000 termination fee in certain circumstances where the Merger Agreement is terminated and it enters into any definitive agreement with respect to, or consummates, any Acquisition Proposal within twelve months of the date of any such termination.

See "THE MERGER AGREEMENT — Termination of the Merger Agreement" on page 153 of this joint proxy statement/prospectus for a more complete summary of the termination options of either party.

Comparison of the Rights of ApolloMed Stockholders and NMM Shareholders (Page 306)

ApolloMed is incorporated under the laws of the State of Delaware and NMM is formed under the laws of the State of California. If the Merger is completed, NMM shareholders will become stockholders of ApolloMed, and their rights will be governed by Delaware General Corporation Law (the "DGCL"), as well as the ApolloMed Charter and ApolloMed Bylaws, each as amended to reflect the proposals being voted on at the ApolloMed special meeting. The rights of ApolloMed stockholders contained in the ApolloMed Charter and the ApolloMed Bylaws, as amended, and the DGCL differ from the rights of NMM shareholders under NMM's Articles of Incorporation (as amended from time to time, the "NMM Articles") and the California Corporations Code, as more fully described under the section entitled "COMPARISON OF RIGHTS OF APOLLOMED STOCKHOLDERS AND NMM SHAREHOLDERS" on page 306 of this joint proxy statement/prospectus.

Accounting Treatment (Page 143)

Although ApolloMed is the legal acquirer and will issue shares of its common stock to effect the Merger with NMM, the business combination will be accounted for as a “reverse merger” under the acquisition method of accounting principles generally accepted in the United States (“GAAP”). Under the “acquisition” method of accounting, the assets and liabilities of ApolloMed will be recorded, as of the completion of the Merger, at their respective fair values in the financial statements of NMM. The financial statements of NMM issued after the completion of the Merger will reflect these values but will not be restated retroactively to reflect the historical financial position or results of operations of ApolloMed.

For a more complete discussion of the accounting treatment of the Merger, see the section entitled “The Merger — Accounting Treatment.”

Considerations with Respect to U.S. Federal Income Tax Consequences of the Merger (Page 208)

The Merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Code. Assuming the Merger qualifies as a reorganization and subject to the qualifications and limitations set forth in the section entitled “The Merger — Considerations with Respect to U.S. Federal Income Tax Consequences of the Merger,” the material U.S. federal income tax consequences to U.S. Holders (as defined herein) of NMM common stock should be as follows:

an NMM shareholder should not recognize gain or loss upon the exchange of NMM common stock for ApolloMed common stock and warrants pursuant to the Merger, except to the extent of cash received in lieu of a fractional share of ApolloMed common stock as described below or to the extent of any imputed interest with respect to the Holdback Shares as described below;

an NMM shareholder's aggregate tax basis for the shares of ApolloMed common stock and warrants received in the Merger (including any fractional share interest for which cash is received) should equal the shareholder's aggregate tax basis in the shares of NMM common stock surrendered upon completion of the Merger (such aggregate tax basis to be allocated to such shares of ApolloMed common stock and warrants based on their relative fair market values);

the holding period of the shares of ApolloMed common stock and warrants received by an NMM shareholder in the Merger should include the holding period of the shares of NMM common stock surrendered in exchange therefor provided the surrendered NMM common stock is held as a capital asset (generally, property held for investment) at the time of the Merger; and

an NMM shareholder who receives cash in lieu of a fractional share of ApolloMed common stock in the Merger should recognize capital gain or loss in an amount equal to the difference between the amount of cash received instead of a fractional share and the shareholder's tax basis allocable to such fractional share.

Completion of the Merger, however, is not conditioned upon a receipt of an opinion from counsel that the Merger qualifies as a reorganization, and the Merger will occur even if the Merger does not qualify as a reorganization and NMM shareholders are fully taxed on the shares of ApolloMed common stock and warrants they receive in the Merger.

To the extent NMM distributes existing ApolloMed Warrants held thereby to NMM shareholders prior to the consummation of the Merger, such distribution will constitute a dividend for U.S. federal income tax purposes to the extent of NMM's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. See "CERTAIN MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER" on page 208 of this joint proxy statement/prospectus for more information.

A portion of each Holdback Share issued to an NMM shareholder will be treated as "imputed interest" under Section 483 of the Code, with the amount of such imputed interest being based upon the applicable federal rate at the time of Merger and the period between the closing date of the Merger and the date on which the Holdback Share is issued to the NMM shareholder. The portion of such Holdback Share treated as imputed interest will be ordinary income to the NMM shareholder, rather than capital gain, and will be taxable to the NMM shareholder upon receipt.

Tax matters are very complicated, and the tax consequences of the Merger to a particular NMM shareholder will depend on such shareholder's circumstances. Accordingly, you should consult your tax advisor for a full understanding of the tax consequences of the Merger to you, including the applicability and effect of federal, state, local and non-U.S. income and other tax laws. For more information, please see the section entitled "CONSIDERATIONS WITH RESPECT TO U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER" beginning on page 36 of this joint proxy statement/prospectus.

Regulatory Approvals (Page 140)

ApolloMed must comply with the applicable federal and state securities laws in connection with the issuance of the securities in the Merger and the filing with the SEC of the registration statement of which this joint proxy statement/prospectus forms a part.

In addition, completion of the Merger is subject to the expiration or termination of the waiting period applicable to the Merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”). Under the HSR Act, the Merger may not be completed until the expiration of a 30-calendar day waiting period, which began when ApolloMed and NMM each filed a Premerger Notification and Report Form under the HSR Act with the Federal Trade Commission (the “FTC”) and the Antitrust Division of the Department of Justice (the “Antitrust Division”) on June 7, 2017, unless the FTC and Antitrust Division grant early termination of such waiting period. The required waiting period with respect to the Merger expired at 11:59 p.m., New York City time, on July 7, 2017. The parties to the Merger Agreement are required to use their respective reasonable best efforts to consummate the offer and the Merger, including by taking all reasonable actions necessary to obtain any antitrust or other regulatory approvals.

For a more complete discussion of the regulatory approvals required in connection with the Merger, see the section entitled “THE MERGER — Regulatory Approvals Required for the Merger” on page 140 of this joint proxy statement/prospectus.

Opinion of ApolloMed's Financial Advisor (Page 118)

In connection with the Merger, Merrill Lynch, Pierce, Fenner & Smith Incorporated (“BofA Merrill Lynch”), ApolloMed’s financial advisor, delivered to ApolloMed’s board of directors a written opinion, dated December 21, 2016, as to the fairness, from a financial point of view and as of the date of the opinion, of the exchange ratio to ApolloMed, assuming, at the direction of ApolloMed, that the exchange ratio would be 0.07002656301. The full text of the written opinion, dated December 21, 2016, of BofA Merrill Lynch, which describes, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken, is attached as Annex G to this document and is incorporated by reference herein in its entirety. **BofA Merrill Lynch provided its opinion to ApolloMed’s board of directors (in its capacity as such) for the benefit and use of ApolloMed’s board of directors in connection with and for purposes of its evaluation of the exchange ratio from a financial point of view, assuming, at the direction of ApolloMed, that the exchange ratio would be 0.07002656301. BofA Merrill Lynch’s opinion does not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to ApolloMed or in which ApolloMed might engage or as to the underlying business decision of ApolloMed to proceed with or effect the Merger. BofA Merrill Lynch’s opinion does not address any other aspect of the Merger and does not constitute a recommendation to any stockholder as to how to vote or act in connection with the proposed Merger or any related matter.**

In connection with the amendments to the Merger Agreement, ApolloMed determined not to seek updated fairness opinions. See “RISK FACTORS” on page 29 of this joint proxy statement/prospectus for more information.

Opinion of NMM’s Financial Advisor (Page 124)

On December 20, 2016, at a meeting of the NMM board of directors held to evaluate the Merger, Vantage Point Advisors, Inc. (“Vantage Point”) rendered to the NMM board of directors an oral opinion, which was confirmed by delivery of a written opinion signed and dated December 21, 2016, to the effect that, as of the date of the opinion, and based upon and subject to the factors, assumptions and limitations set forth therein, the Merger was fair, from a financial point of view, to NMM and its common shareholders.

Vantage Point’s opinion was directed to the NMM board of directors and only addressed the fairness, from a financial point of view, of the exchange ratio and did not address any other terms of the Merger. The summary of Vantage Point’s opinion as set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the written opinion, which is attached as Annex H to this joint proxy statement/prospectus, and sets forth the procedures followed, assumptions made, qualifications and limitations of the review undertaken and other matters considered by Vantage Point in preparing its opinion. Vantage Point has consented to the inclusion of its fairness opinion as Annex H to this joint proxy statement/prospectus. Neither Vantage Point’s opinion nor the summary of its

opinion and the related analyses set forth in this joint proxy statement/prospectus are intended to be, or constitute, advice or a recommendation to the NMM board of directors, NMM or any shareholder as to how to vote or act in connection with the Merger or any related matter.

For further information, see the section entitled “THE MERGER — Opinion of NMM’s Financial Advisor” beginning on page 124 and the full text of the opinion attached as Annex H to this joint proxy statement/prospectus.

Surrender of NMM Stock Certificates

Stock certificates representing shares of NMM common stock shall be surrendered to the exchange agent as further set forth on the letter of transmittal, unless any of such certificate(s) are held by NMM or any of its representatives, in which case such certificate(s) shall be delivered to the exchange agent on the NMM shareholder’s behalf.

See “THE MERGER AGREEMENT — Exchange Procedures” on page 146 of this joint proxy statement/prospectus for a more detailed description of the surrendering of NMM stock certificates.

SELECTED HISTORICAL FINANCIAL INFORMATION OF APOLLOMED

The following table sets forth selected historical financial information of ApolloMed for each of the periods presented. Such information has been derived from ApolloMed's audited financial statements as of and for the fiscal years ended March 31, 2017 and 2016 and the three months ended June 30, 2017 and June 30, 2016, which is included elsewhere in this joint proxy statement/prospectus.

The following table should be read together with "INFORMATION ABOUT APOLLOMED — ApolloMed Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 240 of this joint proxy statement/prospectus and ApolloMed's audited financial statements for the fiscal years ended March 31, 2017 and 2016 and the three months ended June 30, 2017 and 2016 and related notes beginning on page 259 of this joint proxy statement/prospectus.

ApolloMed's historical results are not necessarily indicative of results to be expected in any future period.

	Fiscal Year Ended March 31,	
	2017	2016
Statement of Operations Data:		
Net Revenues	\$57,427,701	\$44,048,740
Costs and Expenses		
Cost of services	48,735,537	34,000,786
General and administrative	18,583,372	16,962,687
Depreciation and amortization	645,742	351,396
Total costs and expenses	67,964,651	51,314,869
Loss from Operations	(10,536,950)	(7,266,129)
Other (expense) Income		
Interest expense	(82,905)	(542,296)
Gain (loss) on change in fair value of warrant and conversion feature liabilities, net	1,633,333	(408,692)
Gain on deconsolidation of variable interest entity	242,411	-
Loss on debt extinguishment, net	-	(266,366)
Other income	14,701	239,057
Total other expense, net	1,807,540	(978,297)
Net loss	(8,681,915)	(8,173,389)
Net loss per share:		
Basic and diluted	\$(1.49)	\$(1.79)
Weighted average shares of common stock outstanding:		
Basic and diluted	6,001,680	5,212,927
Balance Sheet Data:		
Cash and cash equivalents	\$8,664,211	\$9,270,010

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Total assets	\$ 20,644,557	\$ 19,566,533
Total liabilities	20,374,189	11,015,247
Total liabilities, mezzanine equity and stockholders' equity	\$ 20,644,557	\$ 19,566,533

	Three Months Ended	
	June 30,	
	2017	2016
Statement of Operations Data		
Net revenues	\$41,575,480	\$12,371,673
Costs and expenses		
Cost of services	40,239,642	10,133,005
General and administrative	4,889,184	3,836,475
Depreciation and amortization	155,267	164,658
Total costs and expenses	45,284,093	14,134,138
Loss from operations	(3,708,613)	(1,762,465)
Other (expense) income:		
Interest expense	(192,989)	(2,659)
Gain on change in fair value of warrant liability	-	822,222
Other income	38,657	1,971
Total other (expense) income, net	(154,332)	821,534
Loss before benefit from income taxes	(3,862,945)	(940,931)
Benefit from income taxes	(29,891)	(41,553)
Net loss	(3,833,054)	(899,378)
Net loss (income) attributable to non-controlling interest	221,242	(415,879)
Net loss attributable to Apollo Medical Holdings, Inc.	\$(3,611,812)	\$(1,315,257)
Net loss per share:		
Basic and diluted	\$(0.60)	\$(0.22)
Weighted average number of shares of common stock outstanding:		
Basic and diluted		
Balance Sheet Data:		
Cash and cash equivalents	\$31,206,495	
Total assets	\$43,298,794	
Total liabilities	\$46,637,914	
Total liabilities, mezzanine equity and stockholders' equity	\$43,298,794	

SELECTED HISTORICAL FINANCIAL INFORMATION OF NMM

The following table sets forth selected historical financial information of NMM for each of the periods presented. The historical financial information for the fiscal years ended December 31, 2016, 2015 and 2014 and for the six months ended June 30, 2017 and 2016 has been derived from NMM's audited financial statements as of and for the fiscal years ended December 31, 2016, 2015 and 2014, and from NMM's unaudited financial statements as of and for the six months ended June 30, 2017 and 2016, respectively, each of which is included elsewhere in this joint proxy statement/prospectus. The historical financial information for the fiscal years ended December 31, 2013 and 2012 has been derived from NMM's unaudited historical consolidated financial statements that are not included in this joint proxy statement/prospectus. The results of operations for the six months ended June 30, 2017 and June 30, 2016 are not necessarily indicative of the results of operations for the full year or any other interim period. NMM management prepared the unaudited information as of and for the six months ended June 30, 2017 and 2016 on the same basis as it prepared NMM's audited consolidated financial statements. In the opinion of NMM management, this information reflects all adjustments consisting of only normal recurring adjustments necessary for a fair presentation of this data for those dates.

The following table should be read together with "INFORMATION ABOUT NMM — NMM Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 281 of this joint proxy statement/prospectus and NMM's audited financial statements for the fiscal years ended December 31, 2016, 2015 and 2014 and related notes and unaudited financial statements as of and for the six months ended June 30, 2017 and 2016 and related notes beginning on page 281 of this joint proxy statement/prospectus.

NMM's historical results are not necessarily indicative of results to be expected in any future period.

	As of or For the Six Months Ended June 30,		As of or For the Years Ended December 31,				
	2017	2016	2016	2015	2014	2013	2012
Balance Sheet Data:	(unaudited)	(unaudited)		[3]	[2]	[1]	[1]
Total assets	\$343,781,492	\$355,303,468	\$349,998,962	\$362,486,567	\$176,650,244	\$28,611,785	\$24,7
Total non-current liabilities	44,935,181	52,733,098	48,929,857	52,394,197	32,627,220	608,779	4,62
Total liabilities	89,097,134	95,018,272	99,555,688	116,958,729	73,125,287	13,763,670	12,5
Total mezzanine equity - noncontrolling interest	160,407,386	163,531,239	162,855,554	161,028,806	105,067,503	13,189,607	11,7
Total mezzanine equity - redeemable common stock	88,217,116	82,234,601	87,979,414	76,318,873	1,971,658	4,475,331	4,47
Total Network Medical Management, Inc. shareholders' equity (deficit)	5,571,093	14,074,149	(773,311)	7,773,162	(4,108,304)	(3,479,567)	(4,1
Allied Pacific of California IPA's noncontrolling interest in Concourse Diagnostic Surgery Center, LLC	448,763	445,207	381,617	406,997	594,100	662,744	125,
Total shareholders' equity (deficit)	6,059,856	14,519,356	(391,694)	8,180,159	(3,514,204)	(2,816,823)	(4,0
Total liabilities, mezzanine equity and shareholders' equity (deficit)	343,781,492	355,303,468	349,998,962	362,486,567	176,650,244	28,611,785	24,7
Results of Operations:							
Total revenue	\$166,647,762	\$149,121,384	\$305,934,915	\$313,124,705	\$134,340,089	\$84,090,680	\$60,0
Total expenses	146,910,900	140,697,021	294,246,302	269,451,579	147,427,362	82,402,221	59,7
Income (loss) from operations	19,736,862	8,424,363	11,688,613	43,673,126	(13,087,273)	1,688,459	322,
Net income (loss)	13,089,250	8,102,517	10,019,797	26,679,623	(13,702,710)	1,397,633	120,
Net income (loss) attributable to noncontrolling interests	6,744,846	1,801,530	(1,433,730)	13,862,522	(13,073,974)	726,548	(578
Net income (loss) attributable to Network Medical Management, Inc.	6,344,404	6,300,987	11,453,527	12,817,101	(628,736)	671,085	698,
Per Share Data:							
Earnings per common share - basic	\$0.02	\$0.02	\$0.03	\$0.05	\$(0.00)	\$0.00	\$0.00
	0.02	0.02	0.03	0.05	(0.00)	0.00	0.00

Earnings per common share - diluted								
Weighted average shares of common stock outstanding - basic	366,343,818	359,724,706	360,634,339	256,619,159	175,818,798	175,933,710	175,933,710	175,933,710
Weighted average shares of common stock outstanding - diluted	373,769,718	366,861,151	367,945,833	263,734,916	175,818,798	175,933,710	175,933,710	175,933,710

[1] Certain reclassifications have been made to the 2013 and 2012 unaudited consolidated financial statements to conform to the current period presentation.

[2] In October 2014, APC merged with Pacific Independent Physician Association ("PIPA"), which resulted in significant changes to the results of operations.

[3] In April 2015, APC merged with Physicians Healthways Medical Corporation ("PHW") and in July 2015, NMM merged with Pacific Independent Physician Association Management Service Organization ("PIPA MSO"), which resulted in significant changes to the results of operations.

SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The following selected unaudited pro forma condensed combined financial data gives effect to the proposed Merger of Merger Sub with and into NMM, which will be accounted for as a “reverse merger” business combination under the acquisition method of accounting with NMM treated as the accounting acquirer. NMM was determined to be the accounting acquirer based upon the terms of the Merger and other factors, such as relative voting rights and the composition of the combined company’s board and senior management. The selected unaudited pro forma condensed combined financial data presented below is based on, and should be read in conjunction with, the historical financial statements of ApolloMed that appear elsewhere in this joint proxy statement/prospectus, the unaudited pro forma condensed combined financial statements which include ApolloMed and NMM that appear elsewhere in this joint proxy statement/prospectus, including the footnotes thereto, and the historical financial statements of NMM and ApolloMed that appear elsewhere in this joint proxy statement/prospectus. See the sections entitled, “Where You Can Find More Information” and “Unaudited Pro Forma Condensed Combined Financial Statements,” for additional information.

The following selected unaudited pro forma condensed combined balance sheet data as of June 30, 2017 combines the historical unaudited condensed balance sheet of NMM as of June 30, 2017 and the historical unaudited condensed consolidated balance sheet of ApolloMed as of June 30, 2017, giving pro forma effect to the Merger as if the Merger had been completed on June 30, 2017. In addition, because NMM has a fiscal year end of December 31 and ApolloMed has a fiscal year end of March 31, the following selected unaudited pro forma condensed combined statements of operations for the fiscal year ended March 31, 2017 combine the historical condensed statement of operations of ApolloMed for the year ended March 31, 2017 and for the fiscal year ended December 31, 2016 for NMM, and for the three months ended June 30, 2017 combine the historical condensed statement of operations of ApolloMed for the three months ended June 30, 2017 and the historical condensed statement of operations of NMM for its three months ended March 31, 2017, giving pro forma effect to the Merger as if it had been completed on April 1, 2017.

The selected unaudited pro forma condensed combined financial data is presented for illustrative purposes only and is not necessarily indicative of the actual or future financial position or results of operations that would have been realized if the proposed Merger had been completed as of the dates indicated in the unaudited pro forma condensed combined financial statements or that will be realized upon the consummation of the proposed Merger.

Unaudited Pro Forma Condensed Combined Statements of Operations, Balance Sheet and Other Data:

As of
June 30,
2017

	(in thousands)
Balance Sheet Data	
Cash and cash equivalents	\$ 88,528
Working capital	\$ 24,352
Total assets	\$ 432,628
Total liabilities	\$ 127,558
Retained earnings	\$ 10,900
Total stockholders' equity	\$ 134,425

	For the Three Months Ended June 30, 2017 (in thousands, except per share amounts)
Statements of Operations Data	
Total revenue	\$ 125,749
Income from operations	\$ 11,629
Net income	\$ 7,687
Net income attributable to common stockholders	\$ 1,481
Net income per share attributable to common stockholders, basic	\$ 0.04
Net income per share attributable to common stockholders, diluted	\$ 0.04

COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA

The information below reflects the historical net loss and book value per share of ApolloMed common stock and the historical net loss and book value per share of NMM common stock in comparison with the unaudited pro forma net loss and book value per share after giving effect to the Merger on a pro forma basis.

Because NMM has a fiscal year end of December 31 and ApolloMed has a fiscal year end of March 31, the following unaudited pro forma net loss and book value per share data for the fiscal year ended March 31, 2017 was calculated using the historical condensed combined statement of operations data of ApolloMed for its three months ended June 30, 2017, and the historical condensed combined statement of operations data of NMM for its three months ended March 31, 2017, giving pro forma effect to the Merger as if it had been completed on April 1, 2017.

The unaudited pro forma per share data is presented for illustrative purposes only and is not necessarily indicative of actual or future financial position or results of operations that would have been realized if the proposed Merger had been completed as of the dates indicated or will be realized upon the completion of the proposed Merger. Although ApolloMed has not declared or paid any dividends during the periods presented, NMM has declared and paid dividends during such periods.

	As of June 30, 2017 and for the three months ended June 30, 2017	
NMM:		
Book value per share – historical	\$	0.02
Basic net loss per share – historical	\$	0.01
Diluted net loss per share – historical	\$	0.01
 ApolloMed:		
Book value per share – historical	\$	(0.55)
Basic and diluted net loss per share – historical	\$	(0.60)
Combined:		
Book value per share – pro forma		3.67
Basic and diluted net income per share – pro forma	\$	0.04
Basic and diluted net income per share – pro forma	\$	0.04

RISK FACTORS

You should carefully consider the risks described below in evaluating whether to vote for the proposals discussed herein. The risks and uncertainties described below are not the only ones ApolloMed and NMM face, and these factors should be considered in conjunction with general investment risks and other information included in this joint proxy statement/prospectus, including the matters addressed in the section entitled “CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS” beginning on page 85 of this joint proxy statement/prospectus.

Risks Related to the Proposed Merger

The issuance of shares of ApolloMed common stock and warrants to purchase ApolloMed common stock to NMM shareholders in the Merger will substantially dilute the voting power of current ApolloMed stockholders. Having this diluted share position may reduce the influence that current ApolloMed stockholders have on the management of ApolloMed.

Pursuant to the Merger Agreement, at the Effective Time, each issued and outstanding share of NMM common stock will be converted into the right to receive such number of fully paid and nonassessable ApolloMed shares of common stock that results in the NMM shareholders having a right to receive (A) an aggregate number of shares of ApolloMed common stock that represents 82% of the total issued and outstanding shares of ApolloMed common stock immediately following the Effective Time, assuming there are no NMM dissenting shareholder interests as of the Effective Time, calculated in accordance with the Merger Agreement (see “THE MERGER AGREEMENT – Effects of Merger; Merger Consideration” beginning on page 145), plus (B) an aggregate of 2,566,666 shares of ApolloMed common stock, assuming there are no NMM dissenting shareholder interests as of the Effective Time. In addition, each NMM shareholder shall be entitled to receive such shareholder’s pro rata portion of (i) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share and (ii) warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share. Accordingly, the issuance of the shares of ApolloMed common stock to NMM shareholders in the Merger or the exercise of warrants to purchase ApolloMed common stock issued to such NMM shareholders will significantly reduce the ownership stake and relative voting power of each share of ApolloMed common stock held by current ApolloMed stockholders. Consequently, following the Merger, the ability of ApolloMed’s current stockholders to influence the management of ApolloMed will be substantially reduced.

Any release or issuance of the Holdback Shares following the consummation of the Merger may dilute the voting power of the current ApolloMed stockholders.

The Merger Agreement requires that at the Effective Time, ApolloMed will hold back the Holdback Shares to secure indemnification of ApolloMed and its affiliates under the Merger Agreement. The Holdback Shares will be held for a period of up to 24 months after the closing of the Merger, during which ApolloMed may seek indemnification for any breach of, or noncompliance with, any provision of the Merger Agreement by NMM. At the end of the first year following the closing of the Merger, 50% of the Holdback Shares will be released to the pre-Merger NMM shareholders (subject to any reduction for any indemnification claims) and at the end of the second year following the closing of the Merger, the remainder of the Holdback Shares will be released to the pre-Merger NMM shareholders (subject to any reduction for any indemnification claims). Separately, indemnification of pre-Merger NMM shareholders under the Merger Agreement will be made by the issuance by ApolloMed to pre-Merger NMM shareholders of new additional shares of common stock (capped at the same number of shares of ApolloMed common stock as the Holdback Shares). To the extent Holdback Shares are released or issued, the ownership stake and relative voting power of each share of ApolloMed common stock held by the current ApolloMed stockholders will be reduced.

The exchange ratio is not adjustable based on the market price of ApolloMed common stock so the merger consideration at the closing may have a greater or lesser value than at the time the Merger Agreement was signed.

Upon completion of the Merger, each share of NMM common stock will be converted into the right to receive shares of ApolloMed common stock based on an exchange ratio that will be fixed at the time of the closing of the Merger based on the number of issued and outstanding shares of ApolloMed calculated in accordance with the Merger Agreement. See the section entitled “THE MERGER AGREEMENT — Effects of Merger; Merger Consideration.” The exchange ratio in the Merger Agreement will not be adjusted in the event of any change in the stock price of ApolloMed prior to the Merger. Any changes in the market price of ApolloMed common stock before the completion of the Merger will not affect the number of shares NMM shareholders will be entitled to receive pursuant to the Merger Agreement. Therefore, if before the completion of the Merger the market price of ApolloMed common stock declines from the market price on the date of the Merger Agreement, then NMM shareholders could receive merger consideration with substantially lower value. Similarly, if before the completion of the Merger the market price of ApolloMed common stock increases from the market price on the date of the Merger Agreement, then NMM shareholders could receive merger consideration with substantially more value for their shares of NMM common stock. Because the exchange ratio does not adjust as a result of changes in the value of ApolloMed common stock, for each one percentage point that the market value of ApolloMed common stock rises or declines, there is a corresponding one percentage point rise or decline, respectively, in the value of the total merger consideration issued to NMM shareholders.

Actual ApolloMed results are significantly different from those contained in the cash flow and other projections prepared in late 2016 by ApolloMed management and used by BofA Merrill Lynch in its financial analyses.

ApolloMed management prepared certain financial projections, which were based on management's projection of ApolloMed's future financial performance as of the date provided in late 2016. These projections were not prepared with a view toward public disclosure or compliance with published guidelines of the SEC regarding forward-looking information. More importantly, the cash flow and other financial projections were based on a number of assumptions and predictions that have not turned out to be accurate, and with the passage of time, ApolloMed's actual results differ materially from those forecasts in the cash flow and other financial projections and, given intervening events, such as CMS's nonrenewal of APAACO's participation in the AIPBP payment mechanism of the NGACO Model, results will

likely continue to differ materially from these projections and thus, are no longer valid. ApolloMed directed BofA Merrill Lynch to use such projections, including cash flow projections, in its financial analysis. These cash flow projections would no longer be reliable or merit much weight in the context of a discounted cash flow analysis.

Actual NMM results may be significantly different from those contained in the projections prepared by NMM management and used by Vantage Point in its financial analyses.

NMM management prepared certain financial projections, which were based on management's projection of NMM's future financial performance as of the date provided. These projections were not prepared with a view toward public disclosure or compliance with published guidelines of the SEC regarding forward-looking information. More importantly, the financial projections were based on a number of assumptions and predictions that, with the passage of time, have rendered such financial projections no longer valid. Further, the projections did not take into account any circumstances or events occurring after the date that they were prepared.

The merger consideration to be received by NMM shareholders in the Merger is not consistent with the assumed exchange ratio on which BofA Merrill Lynch based its fairness opinion.

The exchange ratio set forth in the Merger Agreement is based in part on the number of shares of ApolloMed's common stock issued and outstanding at the closing rather than a fixed ratio. At the direction of ApolloMed, BofA Merrill Lynch based its fairness opinion on the assumption that the exchange ratio would be 0.07002656301 at the closing. On December 21, 2016, the date of issuance of the BofA Merrill Lynch fairness opinion, there were 5,956,877 shares of common stock of ApolloMed outstanding. On November 10, 2017, the latest practicable date prior to the date of this proxy statement/prospectus, there were 6,033,495 shares of common stock of ApolloMed outstanding. In addition, as a result of the amendments to the Merger Agreement entered into on March 30, 2017 and October 17, 2017, NMM shareholders will receive as additional merger consideration, (i) an aggregate of 2,566,666 shares of ApolloMed common stock, (ii) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share and (iii) warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share, none of which were factored into the calculation of the exchange ratio that ApolloMed instructed BofA Merrill Lynch to assume at the time of issuance of the BofA Merrill Lynch fairness opinion. The actual exchange ratio at the closing is not consistent with the exchange ratio on which BofA Merrill Lynch based its fairness opinion.

The fairness opinion delivered to the ApolloMed and NMM board of directors by their respective financial advisors prior to signing the Merger Agreement does not reflect changes in circumstances between signing the Merger Agreement and the completion of the Merger, including the amendments to the Merger Agreement.

Neither ApolloMed nor NMM obtained an updated fairness opinion nor do they intend to obtain an updated fairness opinion reflecting any changes in circumstances between signing the Merger Agreement and the completion of the Merger, including the amendments to the Merger Agreement on March 30, 2017 and October 17, 2017. As such, the fairness opinions do not reflect the amendments to the Merger Agreement as well as any changes that may occur or may have already occurred after December 21, 2016 to the operations and prospects of ApolloMed or NMM, general market and economic conditions and other factors that may be beyond the control of ApolloMed or NMM, and on which the respective original fairness opinion was based. As a result, the current value of the common stock of ApolloMed and NMM may not be reflected in the fairness opinion. The fairness opinions do not speak as of the time the Merger will be completed or as of any date other than the date set forth in the fairness opinions. Because ApolloMed and NMM do not currently intend to request an updated fairness opinion, the fairness opinions will not address the fairness of the merger consideration, from a financial point of view, at the time the Merger is completed.

Because the Merger will be completed after the date of the ApolloMed special meeting of stockholders and the NMM special meeting of shareholders, at the time of the meetings, the exact number of shares of ApolloMed common stock that the NMM shareholders will receive upon completion of the Merger will be unknown.

Subject to the terms of the Merger Agreement, each issued and outstanding share of NMM common stock will be converted into the right to receive such number of fully paid and nonassessable ApolloMed shares of common stock that results in the NMM shareholders having a right to receive (A) an aggregate number of shares of ApolloMed common stock that represents 82% of the total issued and outstanding shares of ApolloMed common stock immediately following the Effective Time, assuming there are no NMM dissenting shareholder interests as of the Effective Time, calculated in accordance with the Merger Agreement (see “THE MERGER AGREEMENT – Effects of Merger; Merger Consideration” beginning on page 145), plus (B) an aggregate of 2,566,666 shares of ApolloMed common stock, assuming there are no NMM dissenting shareholder interests as of the Effective Time. In addition, each NMM shareholder shall be entitled to receive such shareholder’s pro rata portion of (i) warrants to purchase an aggregate of 850,000 shares of ApolloMed common stock, exercisable at \$11.00 per share and (ii) warrants to purchase an aggregate of 900,000 shares of ApolloMed common stock, exercisable at \$10.00 per share. Please see the section entitled “THE MERGER AGREEMENT — Effects of Merger; Merger Consideration”. Accordingly, the exact number of shares of ApolloMed common stock that NMM shareholders will receive upon completion of the Merger will not be available at the time of the ApolloMed special meeting of stockholders and the NMM special meeting of shareholders.

There is no assurance when or if the Merger will be completed. Any delay in completing the Merger may substantially reduce the benefits that ApolloMed and NMM expect to obtain from the Merger and any failure to complete the Merger could harm ApolloMed and NMM’s future business and operations.

Completion of the Merger is subject to the satisfaction or waiver of a number of conditions as set forth in the Merger Agreement. There can be no assurance that ApolloMed and NMM will be able to satisfy the closing conditions or that closing conditions beyond their control will be satisfied or waived. For a discussion of the conditions to the completion of the Merger, see the section entitled “THE MERGER AGREEMENT — Conditions to Completion of the Merger” beginning on page 152 of this joint proxy statement/prospectus. In addition, ApolloMed and NMM can agree at any time to terminate the Merger Agreement. ApolloMed and NMM can also terminate the Merger Agreement under other specified circumstances. See the section entitled “THE MERGER AGREEMENT — Termination of the Merger Agreement” beginning on page 153 of this joint proxy statement/prospectus.

If the Merger is not completed within the expected timeframe, such delay could result in additional transaction costs or other effects associated with uncertainty about the Merger. Furthermore, if the Merger is not completed, the ongoing businesses of ApolloMed and NMM could be adversely affected and each of ApolloMed and NMM will be subject to a variety of risks associated with the failure to complete the Merger, including without limitation the following:

• certain costs related to the Merger, such as legal and accounting fees, must be paid even if the Merger is not completed;

• if the Merger Agreement is terminated under certain circumstances, either ApolloMed or NMM may be required to pay the other party a termination fee of \$1.5 million, as applicable;

the attention of management of ApolloMed and NMM may have been diverted to the Merger rather than to each company's own operations and the pursuit of other opportunities that could have been beneficial to each company;

the potential loss of key personnel during the pendency of the Merger as employees may experience uncertainty about their future roles with the combined company;

reputational harm due to the adverse perception of any failure to successfully complete the Merger;

the price of ApolloMed stock may decline and remain volatile;

ApolloMed and NMM will have been subject to certain restrictions on the conduct of their businesses which may have prevented them from making certain acquisitions or dispositions or pursuing certain business opportunities while the Merger was pending; and

each of ApolloMed and NMM may be subject to litigation related to the Merger or any failure to complete the Merger.

In addition, if the Merger Agreement is terminated ApolloMed is likely to have an immediate financial need to raise additional capital to fund ApolloMed's business and meet ApolloMed's expenses, including both transactional and operational expenses.

Because the lack of a public market for NMM's outstanding shares makes it difficult to evaluate the fairness of the Merger, NMM shareholders may receive consideration in the Merger that is greater than or less than the fair market value of the shares of NMM common stock.

The outstanding capital stock of NMM is privately held and is not traded in any public market. The lack of a public market makes it extremely difficult to determine the fair market value of shares of NMM common stock. Since the percentage of ApolloMed's common stock to be issued to NMM shareholders was determined based on negotiations between the parties, it is possible that the value of the ApolloMed common stock to be issued in connection with the Merger will be greater than the fair market value of shares of NMM common stock. Alternatively, it is possible that the value of the shares of ApolloMed common stock to be issued in connection with the Merger will be less than the fair market value of shares of NMM common stock.

Some ApolloMed and NMM executive officers and directors have interests in the Merger that are different from your interests and such differing interests of such officers and directors may influence them to support or approve the Merger without regard to your interests.

When considering the recommendation by the ApolloMed board of directors that the ApolloMed stockholders vote "for" each of the proposals being submitted to the ApolloMed stockholders at the ApolloMed special meeting and the recommendation by the NMM board of directors that the NMM shareholders vote "for" each of the proposals being submitted to the NMM shareholders at the NMM special meeting, the ApolloMed stockholders and NMM

shareholders should be aware that certain of the directors and executive officers of ApolloMed and NMM have arrangements that provide them with interests in the Merger that are different from, or in addition to, those of the stockholders of ApolloMed and NMM. For instance, certain directors and officers of ApolloMed and NMM are expected to continue to serve as directors and officers of the combined company and certain ApolloMed directors and officers have employment agreements with ApolloMed which are expected to remain in place following the Merger. The directors and executive officers ApolloMed and NMM also have certain rights to indemnification and to directors' and officers' liability insurance that will be provided by the combined company following completion of the Merger. These interests may have influenced the directors and executive officers of ApolloMed and NMM to support or recommend the proposals presented to ApolloMed stockholders and NMM shareholders, respectively. See the sections entitled "THE MERGER — Interests of ApolloMed's Directors and Executive Officers in the Merger" and "THE MERGER — Interests of NMM's Directors and Executive Officers in the Merger" beginning on page 137 and 153, respectively, of this joint proxy statement/prospectus.

There is no assurance when or if the Merger will be completed. The failure to consummate the Merger could have a material adverse effect on ApolloMed's business, including that ApolloMed may be unable to repay its debt, and any delay in completing the Merger may substantially reduce the benefits to ApolloMed.

Consummation of the Merger is subject to various closing conditions (including approval by ApolloMed's stockholders and the shareholders of NMM) many of which have not yet occurred. If for any reason the Merger is not consummated, upon the termination of the Merger Agreement, ApolloMed would have significant financial obligations to its creditors, including NMM. For example, ApolloMed has incurred debt under the Amended Alliance Note and the Restated NMM Note in the aggregate of almost \$14,000,000. ApolloMed may have insufficient funds to repay the two notes if both become due after termination of the Merger Agreement.

In addition, as ApolloMed anticipates that NMM will be an important future source of working capital for ApolloMed after the consummation of the Merger, and if the Merger does not occur ApolloMed would not benefit from such working capital. Furthermore, there are several areas of operations in which NMM and ApolloMed work together, including APAACO, which is owned 50% by NMM and 50% by ApolloMed, as well as management services agreements ApolloMed has with certain NMM affiliates. If for any reason the Merger is not consummated, ApolloMed cannot predict the effect this would have on areas where ApolloMed operates together with NMM and for which ApolloMed is dependent upon significant revenue.

If the Merger is not completed within the expected time frame, such delay could result in additional transaction costs or other adverse effects associated with uncertainty about the Merger. As a result, the ongoing businesses of ApolloMed could be adversely affected, including being subject to the following risks:

- certain costs related to the Merger, such as legal and accounting fees, must be paid even if the Merger is not completed;
- if the Merger Agreement is terminated under certain circumstances, either party may be required to pay the other party a termination fee of \$1.5 million;
- the attention of management of ApolloMed may have been diverted to the Merger rather than to ApolloMed's own operations and the pursuit of other opportunities that could have been beneficial;
- the potential loss during the pendency of the Merger of key personnel as employees may experience uncertainty about their future roles with the combined company;
- reputational harm due to the adverse perception of any failure to successfully complete the Merger;
- the price of ApolloMed stock may decline;

ApolloMed will have been subject to certain restrictions on the conduct of its business which may have prevented it from making certain acquisitions or dispositions or pursuing certain business opportunities while the Merger was pending; and

- ApolloMed may be subject to litigation related to the Merger or any failure to complete the Merger.

Furthermore, if the Merger Agreement is terminated, ApolloMed is likely to have an immediate financial need to raise additional capital to repay ApolloMed's debt, fund ApolloMed's business and meet ApolloMed's expenses (including both transactional and operational expenses).

Covenants in the Merger Agreement place certain restrictions on each of ApolloMed's and NMM's conduct of business prior to the closing of the Merger, including entering into a business combination with another party.

The Merger Agreement restricts each of NMM and ApolloMed from taking certain specified actions with respect to the conduct of its business without the other party's consent while the Merger is pending. These restrictions may prevent each of NMM and ApolloMed from pursuing otherwise attractive business opportunities or other capital structure alternatives and making other changes to business or executing certain of its business strategies prior to the completion of the Merger, which opportunities, alternatives or other changes could be favorable to ApolloMed's stockholders. See the section entitled "THE MERGER AGREEMENT — Covenants and Agreements — No Solicitation" beginning on page 163 of this joint proxy statement/prospectus.

Certain provisions of the Merger Agreement may discourage third parties from submitting alternative takeover proposals, including proposals that may be superior to the arrangements contemplated by the Merger Agreement.

The terms of the Merger Agreement prohibit each of ApolloMed and NMM from soliciting alternative takeover proposals or cooperating with persons making unsolicited takeover proposals, except in limited circumstances when such party's board of directors determines in good faith that an unsolicited alternative takeover proposal is or is reasonably likely to lead to a superior takeover proposal and is reasonably capable of being consummated and that failure to cooperate with the proponent of the proposal is reasonably likely to result in a breach of the board's fiduciary duties. In addition, if ApolloMed or NMM terminate the Merger Agreement under certain circumstances, including terminating because of a decision of a board of directors to recommend a superior proposal, each party would be required to pay a termination fee of \$1.5 million to the other. This termination fee may discourage third parties from submitting alternative takeover proposals to ApolloMed or NMM or their shareholders, and may cause the respective boards of directors to be less inclined to recommend an alternative proposal.

The financial information presented in this joint proxy statement/prospectus for ApolloMed and NMM may not be fully comparable due to the different fiscal year-ends of each company.

ApolloMed has a fiscal year-end of March 31 and NMM has a fiscal year-end of December 31. Therefore, the historical financial statements and other financial information pertaining to ApolloMed and NMM cannot be directly compared in any given period. Moreover, because of the different fiscal years of ApolloMed and NMM, any cyclical trends in financial condition or results of operations of the two companies may not be fully comparable.

The Merger may not be tax-free to NMM shareholders.

The Merger has been structured to qualify as a reorganization within the meaning of Section 368(a) of the Code, but there can be no assurance that the Internal Revenue Service (“IRS”) would not assert, or that a court would not sustain, a position contrary to any described herein. The parties did not seek a ruling from the IRS regarding the tax consequences of the Merger. Therefore, if the Merger does not qualify as a reorganization, then the exchange of ApolloMed stock and warrants for stock of NMM pursuant to the Merger may be taxable to the NMM shareholders. Therefore, each holder of NMM stock is urged to consult with such holder’s own tax advisor with respect to the tax consequences of the Merger.

The rights of NMM shareholders who become ApolloMed stockholders in the Merger will be governed by the ApolloMed Charter and the ApolloMed Bylaws, as amended.

Upon the consummation of the Merger, NMM’s outstanding shares of common stock will be converted into the right to receive shares of ApolloMed common stock. NMM shareholders who receive shares of ApolloMed common stock in the Merger will become ApolloMed stockholders. As a result, NMM shareholders who become shareholders in ApolloMed will be governed by the ApolloMed Charter and the ApolloMed Bylaws, each as amended to reflect the proposals being voted on at the ApolloMed special meeting, and the DGCL rather than being governed by the NMM Articles and the California Corporations Code. See the section entitled “COMPARISON OF RIGHTS OF APOLLOMED STOCKHOLDERS AND NMM SHAREHOLDERS” beginning on page 306 of this joint proxy statement/prospectus.

Risks Related to the Combined Company Following the Merger

If ApolloMed and NMM are not successful in integrating their businesses and organizations, the anticipated benefits of the Merger may not be realized.

Historically, ApolloMed and NMM have operated as independent companies and will do so until the completion of the Merger. Achieving the anticipated benefits of the Merger will depend, in part, on the integration of technology, operations and personnel of ApolloMed and NMM. ApolloMed and NMM cannot assure you that the integration will be successful or that the anticipated benefits of the Merger will be fully realized. The challenges involved in this integration include the following:

- persuading the employees that ApolloMed's and NMM's business cultures are compatible and retaining the combined company's key personnel;
- maintaining the dedication of management resources to integration activities without diverting attention from the day-to-day business of the combined company;
- maintaining management's ability to focus on anticipating, responding to or utilizing changing technologies in the healthcare industry;
- demonstrating to customers that the Merger will not result in adverse changes to the ability of the combined company to address the needs of customers of the loss of attention or business focus; and
- keeping and retaining key ApolloMed and NMM employees after the Merger.

The concentration of capital stock ownership with insiders of ApolloMed after the Merger will likely limit the ability of ApolloMed stockholders to influence corporate matters.

Following the Merger, the executive officers, directors, five percent or greater stockholders and their respective affiliated entities of ApolloMed will in the aggregate own approximately 23% of ApolloMed's outstanding common stock. As a result, these stockholders, acting together, have control over matters that require approval by ApolloMed's stockholders, including the election of directors and approval of significant corporate transactions. Corporate actions might be taken even if other stockholders oppose them. This concentration of ownership might also have the effect of delaying or preventing a corporate transaction that other stockholders may view as beneficial.

ApolloMed may issue additional equity securities in the future, which may result in dilution to existing investors.

To the extent ApolloMed raises additional capital by issuing equity securities, including in a debt financing where ApolloMed issues convertible notes or notes with warrants and any shares of ApolloMed's common stock to be issued in a private placement, ApolloMed's stockholders may experience substantial dilution. ApolloMed may, from time to time, sell additional equity securities in one or more transactions at prices and in a manner it determines. If ApolloMed sells additional equity securities, existing stockholders may be materially diluted. In addition, new investors could gain rights superior to existing stockholders, such as liquidation and other preferences. In addition, the number of shares available for future grant under ApolloMed's equity compensation plans may be increased in the future. In addition, the exercise or conversion of outstanding options or warrants to purchase shares of capital stock may result in dilution to ApolloMed's stockholders upon any such exercise or conversion.

The market price of the combined company's common stock after the Merger may be subject to significant fluctuations and volatility, and the stockholders of the combined company may be unable to sell their shares at a profit and might incur losses.

The market price of the combined company's common stock could be subject to significant fluctuation following the Merger. The results of operations of the combined company and the market price of the combined company common stock following the Merger may be affected by factors different from those currently affecting the independent results of operations of ApolloMed and the stock price of ApolloMed. Some of the factors that may cause the market price of the combined company's common stock to fluctuate include:

actual or anticipated quarterly increases or decreases in revenue, gross margin or earnings and changes in the combined company's business, operations or prospects;

announcements relating to strategic relationships, mergers, acquisitions, partnerships, collaborations, joint ventures, capital commitments, or other events by the combined company or the combined company's competitors;

· conditions or trends in the healthcare industry;

· changes in the economic performance or market valuations of other healthcare-related companies;

· general market conditions or domestic or international macroeconomic and geopolitical factors unrelated to the combined company's performance or financial condition;

· sale of the combined company's common stock by stockholders, including executives and directors;

· volatility and limitations in trading volumes of the combined company's common stock;

· the combined company's ability to obtain financings;

· failures to meet external expectations or management guidance;

· changes in the combined company's capital structure, future issuances of securities, sales or distributions of large blocks of common stock by stockholders;

· the combined company's cash position;

· announcements and events surrounding financing efforts, including debt and equity securities;

· analyst research reports, recommendation and changes in recommendations, price targets, and withdrawals of coverage;

departures and additions of key personnel;

disputes and litigations related to intellectual properties, proprietary rights, and contractual obligations;

changes in applicable laws, rules, regulations, or accounting practices and other dynamics; and

other events or factors, many of which may be out of the combined company's control.

The unaudited pro forma combined financial statements are presented for illustrative purposes only, and future results of the combined company may differ materially from the unaudited pro forma financial statements presented in this joint proxy statement/prospectus.

The unaudited pro forma combined financial statements contained in this joint proxy statement/prospectus are presented for illustrative purposes only and for several reasons, may not be an indication of the combined company's financial condition or results of operations following the completion of the Merger. The unaudited pro forma combined financial statements have been derived from the historical financial statements of ApolloMed and NMM and adjustments and assumptions have been made regarding the combined company after giving effect to the Merger. The information upon which these adjustments and assumptions have been made is preliminary, and these kinds of adjustments and assumptions are difficult to make with accuracy. Moreover, the pro forma financial statements do not reflect all costs that are expected to be incurred by the combined company in connection with the merger. For example, the impact of any incremental costs incurred in integrating ApolloMed and NMM are not reflected in the pro forma financial statements. As a result, the actual financial condition and results of operations of the combined company following the completion of the Merger may not be consistent with, or evident from, these pro forma financial statements. The assumptions used in preparing the pro forma financial information may prove to be inaccurate, and other factors may affect the combined company's financial condition or results of operations following the Merger. Any decline or potential decline in the combined company's financial condition or results of operations may cause significant variations in the market price of ApolloMed common stock.

Subsequent to the consummation of the Merger, ApolloMed may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on its financial condition, results of operations and stock price, which could cause you to lose some or all of your investment.

Although ApolloMed and NMM have conducted due diligence on each other, there can be no assurances that their diligence revealed all material issues that may be present in the other company's business, that all material issues through a customary amount of due diligence will be uncovered, or that factors outside of ApolloMed's and NMM's control will not later arise. As a result, ApolloMed may be forced to later write-down or write-off assets, restructure operations, or incur impairment or other charges that could result in losses. Even if due diligence successfully

identifies certain risks, unexpected risks may arise and previously known risks may materialize in a manner not consistent with each company's preliminary risk analysis. Even though these charges may be non-cash items and not have an immediate impact on liquidity, the fact that ApolloMed reports charges of this nature could contribute to negative market perceptions about ApolloMed's or its securities. In addition, charges of this nature may make future financing difficult to obtain on favorable terms or at all.

In the recent past, ApolloMed has identified material weaknesses in ApolloMed's internal controls. ApolloMed cannot provide assurances that these weaknesses will not recur or that additional material weaknesses will not occur in the future. If ApolloMed's internal control over financial reporting or ApolloMed's disclosure controls and procedures are not effective, ApolloMed may not be able to accurately report its financial results, file its periodic reports in a timely manner or prevent fraud, which could cause investors to lose confidence in ApolloMed's reported financial information and could lead to a decline in ApolloMed's stock price or result in regulatory or legal actions against ApolloMed.

ApolloMed's management is responsible for establishing and maintaining adequate internal control over ApolloMed's financial reporting, as defined in Rule 13a-15(f) under the Securities and Exchange Act of 1934, as amended ("the Exchange Act"). In the recent past, ApolloMed has identified a number of material weaknesses in ApolloMed's disclosure controls and procedures. These material weaknesses could have allowed the reporting of inaccurate or incomplete information regarding ApolloMed's business in ApolloMed's public filings and required ApolloMed to devote substantial resources to mitigating and resolving the weaknesses ApolloMed identified. Despite these efforts, ApolloMed cannot provide assurances that these weaknesses will not recur or that additional material weaknesses will not occur in the future.

Additionally, ApolloMed intends to continue to grow ApolloMed's business, in part, through the acquisition of new entities and the consummation of the Merger. If and when ApolloMed acquires such existing entities, or consummates the Merger, ApolloMed's due diligence may fail to discover defects or deficiencies in the design and operations of the internal controls over financial reporting of such entities, or defects or deficiencies in the internal controls over financial reporting may arise when ApolloMed tries to integrate the operations of these newly acquired companies with itself. ApolloMed can provide no assurances that it will not experience such issues in future acquisitions, the result of which could have a material adverse effect on ApolloMed's financial statements.

NMM has identified material weaknesses in its internal controls, and NMM cannot provide assurances that these weaknesses will be effectively remediated or that additional material weaknesses will not occur in the future. If NMM's internal control over financial reporting or its disclosure controls and procedures are not effective, the combined company may not be able to accurately report its financial results or prevent fraud, which may cause investors to lose confidence in the combined company's reported financial information and could lead to a decline in the combined company's stock price.

NMM has identified material weaknesses in its internal controls over financial reporting. These material weaknesses include (i) inability to appropriately address and account for technical accounting matters, (ii) lack of adequate supervision and review, (iii) insufficient formal documentation of agreements and contractual terms, (iv) inadequate controls over financial reporting and (v) a lack of formal documentation of internal control procedures, policies and processes supporting the internal control environment. These material weaknesses could allow the reporting of inaccurate or incomplete information regarding the combined company's financial results and will require the combined company to devote substantial resources to mitigating and resolving the weaknesses NMM has identified. NMM has implemented the following remediation efforts: (i) engaged outside accounting consultants to assist with technical accounting matters and financial reporting; (ii) implemented policies and procedures to require supervision and review of significant transactions prior to posting into the accounting system; (iii) implemented policies and procedures to require agreements to be signed; and (iv) added formal documentation of internal control procedures, policies and processes.

ApolloMed may not be able to timely and effectively implement controls and procedures required by Section 404 of the Sarbanes-Oxley Act of 2002 that will be applicable to the combined company after the Merger.

NMM is not currently subject to Section 404 of the Sarbanes-Oxley Act of 2002. The standards required for a public company under Section 404 of the Sarbanes-Oxley Act of 2002 are significantly more stringent than those required of NMM. Management may not be able to effectively and timely implement controls and procedures that adequately respond to the increased regulatory compliance and reporting requirements that will be applicable to ApolloMed after the Merger. If management is not able to implement the additional requirements of Section 404 of the Sarbanes-Oxley Act of 2002 in a timely manner or with adequate compliance, it may not be able to assess whether its internal control over financial reporting is effective, which may subject ApolloMed to adverse regulatory consequences and could harm investor confidence and the market price of ApolloMed's common stock.

While ApolloMed has historically been a non-accelerated filer, the combined company expects to become an accelerated filer following the consummation of the Merger. As a result, the combined company might incur additional expense to obtain and utilize resources for management to perform its evaluation of the effectiveness of the combined company's internal controls over financial reporting, as well as the related audit fees to have its independent auditors attest to management's evaluation of the effectiveness of its internal controls over financial reporting in accordance with Section 404(b) of the Sarbanes-Oxley Act.

Anti-takeover provisions under Delaware law could make an acquisition of the combined company, which may be beneficial to the stockholders of the combined company, more difficult and may prevent attempts by the stockholders to replace or remove management.

The combined company will be subject to the anti-takeover provisions of the DGCL, including Section 203. Under these provisions, if anyone becomes an “interested stockholder,” the combined company may not enter into a “business combination” with that person for three years without special approval, which could discourage a third party from making a takeover offer and could delay or prevent a change of control. For purposes of Section 203 of the DGCL, “interested stockholder” means, generally, someone owning 15% or more of the combined company’s outstanding voting stock or an affiliate of the combined company that owned 15% or more of the combined company’s outstanding voting stock during the past three years, subject to certain exceptions as described in Section 203 of the DGCL.

As such, Section 203 of the DGCL could prohibit or delay mergers or a change in control and may discourage attempts by other companies to acquire the combined company.

Additionally, certain provisions in ApolloMed's Charter could make it more difficult for a third party to acquire control of ApolloMed, even if such change in control would be beneficial to ApolloMed stockholders. Upon consummation of the Merger, the ApolloMed Charter and ApolloMed Bylaws will be amended to provide for the ApolloMed board to be divided into three classes serving staggered terms. The directors in each class will be elected to serve three-year terms. The provisions for a classified board could prevent a party that acquires control of a majority of the outstanding voting stock from obtaining control of the board of directors until the second annual stockholders meeting following the date the acquirer obtains the controlling stock interest. The classified board provisions and NMM shareholder Lock-Up Agreements could discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of ApolloMed and could increase the likelihood that incumbent directors will retain their positions. In addition, ApolloMed Charter and ApolloMed Bylaws contain provisions, such as blank check preferred stock, special meetings of stockholders and stockholder action by written consent, which could make it more difficult for a third party to acquire the combined company. These provisions may have the effect of preventing or hindering any attempts by the stockholders of the combined company to replace its board of directors or management.

If securities analysts do not publish research or reports about the business of the combined company, or if they publish negative evaluations, the price of the combined company's common stock could decline.

The trading market for the combined company's common stock will rely in part on the availability of research and reports that third-party industry or financial analysts publish about the combined company. There are many large, publicly traded companies active in the healthcare industry, which may mean it will be less likely that the combined company receives widespread analyst coverage. Furthermore, if one or more of the analysts who do cover the combined company downgrade its stock, its stock price would likely decline. If one or more of these analysts cease coverage of the combined company, the combined company could lose visibility in the market, which in turn could cause its stock price to decline.

ApolloMed needs to raise additional capital, which might not be available.

ApolloMed requires significant additional capital for general working capital and liquidity needs. If ApolloMed's cash flow and existing working capital are not sufficient to fund its general working capital and liquidity requirements, as well as any debt service requirements, ApolloMed will have to raise additional funds by selling equity, issuing debt, borrowings, refinancing some or all of its existing debt or selling assets or subsidiaries. None of these alternatives for raising additional funds may be available, or available on acceptable terms to ApolloMed, in amounts sufficient for ApolloMed to meet its requirements. ApolloMed's failure to obtain any required new financing may, if needed, require ApolloMed to reduce or curtail certain existing operations or make ApolloMed unable to continue to operate its business.

Because the Merger will likely result in an ownership change under Section 382 of the Code for ApolloMed, ApolloMed's pre-Merger net operating loss carryforwards and certain other tax attributes will be subject to limitation. The net operating loss carryforwards and certain other tax attributes of NMM and of the combined company may also be subject to limitations as a result of ownership changes.

If a corporation undergoes an "ownership change" within the meaning of Section 382 of the Code, the corporation's net operating loss carryforwards and certain other tax attributes arising from before the ownership change are subject to limitations on use after the ownership change. In general, an ownership change occurs if there is a cumulative change in the corporation's equity ownership by certain stockholders that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. The Merger will likely result in an ownership change for ApolloMed and, accordingly, ApolloMed's net operating loss carryforwards and certain other tax attributes will be subject to use limitations after the Merger. The Merger may also result in an ownership change for NMM, in which case, NMM's net operating loss carryforwards and certain other tax attributes would also be subject to limitations. Additional ownership changes in the future could result in additional limitations on the net operating loss carryforwards of ApolloMed, NMM and the combined company. Consequently, even if the combined company achieves profitability, it may not be able to utilize a material portion of the net operating loss carryforwards and other tax attributes of ApolloMed, NMM and the combined company, which could have a material adverse effect on the combined company's cash flow and results of operations.

Risks Related to the Business of ApolloMed

ApolloMed has a history of losses, and may have to further reduce costs by curtailing future operations to continue as a business.

Historically, ApolloMed has had operating losses and cash flow has been inadequate to support ongoing operations. For the three months ended June 30, 2017, and for the year ended March 31, 2017, ApolloMed had a net loss of approximately \$3.8 million and \$8.7 million, respectively, and as of June 30, 2017, ApolloMed had an accumulated deficit of approximately \$41.3 million. ApolloMed's ability to fund its capital requirements out of available cash and cash generated from its operations depends on a number of factors, including ApolloMed's ability to integrate recently acquired businesses and continue growing its existing operations. If ApolloMed cannot generate positive cash flow from operations, it will have to reduce costs and/or try to raise working capital from other sources. These measures could materially and adversely affect ApolloMed's ability to operate its business as presently conducted and execute ApolloMed's business model.

ApolloMed may not be able to continue as a going concern.

As shown in the accompanying consolidated financial statements, ApolloMed has incurred a net loss of approximately \$3.8 million and \$8.7 million for the three months ended June 30, 2017 and for the year ended March 31, 2017, respectively, and used approximately \$8.1 million in cash from operating activities during the year ended March 31, 2017 and, as of June 30, 2017, has an accumulated deficit and a stockholders' deficit of approximately \$41.3 million and \$3.3 million, respectively. These factors raise substantial doubt about ApolloMed's ability to continue as a going concern. ApolloMed's consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts and classification of liabilities that might be necessary in the event that ApolloMed cannot continue as a going concern.

ApolloMed may encounter difficulties in managing its growth.

ApolloMed may not be able to successfully grow and expand. Successful implementation of its business plan will require management of growth, including potentially rapid and substantial growth, which could result in an increase in the level of responsibility for management personnel and strain on ApolloMed's human and capital resources. To manage growth effectively, ApolloMed will be required, among other things, to continue to implement and improve its operating and financial systems and controls to expand, train and manage its employee base. ApolloMed's ability to manage its operations and growth effectively requires ApolloMed to continue to expend funds to enhance its operational, financial and management controls, reporting systems and procedures and to attract and retain sufficient numbers of talented personnel. If ApolloMed is unable to implement and scale improvements to all of its control systems in an efficient and timely manner or if ApolloMed encounters deficiencies in existing systems and controls, then it will not be able to make available the services required to successfully execute its business plan. Failure to attract and retain sufficient numbers of qualified personnel could further strain its human resources and impede its growth or result in ineffective growth. Moreover, the management, systems and controls currently in place or to be implemented may not be adequate for such growth, and the steps taken to hire personnel and to improve such systems and controls might not be sufficient. If ApolloMed is unable to manage its growth effectively, it will have a material adverse effect on its business, results of operations and financial condition.

The terms of debt agreements could restrict ApolloMed's operations, particularly ApolloMed's ability to respond to changes in its business or to take specified actions and an event of default under ApolloMed's debt agreements could harm its business.

Agreements for any indebtedness would likely contain a number of restrictive covenants that impose significant operating and financial restrictions on ApolloMed, including restrictions on ApolloMed's ability to take actions that may be in its best interests. Debt agreements often include covenants that, among other things, generally:

do not allow the borrower to borrow additional amounts or additional amounts above a certain limit, or that are senior to the existing debt, without the approval of the creditor;

require the borrower to obtain the consent of the creditor for acquisitions in excess of an agreed upon amount and/or grant security interests in newly-acquired companies;

do not allow the borrower to dispose of assets;

do not allow the borrower to liquidate, wind up or dissolve any of its subsidiaries without the creditor's approval;

do not allow the borrower to create any liens on any of its assets;

require the borrower not to impair any security interests that the creditor has in the borrower's assets; and

require the borrower to meet, on an ongoing basis, certain financial covenants, which may include targets as to consolidated earnings before interest, taxes, depreciation and amortization ("EBITDA"), leverage ratio, fixed charge coverage ratio and consolidated tangible net worth.

No assurances can be given that ApolloMed will be able to meet any of the financial covenants in favor of a creditor, and, if ApolloMed were to fail to meet any financial covenants, there would be an event of default and no assurance can be given that a creditor would waive such default, which in turn could result in a material adverse effect on ApolloMed's financial condition and ability to continue its operations.

ApolloMed is required to prepare and file with the SEC a registration statement covering the sale of a former creditor's registrable securities by March 31, 2018.

On March 28, 2014, ApolloMed entered into a Credit Agreement (the "Credit Agreement") with NNA of Nevada, Inc. ("NNA"), an affiliate of Fresenius SE & Co. KGaA ("Fresenius"), which has been amended from time to time. Presently, ApolloMed is required to prepare and file with the SEC a registration statement covering the sale of NNA's registrable securities issued pursuant to the Credit Agreement by March 31, 2018. If ApolloMed fails to do so by such date, for each month thereafter until it files the registration statement registering NNA's registrable securities ApolloMed must pay NNA liquidated damages of 1.5% of the total purchase price of the registrable securities owned by NNA, payable in shares of ApolloMed common stock. This may result in the dilution of the ownership interests of ApolloMed's stockholders.

The nature of ApolloMed's business and rapid changes in the healthcare industry makes it difficult to reliably predict future growth and operating results.

Rapidly changing Federal and state healthcare laws, and the regulations thereunder, make it difficult to anticipate the nature and amount of medical reimbursements, third party private payments and participation in certain government programs. For example, ApolloMed was awarded a participation agreement under the Centers for Medicare & Medicaid Services ("CMS") Medicare Shared Savings Program ("MSSP") in July 2012, to operate as an Accountable Care Organization ("ACO"). The ACO has received an "all or nothing" payment under the MSSP program for services rendered in fiscal 2015, but did not receive such a payment for fiscal 2016 or fiscal 2017. This makes it difficult to forecast ApolloMed's future earnings, cash flow and results of operations. The evolving nature of the current medical services industry increases these uncertainties.

ApolloMed may be unable to successfully integrate recently acquired and launched entities and may have difficulty predicting the future needs of those entities.

In fiscal 2015, ApolloMed acquired AKM Medical Group, Inc., a California corporation ("AKM"), Southern California Heart Centers, a California medical corporation ("SCHC"), Best Choice Hospice Care, LLC, a California limited liability company ("BCHC"), and Holistic Care Home Health Agency, Inc., a California corporation ("HCHHA"), and

launched ApolloMed Care Clinic, a California professional corporation (“ACC”), and Apollo Palliative Services LLC, a California limited liability company (“ApolloMed Palliative” or “APS”). In fiscal 2016, ApolloMed formed Apollo Care Connect, Inc., a Delaware corporation (“Apollo Care Connect”), and combined the operations of AKM into those of MMG, and disposed of substantially all of the assets of ACC. In fiscal 2017, ApolloMed acquired Bay Area Hospitalist Associates (“BAHA”) and also formed APAACO to operate under CMS’ Next Generation Accountable Care Organization Model Program (the “NGACO Model”).

As a result of ApolloMed’s rapid expansion ApolloMed may be unable to successfully integrate the various entities it has acquired or formed. Additionally, these entities operate in different areas of the health care industry and ApolloMed cannot accurately predict how these acquired entities will perform in the future, integrate into its entire operations or result in a diversion of management focus and attention to other parts of ApolloMed’s business.

ApolloMed’s growth strategy may not prove viable and expected growth and value may not be realized.

ApolloMed’s business strategy is to grow rapidly by managing a network of medical groups providing certain hospital-based services and integrated inpatient and outpatient physician networks. ApolloMed also seeks growth opportunities both organically and through the acquisition of target medical groups and other service providers. Identifying quality acquisition candidates is a time-consuming and costly process. There can be no assurance that ApolloMed will be successful in identifying and establishing relationships with these and other candidates. If ApolloMed is not successful in identifying and acquiring other entities, its ability to successfully implement its business plan and achieve targeted financial results could be adversely affected. The process of integrating acquired entities involves significant risks, which include, but are not limited to:

- demands on ApolloMed’s management team related to the significant increase in the size of its business;
- diversion of management’s attention from the management of daily operations;

- difficulties in the assimilation of different corporate cultures and business practices;
- difficulties in conforming the acquired entities' accounting policies to ApolloMed's;

retaining employees who may be vital to the integration of departments, information technology systems, including accounting;

systems, technologies, books and records, procedures and maintaining uniform standards, such as internal accounting controls;

- procedures, and policies; and
- costs and expenses associated with any undisclosed or potential liabilities.

There can be no assurance that ApolloMed will be able to manage the integration of its acquisitions or the growth of such acquisitions effectively.

An element of ApolloMed's growth strategy is also the expansion of its business by developing new palliative care programs in its existing markets and in new markets. This aspect of ApolloMed's growth strategy may not be successful, which could adversely impact its overall growth and profitability. ApolloMed cannot assure that it will be able to:

- identify markets that meet ApolloMed's selection criteria for new palliative care programs;
- hire and retain a qualified management team to operate each of ApolloMed's new palliative care programs;
- manage a large and geographically diverse group of palliative care programs;
- become Medicare and Medicaid certified in new markets;
- generate a sufficient patient base in new markets to operate profitably in these new markets; or

compete effectively with existing programs.

ApolloMed may not make appropriate acquisitions, may fail to integrate them into its business, or these acquisitions could alter ApolloMed's current payor mix and reduce its revenue.

ApolloMed's business is significantly dependent on locating and acquiring or partnering with medical practices or individual physicians to provide health care services. As part of ApolloMed's growth strategy, it regularly reviews potential acquisition opportunities. ApolloMed cannot predict whether it will be successful in pursuing such acquisition opportunities or what the consequences of any such acquisitions would be. If ApolloMed is not successful in finding attractive acquisition candidates that it can acquire on satisfactory terms, or if it cannot successfully complete and efficiently integrate those acquisitions that it identifies, ApolloMed may not be able to implement its business model, which would likely negatively impact its revenues, results of operations and financial condition. Furthermore, ApolloMed's acquisition strategy involves a number of risks and uncertainties, including:

ApolloMed may not be able to identify suitable acquisition candidates or strategic opportunities or successfully implement or realize the expected benefits of any suitable opportunities. In addition, ApolloMed competes for acquisitions with other potential acquirers, some of which may have greater financial or operational resources than it does. This competition may intensify due to the ongoing consolidation in the healthcare industry, which may increase ApolloMed's acquisition costs.

ApolloMed may be unable to successfully and efficiently integrate completed acquisitions, including its recently completed acquisitions and such acquisitions may fail to achieve the financial results it expected. Integrating completed acquisitions into ApolloMed's existing operations involves numerous short-term and long-term risks, including diversion of its management's attention, failure to retain key personnel, failure to retain payor contracts and failure of the acquired practice to be financially successful.

ApolloMed cannot be certain of the extent of any unknown or contingent liabilities of any acquired business, including liabilities for failure to comply with applicable laws. ApolloMed may incur material liabilities for past activities of acquired entities. Also, depending on the location of the acquisition, it may be required to comply with laws and regulations that may differ from those of the states in which ApolloMed's operations are currently conducted.

ApolloMed may acquire individual or group medical practices that operate with lower profit margins as compared with its current or expected profit margins or which have a different payor mix than ApolloMed's other practice groups, which would reduce its profit margins. Depending upon the nature of the local healthcare market, ApolloMed may not be able to implement its business model in every local market that it enters, which may negatively impact ApolloMed's revenues and financial condition.

If ApolloMed finances acquisitions by issuing equity securities or securities convertible into equity securities, its existing stockholders could be diluted, which, in turn, could adversely affect the market price of ApolloMed's stock. If ApolloMed finances an acquisition with debt, it could result in higher leverage and interest costs. As a result, if it fails to evaluate and execute acquisitions properly, ApolloMed might not achieve the anticipated benefits of these acquisitions, and it may increase its acquisition costs.

Changes to the fair value of contingent compensation payments to be paid in connection with ApolloMed's acquisitions may result in significant fluctuations to its results of operations.

In connection with some of ApolloMed's recent acquisitions, ApolloMed is required to make certain contingent compensation payments. The fair value of such payments is re-evaluated periodically based on changes in ApolloMed's estimate of future operating results and changes in market discount rates. Any changes in ApolloMed's estimated fair value is recognized in its results of operations. Increases in the amount of contingent compensation payments ApolloMed is required to make may have an adverse effect on its financial condition.

ApolloMed's management team's attention may be diverted by recent acquisitions and searches for new acquisition targets, and its business and operations may suffer adverse consequences as a result.

Mergers and acquisitions are time-intensive, requiring significant commitment of ApolloMed's management team's focus and resources. If ApolloMed's management team spends too much time focused on recent acquisitions or on potential acquisition targets, its management team may not have sufficient time to focus on its existing business and operations. This diversion of attention could have material and adverse consequences on ApolloMed's operations and its ability to be profitable.

ApolloMed's growth strategy incurs significant costs, which could adversely affect its financial condition.

ApolloMed's growth-by-acquisition strategy involves significant costs, including financial advisory, legal and accounting fees, and may include additional costs, including costs of fairness opinions, labor costs, termination payments, contingent payments and bonuses, among others. These costs could put a strain on ApolloMed's available

cash and cash flow, which in turn could adversely affect its overall financial condition.

ApolloMed may be unable to scale its operations successfully.

ApolloMed's growth strategy will place significant demands on its management and financial, administrative and other resources. Operating results will depend substantially on the ability of ApolloMed's officers and key employees to manage changing business conditions and to implement and improve its financial, administrative and other resources. If ApolloMed is unable to respond to and manage changing business conditions, or the scale of its operations and the quality of its services, ApolloMed's ability to retain key personnel and its business could be adversely affected.

ApolloMed could experience significant losses under its capitation-based contracts if the medical expenses it incurs exceed revenues.

In California, health plans typically prospectively pay an IPA a fixed per member per month ("PMPM") amount, or capitation payment, which is often based on a percentage of the amount received by the health plan. Capitation payments to IPAs, in the aggregate, represent a prospective budget from which the IPA manages care-related expenses on behalf of the population enrolled with that IPA. If ApolloMed's IPAs are able to manage care-related expenses under the capitated levels, ApolloMed realizes an operating profit on its capitation contracts. However, if ApolloMed's care-related expenses exceed projected levels, its IPAs may realize substantial operating deficits, which are not capped and could lead to substantial losses.

ApolloMed's future growth could be harmed if it loses the services of Dr. Hosseinion.

ApolloMed's success depends to a significant extent on the continued contributions of its key management personnel, particularly ApolloMed's Chief Executive Officer, Warren Hosseinion, M.D., for the management of ApolloMed's business and implementation of its business strategy. ApolloMed has entered into an employment agreement with Dr. Hosseinion and it holds a \$5 million key man life insurance policy. The loss of Dr. Hosseinion's services could have a material adverse effect on ApolloMed's business, financial condition and results of operations.

ApolloMed's current principal stockholders have significant influence over ApolloMed and the stockholders could delay, deter or prevent a change of control or other business combination or otherwise cause ApolloMed to take action with which stockholders might not agree. This includes that ApolloMed's founders, Warren Hosseinion, M.D. and Adrian Vazquez, M.D., combined currently own more than 35% of ApolloMed's shares and have significant influence over ApolloMed's operations and strategic direction.

ApolloMed's executive officers and directors, together with holders of greater than 5% of its outstanding common stock, as a group, currently beneficially own approximately 70% of ApolloMed's outstanding common stock. As a result, ApolloMed's executive officers, directors and holders of greater than 5% of its outstanding common stock have the ability to control all matters submitted to ApolloMed's stockholders for approval, including among other things:

- changes to the composition of ApolloMed's ApolloMed board, which has the authority to direct its business and appoint and remove ApolloMed's officers;

- proposed mergers, consolidations or other business combinations; and

- amendments to the ApolloMed Charter and ApolloMed Bylaws which govern the rights attached to ApolloMed's shares of common stock.

This concentration of ownership of shares of ApolloMed's common stock could delay or prevent proxy contests, mergers, tender offers, open market purchase programs or other purchases of shares of ApolloMed's common stock that might otherwise give its stockholders the opportunity to realize a premium over the then prevailing market price of ApolloMed's common stock. The interests of ApolloMed's executive officers, directors and holders of greater than 5% of its outstanding common stock may not always coincide with the interests of the other stockholders. This concentration of ownership may also adversely affect ApolloMed's stock price.

This concentration of ownership is underscored by the fact that Dr. Hosseinion (who currently owns approximately 19% of ApolloMed's common stock) and Dr. Vazquez (who currently owns approximately 16% of ApolloMed's common stock) together currently own more than 35% of ApolloMed's common stock and exert a significant degree of influence over ApolloMed's management and affairs and over matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. As stockholders, Drs. Hosseinion and Vazquez are entitled to vote their shares in their own interests, which may not always be in the interests of ApolloMed's stockholders generally. Their concentrated holdings of so much of ApolloMed's common stock may harm the value of ApolloMed's shares and discourage investors from investing in ApolloMed. Drs. Hosseinion and Vazquez could also seek to delay, defer or prevent a change of control, merger, consolidation or sale of all or substantially all of ApolloMed's assets that other stockholders may support, or conversely this concentrated control could result in the consummation of a transaction that other stockholders may not support.

If ApolloMed's agreements or arrangements with Dr. Hosseinion or physician groups are deemed invalid under state corporate practice of medicine and similar laws, or Federal law, or are terminated as a result of changes in state law, it could have a material impact on ApolloMed's results of operations and financial condition.

There are various state laws, including laws in California, regulating the corporate practice of medicine which prohibits ApolloMed from owning various healthcare entities. This corporate practice of medicine prohibitions are intended to prevent unlicensed persons from interfering with or inappropriately influencing a physician's professional judgment. These and other laws may also prevent fee-splitting, which is the sharing of professional service income with non-professional or business interests. The interpretation and enforcement of these laws vary significantly from state to state. As a result, ApolloMed has structured other agreements and arrangements with these entities, such as having Dr. Hosseinion hold shares in such practices as nominee shareholder for ApolloMed's benefit. If these agreements and arrangements were held to be invalid under state laws prohibiting the corporate practice of medicine, a significant portion of ApolloMed's revenues would be affected, which may result in a material adverse effect on ApolloMed's results of operations and financial condition. Additionally, any changes to Federal or state law that prohibit such agreements or arrangements could also have a material adverse effect upon ApolloMed's results of operations and financial condition.

If ApolloMed lost the services of Dr. Hosseinion for any reason, the contractual arrangements with ApolloMed's variable interest entities ("VIEs") could be in jeopardy.

Because of corporate practice of medicine laws, many of ApolloMed's affiliated physician practice groups are either wholly-owned or primarily owned by Dr. Hosseinion as nominee shareholder for ApolloMed's benefit. If Dr. Hosseinion died, was incapacitated or otherwise was no longer affiliated with ApolloMed, there could be a material adverse effect on the relationship between each of those VIEs and ApolloMed and, therefore, ApolloMed's business as a whole could be adversely affected.

The contractual arrangements ApolloMed has with its VIEs is not as secure as direct ownership of such entities.

Because of corporate practice of medicine laws, ApolloMed enters into contractual arrangements to manage certain affiliated physician practice groups, which allows ApolloMed to consolidate those groups for financial reporting purposes. If ApolloMed had direct ownership of certain of ApolloMed's affiliated entities, it would be able to exercise its rights as an equity holder directly to effect changes in the boards of directors of those entities, which could effect changes at the management and operational level. Under ApolloMed's contractual arrangements, it may not be able to directly change the members of the boards of directors of these entities and would have to rely on the entities and the entities' equity holders to perform its obligations in order to exercise ApolloMed's control over the entities. If any of these affiliated entities or its equity holders fail to perform its respective obligations under the contractual arrangements, ApolloMed may have to incur substantial costs and expend additional resources to enforce such arrangements.

Any failure by ApolloMed's key affiliated entities or its equity holders to perform its obligations under the contractual arrangements it has with ApolloMed would have a material adverse effect on ApolloMed's business, results of operations and financial condition. ApolloMed also owns the majority, and not all, of the equity of certain subsidiaries.

Several of ApolloMed's affiliated physician practice groups are owned by other physicians who could die, become incapacitated or otherwise become no longer affiliated with ApolloMed. Although the terms of the MSAs ApolloMed has with these affiliates provide that the MSA will be binding on the successors of such affiliates' equity holders, as those successors are not parties to the MSAs, it is uncertain whether the successors in case of the death, bankruptcy or divorce of an equity holder would be subject to such MSAs.

In addition, although ApolloMed consolidates in ApolloMed's financial reporting and business structure ApolloMed Accountable Care Organization, Inc., a California corporation ("ApolloMed ACO"), and ApolloMed Palliative,

individuals other than Dr. Hosseinian, who acts as nominee stockholder for the benefit of Apollo Medical Management, Inc., a Delaware corporation and wholly-owned subsidiary of ApolloMed (“AMM”), also own approximately 20% of the equity of ApolloMed ACO and 44% of the equity in ApolloMed Palliative. Additionally, ApolloMed consolidates APAACO in ApolloMed’s financial reporting, although it owns 50% of the equity in that entity.

ApolloMed’s operations are dependent on a limited number of key payors.

ApolloMed had one payor during the three months ended June 30, 2017 that accounted for 72.1% of net revenues. Four payors accounted for 18.8%, 13.1%, 8.5% and 6.8% of ApolloMed’s net revenues for ApolloMed’s fiscal year ended March 31, 2017, respectively. ApolloMed had three payors during the fiscal year ended March 31, 2016 that accounted for 29.8%, 15.7% and 9.9% of net revenues, respectively. ApolloMed believes that a majority of its revenue will continue to be derived from a few payors. Each payor may immediately terminate any of ApolloMed’s contracts or any individual credentialed physician upon the occurrence of certain events. They may also amend the material terms of the contracts under certain circumstances. Failure to maintain the contracts on favorable terms or at all, for any reason, would materially and adversely affect ApolloMed’s results of operations and financial condition.

A decline in the number of patients ApolloMed serves could have a material adverse effect on ApolloMed’s results of operations.

Like any business, a material decline in the number of patients ApolloMed serves, whether it or a third party government or private entity is paying for its healthcare, could have a material adverse effect on ApolloMed’s results of operations and financial condition.

ACOs are relatively new and undergoing changes and CMS may change or discontinue the MSSP program.

ApolloMed has invested resources in both applying to participate in the MSSP and in establishing initial infrastructure. The MSSP program and the rules regarding ACOs have been altered and may be further altered in the future. Any material change to the MSSP program and ACO requirements, governance and operating rules, could provide a significant financial risk for ApolloMed and alter its strategic direction, thereby producing stockholder risk and uncertainty. In addition, ApolloMed could be terminated from the MSSP if it does not comply with the MSSP participation requirements.

ApolloMed ACO may not generate savings through its participation in the MSSP revenue, if any, earned by such participation will occur, only once annually on an “all or nothing” basis.

ApolloMed ACO participates in the MSSP sponsored by CMS. The MSSP is a relatively new program with limited history of payments to ACO participants. As a result of the uncertain nature of the MSSP program, ApolloMed considers revenue, if any, under the MSSP, as contingent upon the realization of program savings as determined by CMS, and revenues are not considered earned and therefore are not recognized until notice from CMS that cash payments are to be imminently received.

In addition, there is no assurance that ApolloMed will meet the conditions necessary for receipt of future payments. Furthermore, ApolloMed's ability to continue to generate savings for the MSSP program depends on many factors, many of which are outside ApolloMed's control, including, among others, how CMS elects to administer the MSSP program, how savings levels are calculated and continued political support of the MSSP program. As a result, whether future revenues will be earned by ApolloMed ACO is uncertain and will be contingent on various factors, including whether savings were determined to be achieved in 2015 or in any other period during which savings are measured.

During the fiscal year ended March 31, 2015, ApolloMed was awarded and received approximately a \$5.4 million payment related to savings achieved from July 1, 2012, through December 31, 2013, which represented 16% of ApolloMed's net revenue during the year ended March 31, 2015. During the fiscal years ended March 31, 2016 and 2017, ApolloMed did not receive any MSSP payment. ApolloMed is eligible to be considered for an all-or-nothing payment under this program for performance year 2016 (which, if it is paid, would be paid to ApolloMed in fiscal 2018). ApolloMed does not expect to receive any such payments for performance years beginning 2017 because of ApolloMed's transition to, and business focus on, the NGACO Model, in which it has been participating since January 1, 2017.

Moreover, if amounts are payable to ApolloMed under the MSSP, it will be paid on an annual basis significantly after the time it is earned. Additionally, since MSSP payments, if any, are made once annually, ApolloMed would not receive such payments spread out over its fiscal year and, consequently, revenue may be materially lower in quarters when any MSSP-related payments are not received by ApolloMed.

The success of ApolloMed's emphasis on the new NGACO Model is uncertain.

To position ApolloMed to participate in the NGACO Model, it has devoted, and intends to continue to devote, significant effort and resources, financial and otherwise, to the NGACO Model, and refocus away from certain other parts of ApolloMed's historic business and revenue streams, which will receive less emphasis in the future and could

result in reduced revenue from these activities. It is unknown at this time if this strategic decision will be successful in terms of ApolloMed's emphasis on the NGACO Model and/or placing less emphasis on certain other parts of ApolloMed's core business and revenue streams.

The results of the NGACO Model are unknown.

The NGACO Model is a new CMS program that builds upon previous ACO programs, including the MSSP program. Through the NGACO Model, CMS will provide an opportunity to APAACO and other Next Generation Accountable Care Organizations ("NGACOs") experienced in coordinating care for populations of patients, and whose provider groups are willing to assume higher levels of financial risk and reward, to participate in this new attribution-based risk sharing model. In January 2017, CMS approved APAACO to participate in the NGACO Model and CMS and APAACO have entered into a Next Generation ACO Model Participation Agreement (the "Participation Agreement") with a term of two performance years through December 31, 2018. CMS may offer to renew the Participation Agreement for an additional two performance years. Additionally, the Participation Agreement may be terminated sooner by CMS as specified therein and CMS has the flexibility to alter or change the program over this time period. The number of Medicare ACOs continues to rise in total but there are still a growing number of program types and demonstrations that could be consolidated and impact APAACO.

APAACO's future participation in the AIPBP Payment Mechanism is uncertain and payments thereunder represent a significant part of ApolloMed's total revenues. ApolloMed also cannot accurately predict and monitor its performance under the AIPBP payment mechanism.

APAACO chose to participate in the All-Inclusive Population-Based Payment ("AIPBP") mechanism. Under the AIPBP payment mechanism, CMS estimates the total annual Part A and Part B Medicare expenditures of APAACO's assigned Medicare beneficiaries and pays that projected amount in per beneficiary per month payments. In October 2017, CMS notified APAACO that it has not been renewed for participation in the AIPBP payment mechanism of the NGACO Model for performance year 2018 due to certain alleged deficiencies in performance by APAACO. APAACO does not believe the allegations by CMS of performance deficiencies are valid or justify the CMS non-renewal determination and is in discussions with CMS regarding possible reversal of such determination. If APAACO is not successful in convincing CMS to reverse its decision then the payment mechanism under the NGACO Model would default to traditional Fee For Service ("FFS"). This would result in the loss in monthly revenues of cash flow currently being generated by APAACO (currently at a rate of approximately \$9.3 million per month) and would thus have a material adverse effect on ApolloMed's future revenues and potential cash flow.

In addition, APAACO chose "Risk Arrangement A," comprising 80% risk for Part A and Part B Medicare expenditures and a shared savings and losses cap of 5%, or as a result a 4% effective shared savings and losses cap when factoring in 80% risk impact. APAACO's benchmark Medicare Part A and Part B expenditures for beneficiaries for its 2017 performance year are approximately \$335 million, and under "Risk Arrangement A" of the AIPBP payment mechanism APAACO could therefore have profits or be liable for losses of up to 4% of such benchmarked expenditures, or approximately \$13.4 million. While performance can be monitored throughout the year, end results will not be known until 2018. ApolloMed cannot accurately predict and monitor performance under the AIPBP payment mechanism for

2017 because, among other factors, end results are released annually rather than on a more frequent basis.

The NGACO Model program has certain political risks.

If the Patient Protection and Affordable Care Act (the “ACA”) is amended or repealed and replaced, or if Center for Medicare and Medicaid Innovation (“CMMI”) is terminated, the NGACO Model program could be discontinued or significantly altered. In addition, CMS leadership could be changed and influenced by Congress or the current Administration. Additionally, CMS or CMMI may elect to combine any existing programs, including bundled payments, which could greatly alter the NGACO Model program.

APAACO's participation in the NGACO Model program subjects it to certain regulatory risks.

Among many requirements to be eligible to participate in the NGACO Model program, APAACO must have at least 10,000 assigned Medicare beneficiaries and must maintain that number throughout each performance year. Although APAACO started its 2017 performance year with more than 32,000 assigned Medicare beneficiaries, there can be no assurance that APAACO will maintain the required number of assigned Medicare beneficiaries, and, if that number were not maintained, APAACO would become ineligible for the program.

APAACO is subject to changing state laws and regulations.

NGACOs are required to comply with all applicable state laws and regulations regarding provider-based risk-bearing entities. If these laws or regulations change, for example, to require a Knox-Keene license in California, which ApolloMed does not have, APAACO could be required to cease its NGACO operations.

APAACO may experience losses due to the NGACO Model program.

APAACO is responsible for savings and losses from claims. The NGACO Model uses a prospectively-set cost benchmark, which is established prior to the start of each performance year. The benchmark is based on various factors, including baseline expenditures with the baseline updated each year to reflect the NGACO's participant list for the given year. The 2017 performance year NGACO Model baseline for APAACO is based on calendar year 2014 expenditures that are risk-adjusted and trended. A discount is then applied that incorporates regional and national efficiency. The final benchmark could potentially underestimate APAACO's actual expenditures for its Medicare beneficiaries.

If claims cost rise from benchmark, or 2014 and/or 2017 are statistical anomalies, APAACO could experience losses due to the NGACO Model program, which could be significant prior to any adjustment in benchmarked expenditures.

Additionally, given that APAACO is providing care coordination but does not employ any physicians nor provide direct patient care, the degree of influence APAACO has could be limited and out of its direct control. Because of APAACO's limited influence, it is possible APAACO may not be able to influence provider and preferred provider behavior, utilization and patient costs.

APAACO's dependence on CMS creates uncertainty and subjects APAACO to potential liability.

APAACO relies on CMS for design, oversight and governance of the NGACO Model program. Accurate data, claims benchmarking and calculations, timely payments and periodic process reviews are key to program success. In addition to APAACO's administrative and care coordination operating costs, APAACO may not generate savings through its participation in the NGACO Model. Any savings generated, if at all, will be earned in arrears and uncertain in both timing and amount.

APAACO chose to participate in the All-Inclusive Population-Based Payment ("AIPBP") payment mechanism, which entails certain special risks.

APAACO chose to participate in the AIPBP payment mechanism, and is the only NGACO to have chosen this payment mechanism. Under the AIPBP payment mechanism, CMS will estimate the total annual Part A and Part B Medicare expenditures of APAACO's assigned Medicare beneficiaries and pay that projected amount in per beneficiary per month payments. APAACO chose "Risk Arrangement A," comprising 80% risk for Part A and Part B Medicare expenditures and a shared savings and losses cap of 5%, or as a result a 4% effective shared savings and losses cap when factoring in 80% risk impact. APAACO's benchmark Medicare Part A and Part B expenditures for beneficiaries for its 2017 performance year are approximately \$335 million, and under "Risk Arrangement A" of the AIPBP payment mechanism APAACO could therefore have profits or be liable for losses of up to 4% of such benchmarked expenditures, or approximately \$13.4 million. While performance can be monitored throughout the year, end results will not be known until 2018. ApolloMed cannot accurately predict and monitor performance under the AIPBP payment mechanism because, among other factors, end results are released annually rather than on a more frequent basis.

CMS has indicated that its initial financial reports to participants in the NGACO Model may not be complete.

The NGACO Model is new and CMS is implementing extensive reporting protocols in connection therewith. CMS has indicated that it does not anticipate initial reports under the NGACO Model to be indicative of final results of actual risk-sharing and revenues to which ApolloMed is entitled, especially for the period April 1, 2017 through June 30, 2017, which is the second quarter of the NGACO program and the first quarter of ApolloMed's 2018 fiscal year. This is because there are inherent biases in reporting the results at such an early juncture. Were that to be the case, ApolloMed might not report accurately ApolloMed's revenues for this period, which could be subject to adjustment in a later period once ApolloMed receives final results from CMS.

APAACO requires significant capital reserves for program participation.

NGACOs must provide a financial guarantee to CMS. The financial guarantee must be in an amount of 2% of the NGACO's benchmark Medicare Part A and Part B expenditures. APAACO's benchmark Medicare Part A and Part B expenditures for beneficiaries for its 2017 performance year being approximately \$335 million, APAACO submitted a letter of credit for \$6.7 million for the 2017 program year. If APAACO reaches the maximum of its shared losses of \$13.4 million, it may need to pay another \$6.7 million to CMS or CMS may change or alter the risk reserve process or amount. Additionally, the incurred but not reported ("IBNR") methodology utilized by CMS could have a negative impact on APAACO and affect working capital and capital requirements.

APAACO is responsible for savings and losses related to care received by its patients at Out-of-Network Providers, which could negatively impact ApolloMed's ability to control claim costs.

Medicare beneficiaries in a NGACO Model program are permitted to receive care from a wide network of contracted providers and facilities, which could make it challenging for APAACO to control financial risks associated with those beneficiaries. CMS notified APAACO that its Medicare beneficiaries historically have received approximately 62% of its care at non-contracted, out-of-network ("OON") providers. While not responsible for paying claims for OON providers, APAACO may have difficulty managing patient care and costs as compared to in-network providers. Additionally, APAACO is responsible for savings and losses of this population using OON providers, which could adversely impact ApolloMed's financial results.

In addition, if APAACO is successful under its Participation Agreement with CMS in encouraging more of its patients to receive care with contracted, in-network providers, there is the possibility that the monthly AIPBP payments will be insufficient to cover current expenditures, since the AIPBP payments will be based on historical in-network/out-of-network ratios. This could potentially result in negative cash-flow problems for APAACO, if

increased payments need to be made to contracted, in-network providers, especially if CMS fails to monitor this in-network/OON ratio on a frequent periodic basis and reconciliation payments are materially delayed.

There is uncertainty regarding the initial design and administration of the NGACO Model program.

Due to the newness of the NGACO Model program and the fact that APAACO is the only company participating in the AIPBP track, APAACO is subject to initial program challenges including, but not limited to, process design, data and other related program aspects. APAACO has already experienced various apparent errors in the NGACO Model program and APAACO has been working with CMS, including senior CMS management, on these issues, but the resolution and impact on APAACO remains uncertain. Moreover, there is the potential for new or additional issues to be experienced with CMS which could negatively impact APAACO. Among other things, the AIPBP claims processing methodology is complex and could create reimbursement delays to contracted APAACO providers which could in turn terminate their agreements with APAACO. For example, services provided by contracted APAACO providers with Dates of Service (“DOS”) from January 1, 2017 to March 31, 2017 were to be paid by CMS. All services provided by in-network, providers with DOS from April 1, 2017 onward were to be paid by APAACO. But a flaw in the claims processing system of one of CMS’ contractors caused payments to contracted APAACO providers to be unpaid or to be paid at a reduced rate from January 1, 2017 to March 31, 2017. Various providers expressed dissatisfaction about this and several decided to terminate their agreements with APAACO. Consequently, there is the actual and potential risk of damaging goodwill with APAACO’s contracted providers, which could have a material adverse effect on the operations and financial condition of APAACO in particular and ApolloMed’s results of operations and financial condition on a consolidated basis.

APAACO has also experienced weaknesses in the NGACO Model program beneficiary alignment methodology. For example, some patients see more than one primary care provider (“PCP”) in a calendar year. CMS could attribute a patient to one PCP rather than another, which could create potential liability for APAACO. For example, when APAACO sent letters to its patients, as required by CMS, it received several calls from PCPs who did not join APAACO, but whose patients were attributed to another PCP. There could also be liability where a PCP has a capitated contract with APAACO, but the PCP’s patient also sees another PCP, whether that PCP was contracted with APAACO or not. APAACO’s expenditures could increase due to payments by CMS of the out-of-network, non-contracted PCP.

AIPBP operations and benchmarking calculations are complex.

AIPBP operations and benchmarking calculations are complex and can lead to errors in the application of the NGACO Model program, which could create reimbursement delays to ApolloMed's providers and adversely affect APAACO's performance and results of operations. For example, APAACO has discovered a feature in the AIPBP claims files that do not allow APAACO to break down certain claims amounts by individual patient codes. This feature has created confusion for APAACO contracted providers in reconciling its payments, causing some providers to terminate their agreements with APAACO. This feature could also create uncertainty regarding those agreements with providers that include capitation plus carve-outs for certain procedures. APAACO has sought to address its concerns about such features with CMS and CMS has informed APAACO that CMS' contractor is unable to remedy this situation for at least the foreseeable future.

CMS relies on multiple third-party contractors to manage the NGACO Model program, which could hinder performance.

In addition to CMS reliance, CMS relies on various third parties to effect the NGACO program. This may be other departments of the U.S. government, such as CMMI. CMS relies on multiple third party contractors to manage the NGACO Model program, including claims and auditing. Due to such reliance, there is the potential for errors, delays and poor communication among the differing entities involved, which are beyond the control of APAACO. This could negatively impact APAACO's results of operations specifically and ApolloMed's results of operations on a consolidated basis.

Third parties used by APAACO could hinder performance.

APAACO uses select third parties. This could create operational and performance risk if, for example, the third party does not perform its responsibilities properly. Additionally, APAACO has contracted with participating Part A and Part B providers and was able to contract discounted Medicare, Diagnosis-Related Group and Resource Utilization Group rates with multiple providers. However, APAACO providers could decide to change or discontinue these contractual rates or to terminate its agreements with APAACO.

Risk-sharing arrangements that MMG has with health plans and hospitals could result in its costs exceeding the corresponding revenues, which could reduce or eliminate any shared risk profitability. MMG also has a key contract with Prospect Medical Group and its management service organization, which if terminated could materially affect ApolloMed's business.

Under risk-sharing arrangements into which MMG has entered, MMG is responsible for a portion of the cost of hospital services or other services that are not capitated. These risk-sharing arrangements may require MMG to assume a portion of any loss sustained from such arrangements, thereby adversely affecting ApolloMed's results of operations. The terms of the particular risk-sharing arrangement allocate responsibility to the respective parties when the cost of services exceeds the related revenue, which results in a deficit, or permit the parties to share in any surplus amounts when actual costs are less than the related revenue. The amount of non-capitated medical and hospital costs in any period could be affected by factors beyond the control of MMG, such as changes in treatment protocols, new technologies, longer lengths of stay by the patient, and inflation. To the extent that such non-capitated medical and hospital costs are higher than anticipated, revenue may not be sufficient to cover the risk-sharing deficits the health plans and MMG are responsible for, which could reduce ApolloMed's revenue and adversely affect ApolloMed's results of operations.

The Merger Agreement contemplates that Warren Hosseinion M.D., the sole shareholder of MMG, will sell to APC-LSMA all the issued and outstanding shares of capital stock of MMG for \$100 under the Maverick Stock Purchase Agreement.

If MMG is not able to satisfy California Department of Managed Health Care's ("DMHC") requirements, MMG could become subject to sanctions and its ability to do business in California could be limited or terminated.

The DMHC has instituted financial solvency regulations. The regulations are intended to provide a formal mechanism for monitoring the financial solvency of a risk-bearing organization ("RBO") in California, including capitated physician groups, such as MMG. Under DMHC regulations, ApolloMed's affiliated physician groups are required to, among other things:

Maintain, at all times, a minimum "cash-to-claims ratio" (where "cash-to-claims ratio" means the organization's cash, marketable securities, and certain qualified receivables, divided by the organization's total unpaid claims liability). The regulations currently require a cash-to-claims ratio of 0.75; and

Submit periodic reports to the DMHC containing various data and attestations regarding performance and financial solvency, including incurred but not reported calculations and documentation, and attestations as to whether or not the organization was in compliance with the Knox-Keene Health Care Service Plan Act of 1975, as amended (the "Knox-Keene Act"), requirements related to claims payment timeliness, had maintained positive tangible net equity (i.e. at least \$1.00), and had maintained positive working capital (i.e. at least \$1.00).

In the event that a physician organization is not in compliance with any of the above criteria, the organization would be required to describe in a report submitted to the DMHC the reasons for non-compliance and actions to be taken to bring the organization into compliance. Additionally, under these regulations, the DMHC can make public some of the information contained in the reports, including, but not limited to, whether or not a particular physician organization met each of the criteria. In the event ApolloMed's affiliated physician groups are not able to meet certain of the financial solvency requirements, and fail to meet subsequent corrective action plans, ApolloMed's affiliated physician groups could be subject to sanctions, or limitations on, or removal of, its ability to do business in California.

MMG is currently attempting to confirm that it is in compliance with certain financial requirements of the DMHC.

ApolloMed's IPA, MMG, was not in compliance with certain DMHC financial requirements, including tangible net equity ("TNE"). ApolloMed has increased its intercompany line of credit to MMG to provide additional capital in attempt to comply partially with the DMHC's requirements. Through a plan of remediation that ApolloMed presented to the DMHC and which plan it approved, ApolloMed must contribute additional funds, cut costs, increase revenue or a combination of the above, which ApolloMed has done. As a result of the foregoing actions ApolloMed took, MMG had positive TNE as of the third quarter of fiscal 2017 and has maintained positive TNE to date. Since DMHC requirements are that an RBO should have positive TNE for one full quarter to be taken off a corrective action plan ("CAP"), ApolloMed believes that MMG is currently in compliance with DMHC requirements. The DMHC is currently reviewing filings ApolloMed has made to confirm this compliance. However, there can be no assurance that MMG

will remain in compliance with DMHC requirements. To the extent that ApolloMed is required to contribute additional capital to MMG in the future, ApolloMed would have less available cash to use on other parts of its business.

ApolloMed and its board of directors may be subject to liability for failure to fully comply with federal and state securities laws.

ApolloMed is subject to federal and state securities laws. Any failure to comply with such laws, such as ApolloMed's failing to file information statements for two corporate actions taken by its majority stockholders in written consents in 2012 and 2013, could cause federal or state agencies to take action against ApolloMed, which could restrict its ability to issue securities and result in fines or penalties. Any claims brought by such an agency could also cause ApolloMed to expend resources to defend itself, would divert the attention of its management from ApolloMed's core business and could significantly harm ApolloMed's business, operating results and financial condition, even if the claims are resolved in ApolloMed's favor.

Further, at ApolloMed's 2016 annual meeting, its stockholders voted on the frequency of their future votes on its executive compensation. ApolloMed inadvertently failed to file, within 150 days after the meeting, a Form 8-K amendment to disclose its decision as to how frequently it will hold such a vote, resulting in ApolloMed's failing to file all reports required to be filed by Section 13 or 15(d) of the Exchange Act for at least 12 months before filing certain subsequent periodic and other reports. Such failure may adversely affect the effectiveness of ApolloMed's registration statement on Form S-8 filed in May 2016 and ApolloMed may need to refile such registration statement. This failure also hinders ApolloMed's ability to issue securities in certain transactions and raise additional capital, including being unable to use Form S-3 for a substantial period of time. ApolloMed may also be subject to certain other restrictions or fines or penalties.

In addition, a plaintiffs' securities law firm has announced that it is investigating ApolloMed and the ApolloMed board for potential federal law violations and breaches of fiduciary duties in connection with the Merger. This investigation purportedly focuses on whether ApolloMed and its board of directors violated federal securities laws or breached their fiduciary duties to ApolloMed's stockholders by failing to properly value the Merger and failing to disclose all material information in connection with the Merger. ApolloMed cannot preclude the possibility that this investigation and any lawsuit brought relating to any alleged federal law violations or breaches of fiduciary duty in connection with the Merger could result in a delay of the Merger, as well as the potentially significant expenditures of time and resources to defend any such lawsuit. As a result, ApolloMed's management and board of directors may have less time to devote to ApolloMed's business, the consummation of the Merger and the successful integration of the business of ApolloMed and NMM.

Economic conditions or changing consumer preferences could adversely impact ApolloMed's business.

A downturn in economic conditions in one or more of ApolloMed's markets could have a material adverse effect on ApolloMed's results of operations, financial condition, business and prospects. Historically, state budget limitations have resulted in reduced state spending. Given that Medicaid is a significant component of state budgets, an economic downturn would put continued cost containment pressures on Medicaid outlays for ApolloMed's services in California. In addition, an economic downturn and/or sustained unemployment, may also impact the number of enrollees in managed care programs as well as the profitability of managed care companies, which could result in reduced reimbursement rates.

The existing Federal deficit, as well as deficit spending by the government as the result of adverse developments in the economy or other reasons, can lead to continuing pressure to reduce government expenditures for other purposes, including government-funded programs in which ApolloMed participates, such as Medicare and Medicaid. Such actions in turn may adversely affect ApolloMed's results of operations.

Although ApolloMed attempts to stay informed of government and customer trends, any sustained failure to identify and respond to trends could have a material adverse effect on ApolloMed's results of operations, financial condition, business and prospects.

ApolloMed's success depends, to a significant degree, upon ApolloMed's ability to adapt to a changing market and continued development of additional services.

Although ApolloMed expects to provide a broad and competitive range of services, there can be no assurance of acceptance by the marketplace. ApolloMed's ability to procure new contracts may be dependent upon the continuing results achieved at the current facilities, upon pricing and operational considerations, and the potential need for continuing improvement to existing services. Moreover, the markets for such services may not develop as expected nor can there be any assurance that ApolloMed will be successful in its marketing of any such services.

Competition for physicians is intense, and ApolloMed may not be able to hire and retain qualified physicians to provide services.

ApolloMed is dependent on its affiliated physicians to provide services and generate revenue. ApolloMed competes with many types of healthcare providers, including teaching, research and government institutions, hospitals and other practice groups, for the services of clinicians. The limited number of residents entering the job market each year and the limited number of other licensed providers seeking to change employers makes it challenging to meet ApolloMed's hiring needs and may require ApolloMed to contract *locum tenens* physicians or to increase physician compensation in a manner that decreases its profit margins. The limited number of residents and other licensed providers also impacts ApolloMed's ability to recruit new physicians with the expertise necessary to provide services within ApolloMed's business and its ability to renew contracts with existing physicians on acceptable terms. If ApolloMed does not do so, its ability to provide services could be adversely affected. Even though ApolloMed's physician turnover rate has remained stable over at least the last three years, if the turnover rate were to increase significantly, ApolloMed's growth could be adversely affected.

Moreover, unlike some of ApolloMed's competitors who sometimes pay additional compensation to physicians who agree to provide services exclusively to that competitor, ApolloMed's IPAs have historically not entered into such exclusivity agreements and have allowed its affiliated physicians to affiliate with multiple IPAs. This practice may place ApolloMed at a competitive disadvantage regarding the hiring and retention of physicians relative to those competitors who do enter into such exclusivity agreements.

The healthcare industry continues to experience shortages in qualified service employees and management personnel and ApolloMed may be unable to hire qualified employees.

ApolloMed competes with other healthcare providers for its employees, both clinical associates and management personnel. As the demand for health services continues to exceed the supply of available and qualified staff, ApolloMed and its competitors have been forced to offer more attractive wage and benefit packages to these professionals. Furthermore, the competition for this segment of the labor market has created turnover as many seek to take advantage of the supply of available positions, many of which offer new and more attractive wage and benefit packages. In addition to the wage pressures described above, the cost of training new employees amid the turnover rates may cause added pressure on ApolloMed's operating margins. Lastly, the market for qualified nurses and therapists is highly competitive, which may adversely affect ApolloMed's palliative, home health and hospice operations, which are particularly dependent on nurses for patient care.

The healthcare industry is highly competitive.

There are many other companies and individuals currently providing health care services, many of which have been in business longer than ApolloMed has been, and/or have substantially more financial and personnel resources than ApolloMed has. ApolloMed competes directly with national, regional and local providers of inpatient healthcare for patients and physicians. Other companies could enter the market in the future and divert some or all of ApolloMed's business. On a national basis, ApolloMed's competitors include, but are not limited to, Team Health, EmCare, DaVita and Heritage, each of which has greater financial and other resources available to them. ApolloMed also competes with physician groups and privately-owned health care companies in each of ApolloMed's local markets. Existing or future competitors also may seek to compete with ApolloMed for acquisitions, which could have the effect of increasing the price and reducing the number of suitable acquisitions, which would have an adverse impact on ApolloMed's growth strategy. Since there are virtually no capital expenditures required to enter the industry, there are few financial barriers to entry. Individual physicians, physician groups and companies in other healthcare industry segments, including hospitals with which ApolloMed has contracts, and some of which have greater financial, marketing and staffing resources, may become competitors in providing health care services, and this competition may have a material adverse effect on ApolloMed's business operations and financial position. In addition, certain governmental payors contract for services with independent providers such that ApolloMed's relationships with these payors are not exclusive, particularly in California, where all of ApolloMed's operations, providers and patients are located.

Additionally, as ApolloMed has expanded into palliative, home health and hospice care through ApolloMed Palliative, ApolloMed faces competitors that have traditionally concentrated in this segment and that may have greater resources and specialized expertise than ApolloMed has. In many areas in which ApolloMed's palliative, home health and hospice care programs are located, it competes