



IMAC Holdings Reports Increased Revenue for the Fourth Consecutive Quarter

May 13, 2022

BRENTWOOD, Tenn., May 13, 2022 (GLOBE NEWSWIRE) -- IMAC Holdings, Inc. (Nasdaq: IMAC) ("IMAC" or the "Company"), a provider of innovative medical advancements and care specializing in regenerative rehabilitation orthopedic treatments without the use of surgery or opioids, today reported its preliminary financial results for the first quarter ended March 31, 2022.

Financial and Corporate Highlights from Q1 2022:

- Total Revenue was \$3.9 million, compared with \$3.0 million in Q1 2021, an increase of 28%
- Patient visits were up 3.7% to 39,809 in IMAC clinics
- Completed repayment of three loans of over \$4.34 million, which represented more than 95% of the company's debt
- Successfully completed its pilot program for The Back Space retail chiropractic concept at select Walmart stores, with a commitment to triple its store count with at least 20 additional locations in Walmart over the next 12 months
- Launched the The Back Company Franchise to expand our chiropractic service locations
- Engaged Dr. Ben Lerner as Chief Operating Officer, bringing decades of valuable healthcare growth experience to the executive team.
- Initiated the third and final cohort of its Phase 1 clinical trial for the treatment of bradykinesia due to Parkinson's disease.

"The first quarter of 2022 demonstrated IMAC's ability to deliver on significant commitments. For example, we started the quarter by successfully retiring debt obligations to a lending partner that helped us through challenging market conditions in 2020. Then, we finished the quarter by meeting obligations of our 10 store pilot program with Walmart, setting up substantial growth prospects for our company," said Jeffrey Ervin, CEO of IMAC.

"Our clinics realized improved pricing as revenue per visit increased over 20% from the comparable quarter in 2021. The increase came from continued operating and payor mix improvements.

"We are encouraged by the consumer adoption of The Back Space spinal health and wellness services. One of the clinics achieved operating breakeven eight weeks after opening. Recruiting quality teammates will continue to drive success with this operating model and the model's limited overhead allows us to compensate competitively in the marketplace.

"We remain excited about the progress in each of our business segments, given the revenue growth in our medical clinics, the adoption of our retail spinal health services, and the visibility to the finish line for our Phase 1 clinical trial," concluded Mr. Ervin.

About IMAC Holdings, Inc.

IMAC Holdings owns and manages health and wellness centers that deliver sports medicine, orthopedic, and life science therapies for movement restricting diseases. IMAC is comprised of three business segments: outpatient medical centers, The Back Space, and a clinical research division. With treatments to address the aging population, IMAC Holdings owns or manages more than 15 outpatient medical clinics and has partnered with several active and former professional athletes to promote a minimally invasive approach to sports medicine. IMAC's The Back Space retail spine health and wellness treatment centers deliver chiropractic care within Walmart locations. IMAC's research division is currently conducting a Phase I clinical trial evaluating a mesenchymal stem cell therapy candidate for bradykinesia due to Parkinson's disease. For more information visit www.imacholdings.com.

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Safe Harbor Statement

This press release contains forward-looking statements. These forward-looking statements, and terms such as "anticipate," "expect," "believe," "may," "will," "should" or other comparable terms, are based largely on IMAC's expectations and are subject to a number of risks and uncertainties, certain of which are beyond IMAC's control. Actual results could differ materially from these forward-looking statements as a result of, among other factors, risks and uncertainties associated with its ability to maintain and grow its business, the variability of its operating results, its ability to maintain and enhance its brand, its development and introduction of new products and services, the successful integration of acquired companies, technologies and assets, marketing and other business development initiatives, competition in the industry, general government regulation, economic conditions, dependence on key personnel, the ability to attract, hire and retain personnel who possess the skills and experience necessary to meet customers' requirements, and its ability to protect its intellectual property. IMAC encourages you to review other factors that may affect its future results in its public filings with the Securities and Exchange Commission. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained in this press release will in fact occur. More information about IMAC Holdings, Inc. is available at www.imacregeneration.com.

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Financial Tables

IMAC HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
ASSETS		
Current assets:		
Cash	\$ 4,275,251	\$ 7,118,980
Accounts receivable, net	1,725,034	1,209,333
Deferred compensation, current portion	196,949	191,657
Other assets	<u>480,278</u>	<u>547,536</u>
Total current assets	6,677,512	9,067,506
Property and equipment, net	2,285,092	2,323,163
Other assets:		
Goodwill	4,661,796	4,661,796
Intangible assets, net	5,552,065	5,797,469
Deferred compensation, net of current portion	26,472	73,816
Security deposits	351,819	357,050
Right of use asset	<u>4,645,217</u>	<u>4,948,393</u>
Total other assets	<u>15,237,369</u>	<u>15,838,524</u>
Total assets	\$ 24,199,973	\$ 27,229,193
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	\$ 3,017,799	\$ 2,523,332
Patient deposits	332,519	320,917
Notes payable, current portion	92,799	254,487
Finance lease obligation, current portion	19,258	19,050
Liability to issue common stock, current portion	303,855	337,935
Operating lease liability, current portion	<u>1,472,245</u>	<u>1,478,140</u>
Total current liabilities	<u>5,238,475</u>	<u>4,933,861</u>
Long-term liabilities:		
Notes payable, net of current portion	87,412	104,697
Finance lease obligation, net of current portion	24,379	29,273
Liability to issue common stock, net of current portion	189,375	189,375
Operating lease liability, net of current portion	<u>3,688,249</u>	<u>4,018,926</u>
Total liabilities	9,227,890	9,276,132
Commitment and Contingencies – Note 14		
Stockholders' equity:		
Preferred stock - \$0.001 par value, 5,000,000 authorized, nil issued and outstanding at March 31, 2022 and December 31, 2021, respectively.	-	-
Common stock - \$0.001 par value, 30,000,000 authorized; 27,043,409 and 26,876,409 shares issued at March 31, 2022 and December 31, 2021, respectively; and 26,385,167 and 26,218,167 outstanding at March 31, 2022 and December 31, 2021, respectively.	26,385	26,218
Additional paid-in capital	46,314,757	46,133,777
Accumulated deficit	<u>(31,369,059)</u>	<u>(28,206,934)</u>
Total stockholders' equity	<u>14,972,083</u>	<u>17,953,061</u>
Total liabilities and stockholders' equity	\$ 24,199,973	\$ 27,229,193

(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Patient revenues, net	\$ 3,894,987	\$ 3,024,808
Other income	-	3,377
Management fees	-	36,068
Total revenue	<u>3,894,987</u>	<u>3,064,253</u>
Operating expenses:		
Patient expenses	460,473	341,412
Salaries and benefits	3,710,278	2,754,248
Share-based compensation	189,120	110,607
Advertising and marketing	370,488	265,548
General and administrative	1,815,247	1,219,338
Depreciation and amortization	446,772	422,201
Loss on disposal or impairment of assets	47,429	4,043
Total operating expenses	<u>7,039,807</u>	<u>5,117,397</u>
Operating loss	(3,144,820)	(2,053,144)
Other expenses:		
Other expense	(13,174)	
Interest expense	(4,131)	(176,279)
Total other expenses	<u>(17,305)</u>	<u>(176,279)</u>
Net loss before income taxes	<u>(3,162,125)</u>	<u>(2,229,423)</u>
Income taxes	-	-
Net loss	\$ (3,162,125)	\$ (2,229,423)
Net loss per share attributable to common stockholders		
Basic and diluted	\$ (0.12)	\$ (0.17)
Weighted average common shares outstanding		
Basic and diluted	26,365,734	13,448,567

IMAC HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net loss	\$ (3,162,125)	\$ (2,229,423)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	446,772	422,201
Share based compensation	189,120	110,607
Loss on disposition or impairment of assets	47,429	4,043
Changes in operating assets and liabilities:		
Accounts receivable, net	(515,701)	(332,471)
Other assets	67,258	(167,193)
Security deposits	5,231	(3,049)
Right of use/lease liability	(33,396)	(40,994)
Accounts payable and accrued expenses	499,819	367,594
Patient deposits	11,602	118,783
Net cash from operating activities	<u>(2,443,991)</u>	<u>(1,749,902)</u>
Cash flows from investing activities:		

Purchase of property and equipment	(218,139)	(65,769)
Brand development	-	(55,045)
Acquisitions	-	(563,500)
Proceeds from sale of property and equipment	2,060	1,250
Net cash from investing activities	<u>(216,079)</u>	<u>(683,064)</u>
Cash flows from financing activities:		
Proceeds from issuance of common stock	-	17,209,924
Payments on notes payable	(178,973)	(1,788,711)
Payments on finance lease obligation	<u>(4,686)</u>	<u>(4,487)</u>
Net cash from financing activities	<u>(183,659)</u>	<u>15,416,726</u>
Net increase (decrease) in cash	(2,843,729)	12,983,760
Cash, beginning of period	<u>7,118,980</u>	<u>2,623,952</u>
Cash, end of period	\$ 4,275,251	\$ 15,607,712
Supplemental cash flow information:		
Interest paid	\$ 4,599	\$ 63,359

IMAC
HOLDINGS, INC.

Source: IMAC Holdings, Inc.