

Syncordia Technologies and Healthcare Solutions Reports Full Year 2015 Results

Toronto, Ontario. July 28, 2015 – Syncordia Technologies and Healthcare Solutions, Corp. (TSXV: SYN) ("Syncordia" or the "Company") today reported financial results for the twelve months ended March 31, 2015.

Reported results reflect five months of operations of Health Services Integration Inc. ("HSI"), which was acquired effective October 31, 2014. Syncordia had no operational activities for the period ended March 31, 2014. All results are reported in US dollars and are prepared in accordance with International Financial Reporting Standards ("IFRS"), unless otherwise stated.

Financial Highlights (for the 2015 year compared to the seventy-seven day comparative period ended March 31, 2014)

- Revenue was \$4.4 million.
- Adjusted EBITDA was negative \$0.3 million.
- Cash and cash equivalents were \$2.8 million at year end.
- Raised gross proceeds of \$27.8 million to fund acquisition program and growth strategy.

Business Highlights

- Recruited a seasoned management team with deep healthcare and capital markets experience.
- Acquired HSI, a California based Emergency Medical Services ("EMS") billing services provider.

Highlights Subsequent to Fiscal 2015

- Acquired Paragon Billing, LLC ("Paragon"), a leading provider of behavioural health medical billing and electronic health records ("EHR").
- Completed qualifying transaction with the Company.
- Raised gross proceeds of CDN\$10.0 million through a private placement.
- Syncordia commenced trading under the symbol "SYN" on the TSX Venture Exchange July 8, 2015.

Management Commentary

"During our first year of operations, we developed and began executing on our business plan to establish Syncordia as a leading RCM company, targeting niche healthcare providers," said Michael Franks, Chief Executive Officer. "Thus far, we have raised more than \$40 million of capital, completed two acquisitions of medical billing and RCM companies and laid the foundation to support our development plans. We are focused on executing our strategy, which comprises organic sales growth, accretive acquisition opportunities, and the development of Syncordia Cloud, our turn-key full service suite of cloud-based RCM software modules. We look forward to reporting on our continued success in the coming months", added Franks.

Full Year 2015 Financial Results

Revenue was \$4.4 million, split between air transportation client billings of \$3.8 million, ground transportation client billings of \$0.3 million and other revenue streams of \$0.3 million.

Gross margin was \$2.9 million or 66% of revenues.

Adjusted EBITDA before Corporate costs was \$1.3 million reflecting the five months of operations of the RCM business segment.

Corporate costs were \$1.6 million, reflecting salaries, professional fees and other costs associated with establishing the Company.

Adjusted EBITDA was negative \$0.3 million.

Cash and cash equivalents increased to \$2.8 million, reflecting \$15.8 million of gross amounts raised through equity and \$12.0 million of gross notes payable partially offset by \$24.2 million used to purchase HSI. Other cash uses during 2015 totaled \$0.8 million. Subsequent to year end, we raised gross proceeds of CDN\$10.0 million through a private placement.

Business Outlook

- We anticipate our RCM Business achieving \$14.0 to \$16.0 million of revenue and \$5.0 to \$7.0 million of Adjusted EBITDA on a twelve month run rate basis, prior to any further RCM acquisitions.
- We anticipate that our Corporate costs will not exceed \$3.0 million on a similar twelve month period, allowing us to support the continued growth of our business.
- We anticipate continued investment in our Syncordia Cloud business in line with the market demand for our cloud-based service offering and the profitability of our business.
- We are actively engaged in negotiations with several acquisition candidates and continue to build a promising pipeline of targets.

Basis of Presentation

Syncordia Technologies and Healthcare Solutions, Corp., formerly known as LL Capital Corp., reported its fiscal 2015 financial results on May 15, 2015 prior to the qualifying transaction with Syncordia Technologies and Healthcare Solutions, Inc. (“Syncordia Inc.”). Accordingly, the fiscal 2015 financial results of Syncordia Inc. are not consolidated with that of Syncordia Technologies and Healthcare Solutions, Corp. Beginning with our first quarter ended June 30, 2015, financial information will be reported on a consolidated basis.

Forward Looking Statements

Certain statements herein may be “forward looking” statements that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Syncordia or the industry to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward looking statements. These forward looking statements reflect current assumptions and expectations regarding future events and operating performance and are made as of the date hereof and we assume no obligation, except as required by law, to update any forward looking statements to reflect new events or circumstances.

Cautionary Note Regarding Non-IFRS Measures

This press release contains references to “EBITDA,” “Adjusted EBITDA,” and “Adjusted EBITDA before Corporate costs.”

Management defines EBITDA as Earnings before Interest, Taxes, Depreciation and Amortization.

Management defines Adjusted EBITDA as Earnings before Interest, Taxes, Depreciation, Amortization, Transaction Costs, Stock Based Compensation and Cash based Share Compensation Arrangements. Transaction costs include professional and other fees associated with business transactions.

Management defines Adjusted EBITDA before Corporate costs as Earnings before Interest, Taxes, Depreciation, Amortization, Transaction Costs, Stock Based Compensation, Cash based Share Compensation Arrangements and costs of our Corporate segment. This metric is used to assess the performance of RCM and Syncordia cloud segments.

Corporate costs include sales and marketing, general and administrative and research and development, less amortization and depreciation, stock-based compensation expense and stock compensation indexed to our share price.

Management believes that EBITDA and Adjusted EBITDA are useful supplemental measure of our operating

performance. However, neither EBITDA nor Adjusted EBITDA are recognized earnings measure under IFRS and neither have a standardized meaning prescribed by IFRS. Therefore, EBITDA and Adjusted EBITDA may not be comparable to similar measures presented by other issuers. Neither EBITDA nor Adjusted EBITDA should be construed as an alternative to net income or loss.

About Syncordia Technologies and Healthcare Solutions

We are a technology enhanced revenue cycle management (“RCM”) company focused on underserved niche segments of the healthcare industry. Our growth strategy is to acquire RCM businesses with and without software and, improve their profitability by increasing revenues and operating efficiencies using our software, and in time, commercializing the Syncordia Cloud, our cloud-based software offering, to provide customer demanded turn-key solutions from a single provider and to address compelling RCM market opportunities.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

For further information:

Michael Franks
Chief Executive Officer
(647) 350-7962
mike.franks@syncordiahealth.com

Lawrence Davis
Chief Financial Officer
(647) 350-7962
lawrence.davis@syncordiahealth.com

Nicholas Badder
Director of Corporate Development and Investor Relations
(647) 308-1201
nicholas.badder@syncordiahealth.com

The following is a reconciliation of EBITDA with net loss and comprehensive loss:

(in thousands of US Dollars)		
	2015	2014
Net loss and comprehensive loss	(2,895)	-
Amortization of operating and other assets	1,082	-
Interest expense	675	-
EBITDA	(1,138)	-

The following is a reconciliation of Adjusted EBITDA and Adjusted EBITDA before corporate costs with net loss and comprehensive loss:

(in thousands of US Dollars)		
	2015	2014
Net loss and comprehensive loss	(2,895)	-
Amortization of operating and other assets	1,082	-
Interest expense	675	-
Transaction costs	822	-
Stock based compensation	28	-
Adjusted EBITDA	(288)	-
Corporate costs (i)	1,577	-
Adjusted EBITDA before Corporate costs	1,289	-

Notes:

(i) *Non-IFRS measure, corporate costs excludes stock based compensation and amortization.*

Syncordia Technologies and Healthcare Solutions, Inc.

Consolidated Statements of Financial Position

As at March 31, 2015 and 2014

(expressed in US dollars)

	2015 \$	2014 \$
Assets		
Current assets		
Cash and cash equivalents	2,842,413	3
Accounts receivable	1,931,076	-
Other assets	145,304	-
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	4,918,793	3
Property and equipment	168,418	-
Intangible assets	16,134,626	-
Goodwill	5,836,719	-
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	27,058,556	3
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Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	1,135,379	-
Contingent consideration payable	2,320,000	-
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	3,455,379	-
Notes payable	10,483,989	-
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	13,939,368	-
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Shareholders' Equity		
Capital stock	14,387,095	3
Contributed surplus	1,626,593	-
Deficit	(2,894,500)	-
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	13,119,188	3
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	27,058,556	3
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Syncordia Technologies and Healthcare Solutions, Inc.
Consolidated Statements of Loss and Comprehensive Loss
For the year ended March 31, 2015 and the 77-day period ended March 31, 2014

(expressed in US dollars)

	Year ended March 31, 2015 \$	77-day period ended March 31, 2014 \$
Revenue	4,391,812	-
Cost of sales	1,507,654	-
Amortization of operating assets	962,670	-
Gross profit	1,921,488	-
Operating expenses	3,199,442	-
Transaction costs	821,805	-
Other amortization	119,524	-
Loss before interest expense	(2,219,283)	-
Interest expense	675,217	-
Net loss and comprehensive loss for the period	(2,894,500)	-
Net loss per share Basic and diluted earnings per share	(0.33)	-
Weighted average number of shares outstanding		
Basic	8,869,404	3,000,000
Diluted	8,893,782	3,000,000

Syncordia Technologies and Healthcare Solutions, Inc.
Consolidated Statements of Cash Flows
For the year ended March 31, 2015 and the 77-day period ended March 31, 2014

(expressed in US dollars)

	Year ended March 31, 2015 \$	77-day period ended March 31, 2014 \$
Cash provided by (used in)		
Operating activities		
Net loss for the period	(2,894,500)	-
Items not affecting cash		
Amortization	1,082,194	-
Non-cash interest on notes payable	239,612	-
Share-based compensation	27,524	-
Changes in non-cash working capital items		
Accounts receivable	(878,900)	-
Other assets	(51,769)	-
Accounts payable and accrued liabilities	644,606	-
	<u>(1,831,233)</u>	<u>-</u>
Investing activities		
Purchase of property, equipment and intangible assets	(102,056)	-
Acquisition of Health Services Integration	(21,413,474)	-
	<u>(21,515,530)</u>	<u>-</u>
Financing activities		
Issuance of common shares	-	3
Issuance of Class A preferred shares	3,500,000	-
Issuance of Class B preferred shares	12,281,442	-
Share issuance costs	(867,032)	-
Proceeds from long-term notes	12,000,000	-
Deferred financing costs	(725,237)	-
	<u>26,189,173</u>	<u>3</u>
Increase in cash and cash equivalents during the period	2,842,410	3
Cash and cash equivalents - Beginning of period	3	-
Cash and cash equivalents - End of period	2,842,413	3
Cash interest paid	435,605	-