

Pacific Health Care Organization, Inc. Reports its 2021 Second Quarter Results

NEWPORT BEACH, Calif., August 12, 2021 (GLOBE NEWSWIRE) – Pacific Health Care Organization, Inc., (the “Company”) (OTCQB: PFHO) today filed with the Securities and Exchange Commission (the “Commission”) its quarterly report on Form 10-Q announcing financial results for the quarter ended June 30, 2021.

Quarterly Results

The Company reported net income of \$94,711, or \$0.01 per basic and fully diluted common share for the three months ended June 30, 2021, compared to net income of \$106,589, or \$0.01 per basic and fully diluted common share for the three months ended June 30, 2020.

For the first six months of 2021 the Company reported net income of \$601,996 or \$0.05 per basic and fully diluted common share, compared to net income of \$229,717 or \$0.02 per basic and fully diluted common share for the first six months of 2020.

Total revenues for the three months ended June 30, 2021 were \$1,343,451 compared to \$1,466,506 for the same period in 2020, a decrease of \$123,055 or 8 percent. For the first six months of 2021 the Company recorded total revenue of \$2,667,813 compared to total revenues of \$3,019,415 for the same period in 2020, a decrease of \$351,602 or 12 percent.

Net cash provided by operating activities was \$388,713 during the six months ended June 30, 2021, compared to \$444,538 during the same period in 2020, a decrease of \$55,825 or 13 percent. Net cash used in investing activities was \$5,434 during the six months ended June 30, 2021, compared to \$42,577 the previous year. Net cash provided by financing activities during the six months ended June 30, 2021 was \$218,900 compared to \$460,700 during the same period in 2020. In 2020, the Company received three Paycheck Protection Program loans, which the loans and interest were fully forgiven in February of 2021. The Company received a Second Draw Paycheck Protection Program loan in April 2021, which we will apply for forgiveness at the appropriate time. Cash balance at June 30, 2021 and December 31, 2020, was \$10,100,636 and \$9,498,457, respectively.

To better understand the Company’s financial results, readers should review the Company’s quarterly report on Form 10-Q.

About Pacific Health Care Organization, Inc.

The Company specializes in workers’ compensation cost containment. The Company’s business objective is to deliver value to its customers that reduces their workers’ compensation related medical claims expense in a manner that will assure that injured employees receive high quality healthcare that allows them to recover from injury and return to gainful employment without undue delay. Workers’ compensation costs continue to increase due to rising medical costs, inflation, fraud and other factors. Medical and indemnity costs associated with workers’ compensation in the state of California are billions of dollars annually. Through its wholly owned subsidiaries, the Company provides a range of effective workers’ compensation cost containment services, including but not limited to, Health Care Organizations, Medical Provider Networks, medical case management, utilization review, medical bill review, workers’ compensation carve-outs and Medicare set-aside services. We also provide lien representation and expert witness testimony, ancillary to our other services. We offer our services as a bundled solution, as standalone services, or as add-on services.

“Safe Harbor” Statement: Statements included in this press release, other than statements or characterizations of historical fact, are forward-looking statements. Forward-looking statements are

based on management's current judgment, expectations, estimates, projections and assumptions about future events. While management believes these assumptions are reasonable, such statements are not guarantees of future results and involve certain risks and uncertainties which are difficult to predict. Therefore, actual results and trends may differ materially from what is forecast in any forward-looking statement due to a variety of factors. Additional information regarding these factors, such as the potential loss of one or more key customers or the possible impacts of the Covid-19 pandemic, is contained in the Company's filings with the Commission, including without limitation, its annual reports on Form 10-K and its quarterly reports on Form 10-Q.

All forward-looking statements speak only as of the date they were made. The Company does not undertake any obligation to update or publicly release any revisions to any forward-looking statements to reflect events, circumstances or changes in expectations after the date of this press release.

To view the Company's quarterly report on Form 10-Q for the quarter ended June 30, 2021, filed with the Commission today and the Company's annual, quarterly and current reports and other information the Company files with the U.S. Securities and Exchange Commission go to: <http://www.sec.gov>. You may also view our annual report on Form 10-K on our website at <http://www.pacifichealthcareorganization.com>.

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