

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): March 9, 2022

P3 Health Partners Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-40033
(Commission
File Number)

85-2992794
(I.R.S. Employer
Identification No.)

2370 Corporate Circle, Suite 300
Henderson, NV
(Address of principal executive offices)

89074
(Zip Code)

(702) 910-3950
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value \$0.0001 per share	PIII	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Class A Common Stock at an exercise price of \$11.50.	PIIIW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On March 9, 2022, P3 Health Partners Inc. (the "Company") announced preliminary unaudited financial results for the fourth quarter and fiscal year ended December 31, 2021. The full text of the press release issued in connection with the announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K (the "Report").

The information furnished under Item 7.01 of this Report is incorporated by reference in this Item 2.02.

Item 7.01 Regulation FD Disclosure.

Attached as Exhibit 99.2 to this Report is the form of presentation to be used by the Company in connection with its participation in the Cowen HealthCare Conference. The Company undertakes no obligation to update, supplement or amend the materials attached hereto as Exhibit 99.2.

The information in Items 2.02 and 7.01 of this Report (including Exhibits 99.1 and 99.2 attached hereto) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly provided by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
<u>99.1</u>	<u>Press Release of the Company, dated March 9, 2022</u>
<u>99.2</u>	<u>Corporate Slide Presentation of the Company, dated March 9, 2022</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

P3 Health Partners Inc.

Date: March 9, 2022

By: /s/ Eric Atkins
Eric Atkins
Chief Financial Officer



P3 Health Partners Announces Select Preliminary Fourth Quarter and Full Year 2021 Results, and Introduces 2022 Outlook

Strong revenue growth of 46% for the fourth quarter and 32% for full year 2021

Full year 2022 revenue expected to be up to \$1 billion, a 56% increase vs. prior year

At-risk Medicare Advantage members expected to be up 95,000 by end of full year 2022, a 42% increase vs. prior year

Significant improvements in full year 2022 Adjusted EBITDA PMPM, with Adjusted EBITDA profitability expected in 2024

Henderson, NV, March 9, 2022 — P3 Health Partners, Inc. (“P3” or the “Company”) (NASDAQ: PIII), a patient-centered and physician-led population health management company, today announced its select preliminary unaudited financial results and business updates for the fourth quarter and full year ended December 31, 2021, along with its full year 2022 outlook in advance of the Company’s upcoming participation at several investor conferences in March.

“Our preliminary results for 2021 demonstrate continued progress on our strategic objectives, which we believe provides a solid foundation for P3 Health Partners in 2022,” said Dr. Sherif Abdou, CEO of P3 Health Partners. “Our 2021 revenue is expected to be \$642 million, an increase of 32% from the prior year, exceeding our full-year guidance as we grew our at-risk Medicare Advantage members to 67,000 at year-end. We also continued our national expansion with our entry into California announced earlier this year, and we’re now operating in 5 states and 18 markets as of January 2022.”

Dr. Abdou continued, “We anticipate 2022 revenue to reach up to approximately \$1 billion, a 56% increase over the prior year and well ahead of our previous estimate of \$825 million, driven by up to 95,000 at-risk Medicare Advantage members by year-end, representing a 42% increase over the prior year. On the bottom line, we expect a 50% improvement in adjusted EBITDA per member per month (PMPM) at the midpoint of our guidance. Our balance sheet remains strong, with approximately \$140 million in cash at the end of December 2021, providing ample capital until we achieve profitable adjusted EBITDA in 2024.”

Select Preliminary Unaudited Financial Results

Fourth Quarter 2021:

- Revenue is expected to increase 46% to approximately \$183 million compared to \$125 million in the prior year.
- Net loss is expected to range between approximately \$90 million and \$95 million compared to a net loss of \$14.2 million in the prior year.
- Adjusted EBITDA loss (a non-GAAP number defined herein) is expected to range between approximately \$35 million and \$30 million compared to an adjusted EBITDA loss of \$30 million in the prior year.⁽¹⁾



Full Year 2021 vs. 2020:

- At-risk Medicare Advantage members at December 31, 2021, increased approximately 32% to 67,000 compared to 51,000 in the prior year⁽²⁾
- Revenue is expected to increase 32% to approximately \$642 million compared to \$486 million in the prior year.
- Net loss is expected to range between approximately \$176 million and \$181 million compared to a net loss of \$45.4 million in the prior year.
- Net loss PMPM is expected to range between \$248 and \$242.
- Adjusted EBITDA loss is expected to range between \$88 million and \$83 million compared to an adjusted EBITDA loss of \$55 million in the prior year.⁽¹⁾
- Adjusted EBITDA loss PMPM is expected to range between \$120 and \$115.⁽¹⁾

⁽¹⁾ Adjusted EBITDA and Adjusted EBITDA PMPM are non-GAAP financial measures. For reconciliations of these measures to the most directly comparable GAAP measures and more information regarding the Company’s use of non-GAAP financial measures, please see the section titled “Non-GAAP Financial Measures.”

⁽²⁾ See “Key Performance Metrics” for additional information on how the Company defines “at-risk Medicare Advantage members.”

Full Year 2022 Outlook:

The Company expects full year 2022 revenue between \$950 million and \$1.0 billion, representing a 48% to 56% increase over the prior year. The Company expects at-risk Medicare Advantage members between 90,000 and 95,000, at December 31, 2022, representing a 34% to 42% increase over the prior year. P3 also expects adjusted EBITDA loss to range between \$80 million and \$50 million reflecting our expected high growth rate and the underlying improving operating performance, offset by incremental labor expenses related to front line staff, such as nurses, and continued expenses related to COVID-19. On a PMPM basis, full year 2022 adjusted EBITDA loss is expected to improve to \$75 PMPM to \$45 PMPM compared to an expected range of \$120 PMPM to \$115 PMPM in the prior year, representing a 35% to 63% improvement versus the prior year.

While the Company expects the impact of COVID-19 on our future results to be transitory, P3 expects to incur additional COVID-19 related costs in full year 2022 given the volume of positive cases and “breakthrough” cases (positive cases in vaccinated patients) present in the Company’s markets. COVID-19 disproportionately impacts older adults, especially those with chronic illnesses, which describes many of P3’s patients. The full extent to which COVID-19 will directly or indirectly impact P3’s full year 2022

results of operations and financial condition will depend on multiple factors, including, but not limited to new and emerging information from the impact of new variants of the virus. Because of these factors, management may not be able to fully estimate the length or severity of the impact of the pandemic on P3's business and results of operations.

Dr. Abdou added, "In 2022, we will continue to focus on operational excellence, delivering improved patient outcomes and executing on our disciplined, purposeful growth strategy. We believe P3 is now in an excellent position to achieve our vision to lead the transformation of healthcare with our proven, capital-efficient, scalable model."

The Company currently anticipates filing a Form 12b-25, Notification of Late Filing, no later than April 1, 2022, which will provide the Company with a 15-calendar day extension to file its Form 10-K. The Company expects to report fourth quarter and audited full year 2021 financial results on or before April 15, 2022, the expiration date of the extension period. The Company began publicly trading on the Nasdaq on December 3, 2021, and the Company and its independent auditor, BDO LLP, anticipate needing additional time to finalize the Company's initial Form 10-K filing. The Company does not expect future delays in subsequent regulatory filings.



About P3 Health Partners

P3 is a patient-centered and physician-led population health management company. Founded and led by physicians, P3 is a team of doctors, clinicians and support service professionals with a shared passion for delivering value-based care. We leverage our deeply integrated and capital efficient care model, data and technology, physician leadership and community outreach tools to create enhanced patient outcomes and experiences, greater satisfaction for providers and caregivers and lower care costs. For more information, visit p3hp.org.

Business Combination and Presentation of Financial Results

As a result of the business combination consummated on December 3, 2021, the Company was deemed to be the acquirer and successor for accounting purposes, and P3 Health Group Holdings, LLC, which is the business conducted prior to the closing of the business combination, was deemed to be the acquiree and accounting predecessor. The Company's financial results are distinguished between two distinct periods, the period prior to the business combination closing date (the "Predecessor" period) and the period after the closing date (the "Successor" period), which reflects a new basis of accounting that is based on the fair value of net assets acquired. The preliminary financial results for the quarter and year ended December 31, 2021, presented in this release combine these two periods.

Non-GAAP Financial Measures

This press release contains certain non-GAAP financial measures as defined by the SEC rules. Adjusted EBITDA has not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). EBITDA is defined as GAAP net income (loss) before (i) interest expense, (ii) income taxes and (iii) depreciation and amortization. Adjusted EBITDA is defined as EBITDA, further adjusted to add back the effect of certain expenses, such as (iv) mark-to-market warrant expense, (v) premium deficiency reserves, (vi) stock-based compensation and (vii) transaction expenses. Adjusted EBITDA PMPM is defined as Adjusted EBITDA divided by the number of at-risk Medicare Advantage members each month divided by the number of months in the period. We believe these non-GAAP financial measures provide an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with other similar companies. We do not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. In addition, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. The following tables present a reconciliation of Adjusted EBITDA to net income (loss) and Adjusted EBITDA PMPM to net income (loss) PMPM, which are the most directly comparable financial measures calculated in accordance with GAAP:



In millions \$

	Preliminary For the three months ended December 31, 2021		For the three months ended December 31, 2020
	Lower range	Upper range	
Net income (loss)	\$ (94.6)	\$ (89.6)	\$ (14.2)
Interest (income) expense, net	4.2	4.2	3.1
Income tax expense ⁽¹⁾	--	--	0.1
Depreciation expense	0.5	0.5	0.2
Amortization expense	7.3	7.3	--
Mark-to-market warrant expense	(0.9)	(0.9)	--
	5.7	5.7	(19.2)
Premium deficiency reserve			
Transaction expense, Business Combinations	24.7	24.7	--
Transaction related litigation fees	7.9	7.9	--
Stock-based compensation	10.2	10.2	(0.2)
Adjusted EBITDA	\$ (35.0)	\$ (30.0)	\$ (30.2)

In millions \$

	Preliminary Unaudited For the year ended December 31, 2021		For the year ended December 31, 2020
	Lower range	Upper range	
Net income (loss)	\$ (180.9)	\$ (175.9)	\$ (45.4)

Interest (income) expense, net	17.4	17.4	10.0
Income tax expense ⁽¹⁾	--	--	0.1
Depreciation expense	1.7	1.7	0.8
Amortization expense	7.3	7.3	--
Mark-to-market warrant expense	11.1	11.1	--
Premium deficiency reserve	10.3	10.3	(20.5)
Transaction expense, Business Combinations	25.6	25.6	--
Transaction related litigation fees	7.9	7.9	--
Stock-based compensation	11.6	11.6	0.4
Adjusted EBITDA	<u>\$ (88.0)</u>	<u>\$ (83.0)</u>	<u>\$ (54.6)</u>



In PMPM \$

**Preliminary Unaudited
For the year ended
December 31, 2021**

	Lower range	Upper range
Net income (loss) PMPM	\$ (248)	\$ (242)
Interest (income) expense, net	24	24
Income tax expense ⁽¹⁾	--	--
Depreciation expense	2	2
Amortization expense	10	10
Mark-to-market warrant expense	15	15
Premium deficiency reserve	14	14
Transaction expense, Business Combinations	35	35
Transaction related litigation fees	11	11
Stock-based compensation	16	16
Adjusted EBITDA PMPM	<u>\$ (120)</u>	<u>\$ (115)</u>

⁽¹⁾ As of the date of this release, the Company has not finalized its 2021 income tax provision.

We are not able to provide a reconciliation of guidance for Adjusted EBITDA or Adjusted EBITDA PMPM to net income (loss) or net income (loss) PMPM, the most directly comparable GAAP measures, respectively, and have not provided forward-looking guidance for net income (loss) or net income (loss) PMPM, because of the variability around select items that may impact net income (loss), including stock-based compensation and mark-to-market warrant expense, that are not within our control or cannot be reasonably predicted without unreasonable effort.

Key Performance Metrics

In addition to our GAAP and non-GAAP financial information, the Company also monitors "at risk members" to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions. At-risk membership represents the approximate number of Medicare Advantage members for whom we receive a fixed per member per month fee under capitation arrangements as of the end of a particular period.

Financial Disclosure Advisory

The Company reports its financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). The expected financial results discussed in this press release are preliminary and represent the most current information available to the Company's management, as financial closing procedures for the fourth quarter and full year ended December 31, 2021, are not yet complete. These estimates are not a comprehensive statement of the Company's financial results for the fourth quarter and full year ended December 31, 2021, and actual results may differ materially from these estimates as a result of the completion of year-end accounting procedures and adjustments, including the execution of the Company's internal control over financial reporting, the completion of the preparation and audit of the Company's financial statements and the subsequent occurrence or identification of events prior to the formal issuance of the audited financial statements for full year 2021.



Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. These forward-looking statements include statements regarding our future growth and strategy. Words such as "anticipate," "believe," "budget," "contemplate," "continue," "could," "envision," "estimate," "expect," "guidance," "indicate," "intend," "may," "might," "plan," "possibly," "potential," "predict," "probably," "pro-forma," "project," "seek," "should," "target," or "will," or the negative or other variations thereof, and similar words or phrases or comparable terminology, are intended to identify forward-looking statements. These forward-looking statements address various matters including the Company's future expected growth and strategy; current expectations regarding the COVID-19 pandemic; preliminary expectations as to revenue, net loss and Adjusted EBITDA for the quarter ended December 31, 2021; preliminary expectations as to the number of at-risk Medicare Advantage members, revenue, net loss, net loss PMPM, Adjusted EBITDA and Adjusted EBITDA PMPM for the full year ended December 31, 2021; the Company's outlook as to the number of at-risk Medicare Advantage members, revenue, Adjusted EBITDA and Adjusted EBITDA PMPM for the full year ending December 31, 2022; and expectations to achieve profitability in 2024, all of which reflect the Company's expectations based upon currently available information and data. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected or estimated and you are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company's control, that could cause actual results or outcomes to differ materially from those discussed

in the forward-looking statements.

Important risks and uncertainties that could cause our actual results and financial condition to differ materially from those indicated in forward-looking statements include, among others, changes in market or industry conditions, regulatory environment, competitive conditions, and receptivity to our services; our ability to continue our growth and expand our operations; changes in laws and regulations applicable to our business; our ability to maintain our relationships with health plans and other key payers; the impact of COVID-19 or another pandemic, epidemic or outbreak of infectious disease on our business and results of operation; and our ability to recruit and retain qualified team members and independent physicians; and other factors discussed in the “Risk Factors” section of the Company’s Registration Statement on Form S-1 filed with the Securities and Exchange Commission (“SEC”) on December 28, 2021 and in the Company’s other filings with the SEC. All information in this press release is as of the date hereof, and we undertake no duty to update or revise this information unless required by law. You are cautioned not to place undue reliance on any forward-looking statements contained in this press release.



Contacts

Kelley Waynert, Senior Manager, Strategic Communications
P3 Health Partners
(702) 334-6745
KWaynert@p3hp.org

Investor Relations
Cody Slach, Alex Kovtun
Gateway Group
(949) 574-3860
PIII@gatewayir.com

Public Relations
Zach Kadletz, Natalie Balladarsch
Gateway Group
(949) 574-3860
PIII@gatewayir.com

Cowen Healthcare Conference

March 2022



Who: People with **P**assion and **P**urpose

What: Dedicated to Transforming Healthcare for **P**atients, **P**roviders, and **P**ayers

How: **P**atient-Centric, **P**hysician-Led, and **P**opulation Health Management Focused

Forward Looking Statement and Non-GAAP Financial Information

FORWARD-LOOKING STATEMENTS

Any investment in or purchase of any securities of P3 Health Group Inc. (the "Company" or "P3") is speculative and involves a high degree of risk and uncertainty. This presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of financial and performance metrics, projections of market opportunity and market share, expectations and timing related to site build-outs and capacity deployment, and the potential success of P3's strategy. These statements are based on various assumptions, whether or not identified in this presentation, and on the current expectations of P3's management and are not predictions of the actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of P3. These forward-looking statements are subject to a number of risks and uncertainties, including changes in domestic and foreign business, market, financial, political, legal and regulatory conditions; failure to realize the anticipated benefits of the business combination; risks related to the effects and uncertainties created by the ongoing COVID-19 pandemic; risks relating to the uncertainty of the projected financial information with respect to P3; risks related to the rollout of P3's business and the timing of expected business milestones; risks related to P3's commercial partnerships, including the inability of P3 and commercial counterparties to enter into definitive agreements; future global, regional or local economic and market conditions; the development, effects and enforcement of laws and regulations; P3's ability to manage future growth; P3's ability to develop new products and solutions, bring them to market in a timely manner, and make enhancements to its platform; the effects of competition on P3's future business; the ability of P3 to issue equity or equity-linked securities in the future; the outcome of any potential litigation, government and regulatory proceedings, investigations and inquiries; and those factors discussed in P3's Registration Statement on Form S-1 filed with the SEC on December 28, 2021 under the heading "Risk Factors," and other documents of P3 filed, or to be filed, with the SEC. If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that P3 presently knows or that P3 currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect P3's expectations, plans or forecasts of future events and views as of the date of this presentation. P3 anticipates that subsequent events and developments will cause P3's assessments to change. However, while P3 may elect to update these forward-looking statements at some point in the future, P3 specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing P3's assessments as of any date subsequent to the date of this presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements.

USE OF PROJECTIONS AND DESCRIPTION OF KEY CONTRACTS AND PARTNERSHIPS

This presentation contains projected financial information with respect to P3, namely revenue for 2021. Such projected financial information constitutes forward-looking information, and is for illustrative purposes only and should not be relied upon as necessarily being indicative of future results. The assumptions and estimates underlying such projected financial information are inherently uncertain and are subject to a wide variety of significant business, economic, competitive and other risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. See "Forward-Looking Statements" above. Actual results may differ materially from the results contemplated by the projected financial information contained in this presentation, and the inclusion of such information in this presentation should not be regarded as a representation by any person that the results reflected in such projections will be achieved. Neither the independent auditors of P3, audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. This presentation contains descriptions of certain key business partnerships of P3. These descriptions are based on the P3 management team's discussions with such counterparties and the latest available information and estimates as of the date of this presentation. In each case, such descriptions are subject to negotiation and execution of definitive agreements with such counterparties which have not been completed as of the date of this presentation and, as a result, such descriptions of key business partnerships of P3, remain subject to change.

FINANCIAL INFORMATION, NON-GAAP FINANCIAL MEASURES

The financial information and data contained in this presentation is unaudited and does not conform to Regulation S-X. Accordingly, such information and data may not be included in, may be adjusted in or may be presented differently in, any proxy statement, registration statement, or prospectus to be filed by P3 with the SEC. Some of the financial information and data contained in this presentation, such as EBITDA and EBITDA Margin have not been prepared in accordance with United States generally accepted accounting principles ("GAAP"). EBITDA is defined as net earnings (loss) before interest expense, income tax expense (benefit), depreciation and amortization. P3 believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to P3's financial condition and results of operations. P3 believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating projected operating results and trends in and in comparing P3's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in P3's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. P3 is not providing a reconciliation of its projected long-term EBITDA Margin to the most directly comparable measure prepared in accordance with GAAP because P3 is unable to provide this reconciliation without unreasonable effort due to the uncertainty and inherent difficulty of predicting the occurrence, the financial impact, and the periods in which the adjustments may be recognized. For the same reasons, P3 is unable to address the probable significance of the unavailable information, which could be material to future results.

TRADEMARKS

This presentation contains trademarks, service marks, trade names and copyrights of P3 and other companies, which are the property of their respective owners.



P3 At A Glance

*We Take Global Risk In A Rapidly Growing ~\$300bn
Medicare Advantage Market And Benefit From The Value We
Create Through Improved Clinical Outcomes*

**We Are A Market Leader
With A Strong Track Record Of High Growth**

We Are...

A physician founded and led organization
that works collaboratively with physicians, care teams and
practices on their journey from traditional fee-for-service to
value-based care

We Leverage...

Our deeply-integrated and capital efficient care model,
data and technology, physician leadership
and community outreach tools

We Create...

Enhanced patient outcomes and experiences,
greater professional satisfaction for providers and caregivers
and lower care costs

20+

*Years of value-based
care experience*

18

*Operates in 18 markets
across 5 states⁴*

67K

*Full-risk lives managed
as of December 2021*

27K

*Shared savings lives
managed under 5 ACO
agreements as of
December 2021*

2,100

*PCPs in network as of
December 2021*

99%

Physician retention¹

35%

*Reduction in hospital
admissions²*

\$642M

2021 revenue

20%+

*Expected Long-term
EBITDA margin³*

Note: Physician and patient numbers are approximate

¹ Represents affiliate provider retention through Q1 2021A; ²Based on P3's hospital admission rate per thousand of 161 in Arizona as of December 31, 2019, compared to the local Medicare benchmark of 246; ³ Represents long-term target; ⁴Up to date as of January 1, 2022

P3 Investment Highlights

Large, Growing TAM With Significant Whitespace

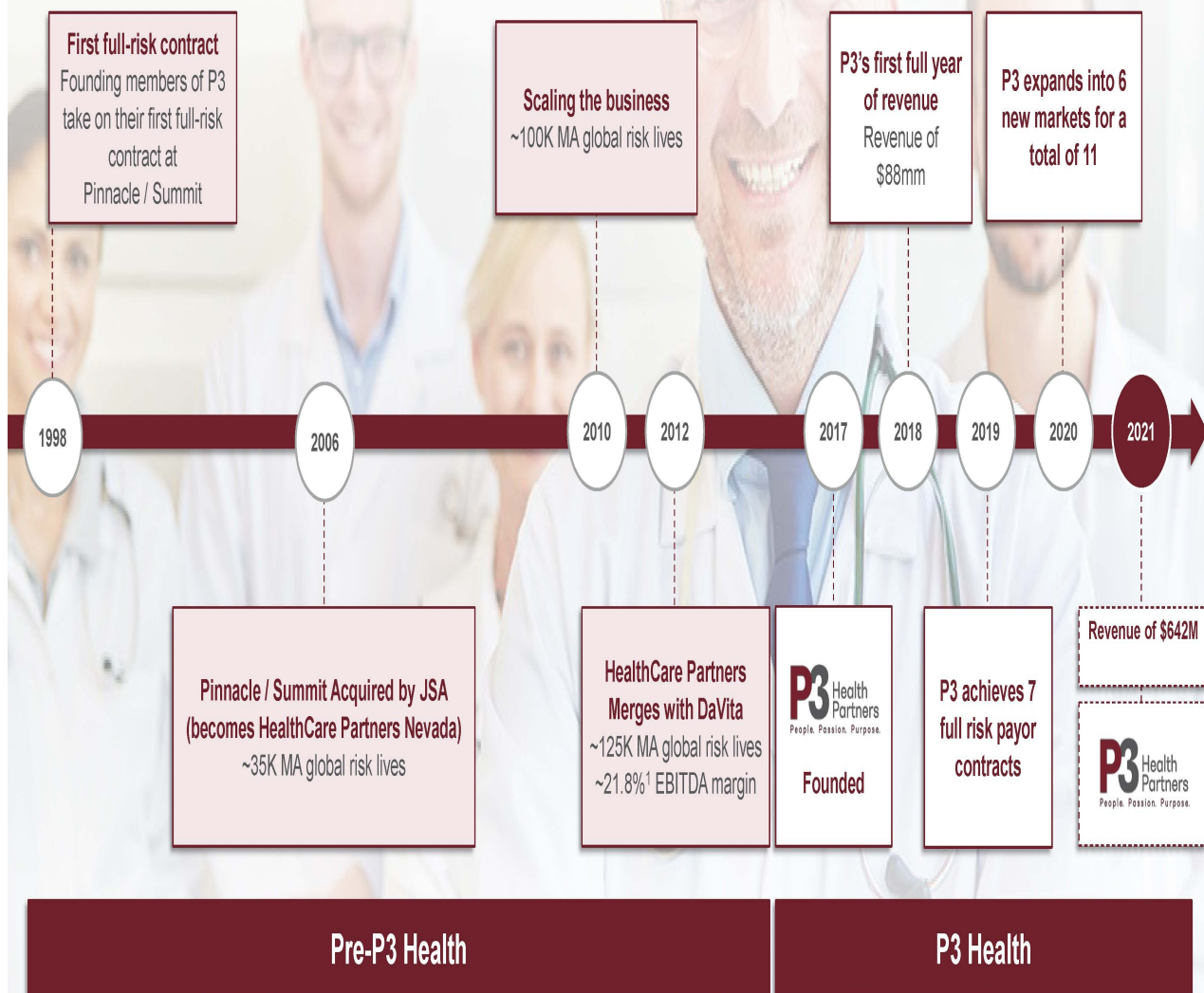
Experienced Management Team

Capital Efficient & Scalable Model

Proven Outcomes

Multiple Avenues of Organic Growth

P3: 20 Years In The Making



Source: DaVita HealthCare Partners merger presentation, May 2012; Optum press release, May 2007

¹ As of 12/31/11

Note: Pre-P3 events based on management's knowledge

P3 Addresses Largest Challenges In U.S. Healthcare Today

Uncontrolled high costs

\$3.8T 5.4%

US spending on healthcare (2019)¹

Project healthcare spending growth (2019 to 2028)¹

Poor access to primary care

25%

Americans do not have access to essential primary care²

Sub-optimal quality of care and sub-optimal clinical outcomes

40%

of Americans have 2+ chronic conditions; Comparable developed nations average ~17.5%³

Physician burnout

50%+

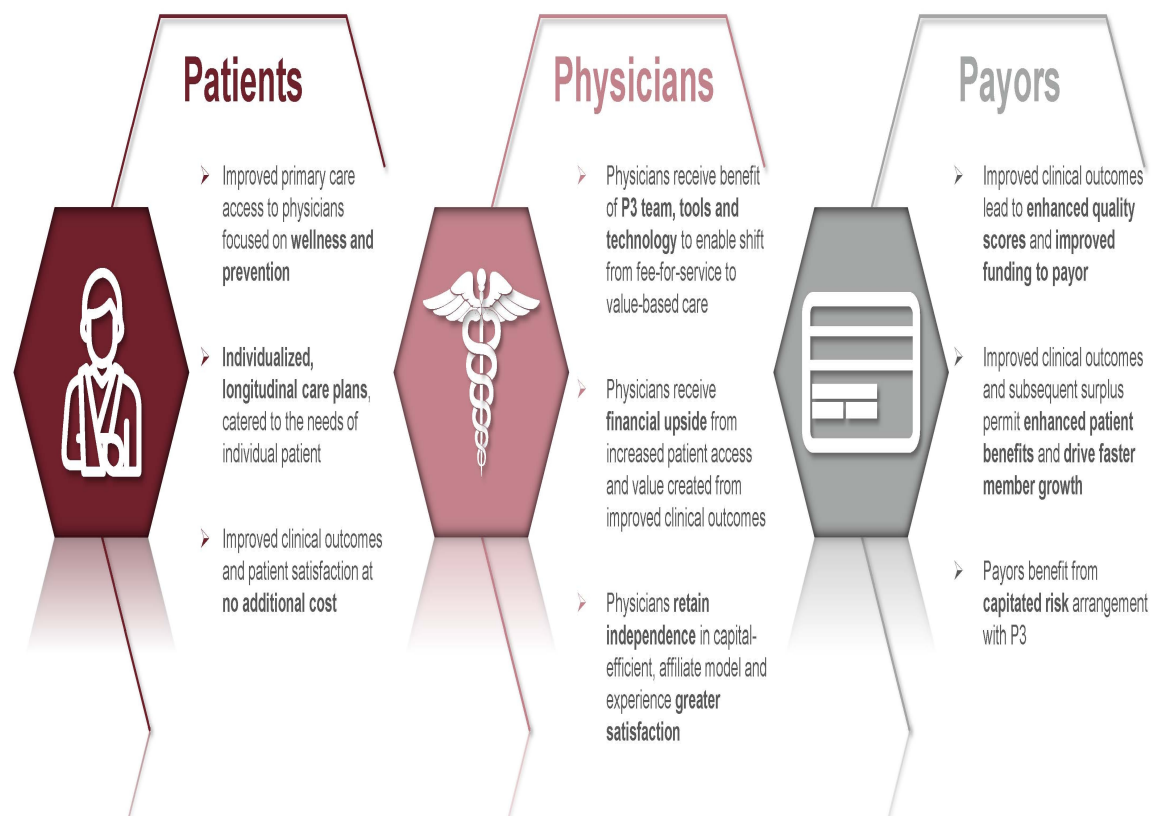
of PCPs show signs of burnout and report feeling unfairly compensated⁴



Under a **value-based care (VBC)** payment model, physicians are reimbursed based on the **quality of care** rather than the **quantity of services provided or number of patients seen** (e.g. fee for service model)

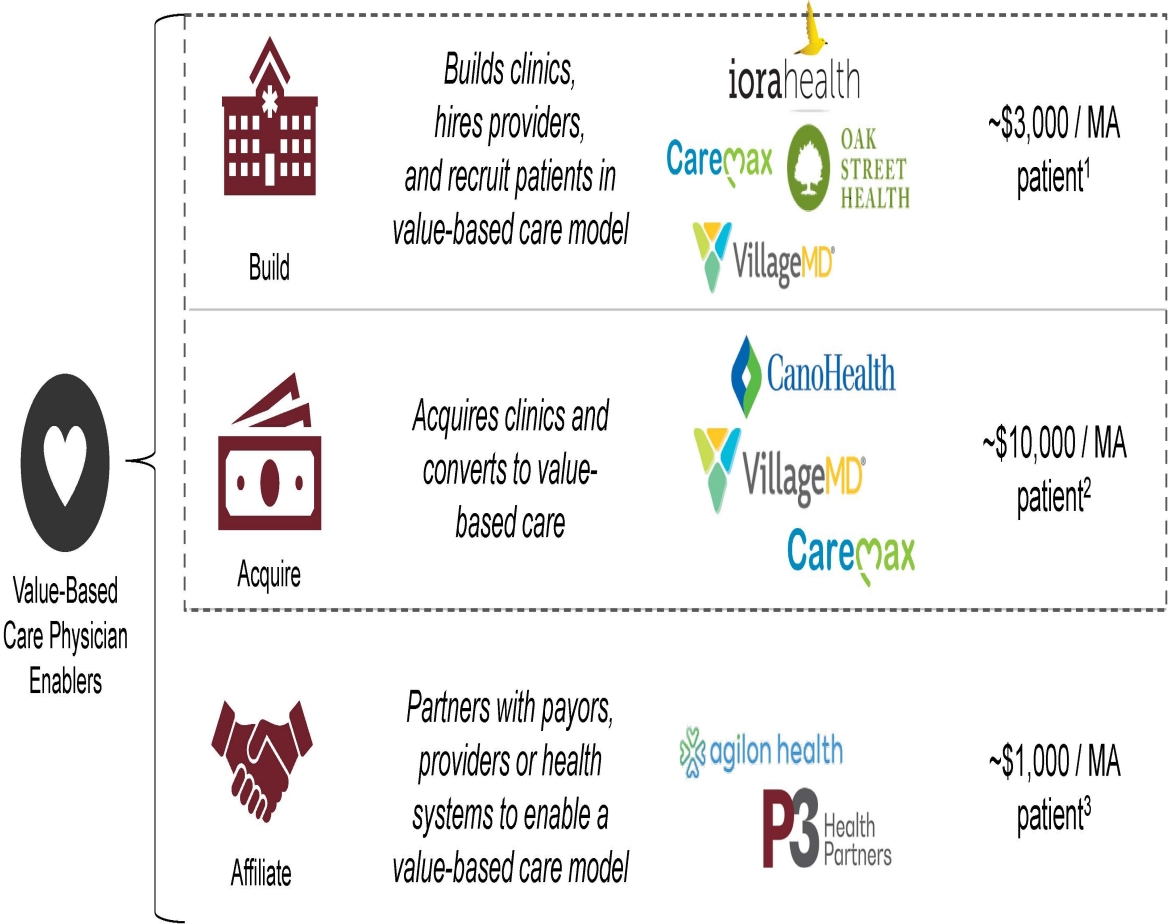
¹ 2019 Medicare national healthcare expenditure, CMS; ² JAMA internal medicine; ³ Multiple chronic conditions in the United States, RAND corporation; ⁴ 2018 Physicians foundation report

The P3 Model Is A “Win” Scenario For All Key Stakeholders



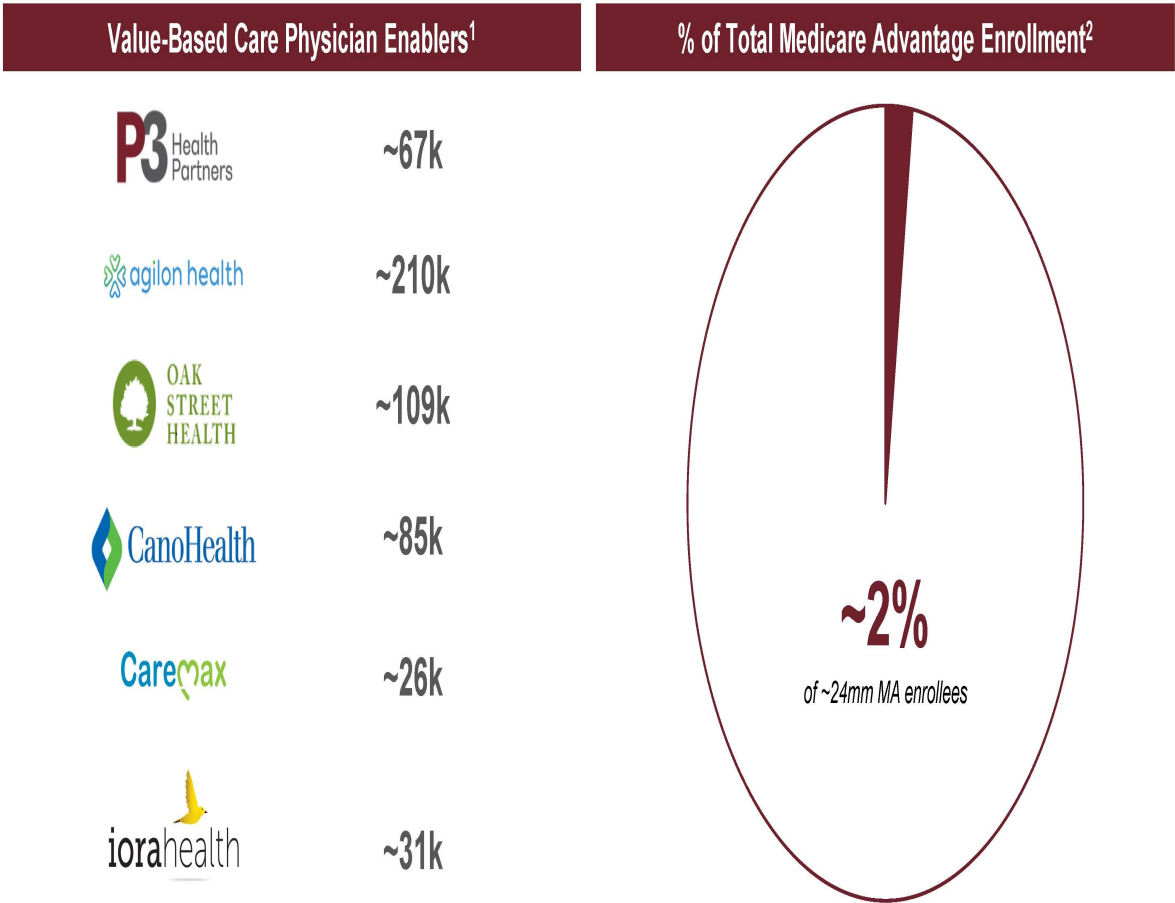
The P3 Model Enables Better Patient Care, Greater Physician Satisfaction, And Enhanced Payor Growth And Cost Savings

Three Distinct Growth Models In Value-Based Physician Enabler Space



¹ Based on competitive disclosures of cumulative center investments to reach breakeven point; ² Based on management experience and estimates; ³ Based on P3 first year loss generated in Oregon market.
 Note: P3 has historically leveraged affiliate as its primary growth model.

Given ~2% Of MA Lives In Value Based Care, True Competition Is Fee-for-Service



¹ P3 MA lives projected as of FYE 2021, agilon MA lives as of S-1 filed on 3/18/21, Oak Street MA lives represent midpoint of FYE 2021 management guidance as of 3/31/21, Cano Health MA lives as of Investor & Analyst Day Presentation on 3/04/21, Caremax MA lives as of Analyst and Investor Day Presentation on 9/9/21, iora health MA lives as of July 31, 2021; ² Based on 2020 total MA enrollment of ~24mm.

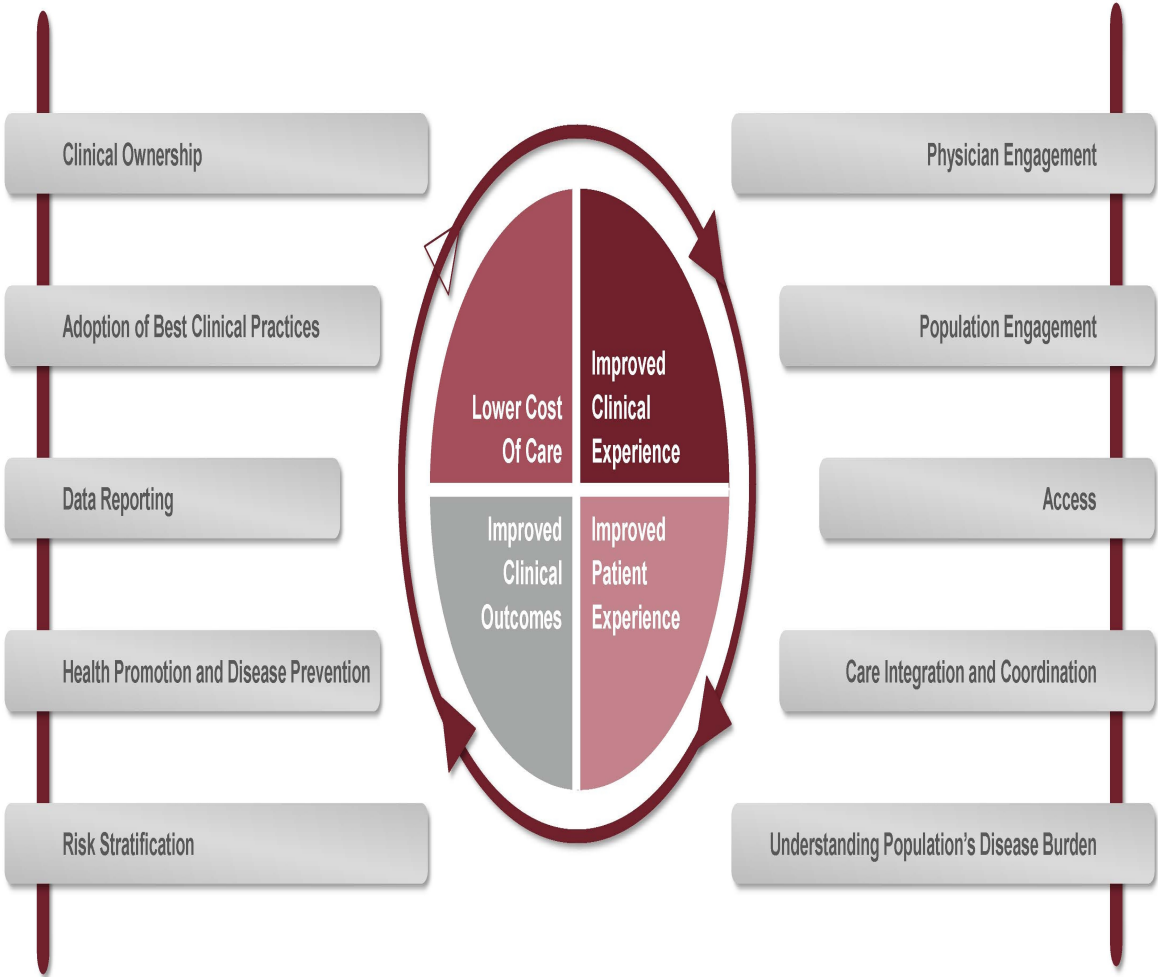
Proven Outcomes And Physician-Led

We are able to drive enhanced outcomes via our **patient-centric, physician-led** care model:



¹ Represents affiliate provider retention through Q1 2021A; ² Represents patient satisfaction for Nevada Medical Group from February 2020 to February 2021; ³ 2018A – 2020A revenue CAGR; ⁴ Based on P3's hospital admission rate per thousand of 161 in Arizona as of December 31, 2019, compared to the local Medicare benchmark of 246; ⁵ Based on P3's emergency department claims per thousand of 357 in Arizona as of December 31, 2019, compared to the local Medicare benchmark of 557; ⁶ Reflects Reduced Part C Medical Cost / Per Member Per Month of Payor 1 from 2018 to 2020

Innovative, Patient-Centered And Physician-Led Care Delivery Model



P3 Model Enables Capital Efficient Growth and Maintains Patient-Provider Relationship

We Enter Markets Through Partnerships With Payors And Providers



Payors

- Health plans seek P3 to optimize entire blocks of existing business
- Establishes contracts based on market data in provider contracting, including payor relationships and payment methodologies
- Improved outcomes and realized cost savings allow for repeatable, faster growth in the market

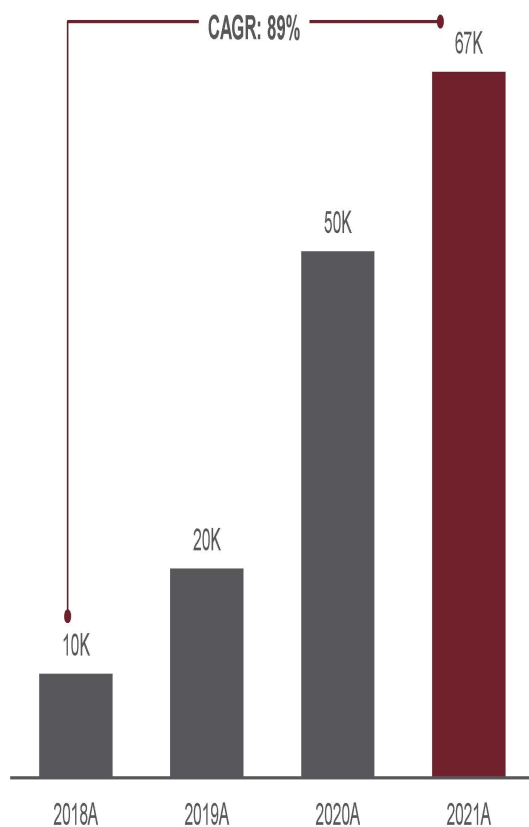


Providers

- Market analysis based on network, market and senior population dynamics
- Network team identifies existing physician services that align with the P3 model
- Strong reputation for improving clinical and financial outcomes with installed provider base
- Hire / contract with local resources that have established relationships within the market to identify provider groups that align with the P3 model of care

We Have A Strong History Of High Organic Growth

Historical Growth



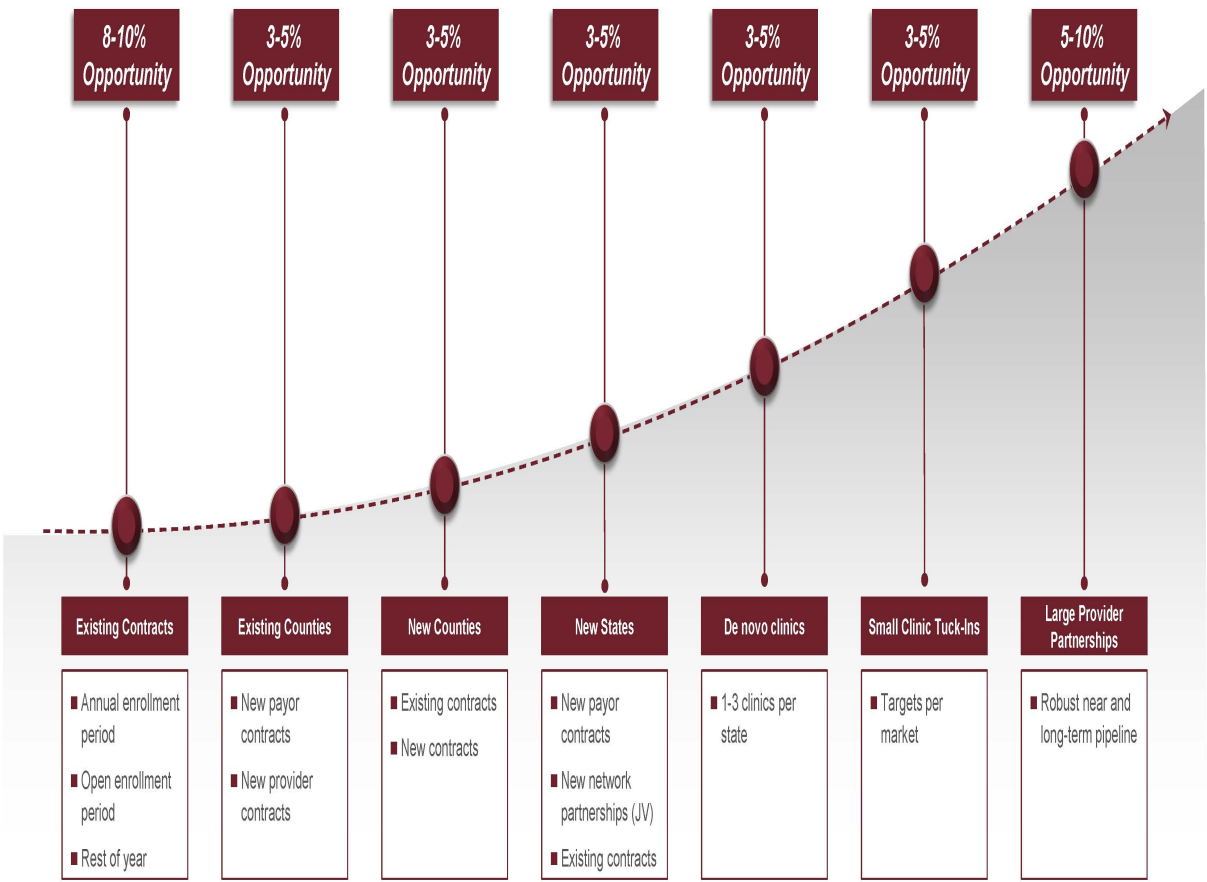
Note: Patient numbers are approximate

Recent Growth

- P3 recently closed an acquisition of Restricted-Knox-Keane license to enable entry into California market (~3M MA lives)
- Direct entry into San Joaquin county with potential growth to surrounding area (~300K MA lives)
- Acquisition includes asset purchase of IPA (~10,500 MA lives under global risk)

Clear And Visible Path For Membership Growth

Target Long-Term 35% Annual Patient Growth Rate Through a Mix of Payor and Provider Opportunities → Multiple Levers of Growth



P3's Growth strategy is based on strong existing market growth and a near-term new market entry plan¹

¹Estimates are based on management's review of opportunities

Expected Long-Term KPI Targets

3 – 5

Counties per year

- Leverage existing payor / provider relationships to extend into adjacent markets
- Establish new payor / provider relationships to enter new markets

35%

Annual membership
growth

- Strategically build / acquire centers in key markets to complement our MSO and affiliate model
- Improved care outcomes promote strong patient retention and acquisition

70%

Expected Long-term
MCR

- Reduce MCR across markets, driving better care and carving out unnecessary waste
- Continuously leverage growing tech platform to drive down medical costs

20%+

Expected Long-term
EBITDA margin

- Leverage across administrative and shared services drive improved operating expense margin
- Limited capital expenditures to fuel affiliate growth model

P3 Investment Highlights

Large, Growing TAM With Significant Whitespace	<ul style="list-style-type: none">➤ \$300b Medicare Advantage market with ~9% growth rate➤ Minimal market penetration; ~2% of MA lives managed by value-based care physician enablers
Experienced Management Team	<ul style="list-style-type: none">➤ Led by one of the most experienced leadership teams in industry; 20+ years of experience in value-based care and medical cost management
Capital Efficient & Scalable Model	<ul style="list-style-type: none">➤ Partner with existing physician base (affiliate model) versus building new (employed / clinic model)➤ Built-in patient panel day 1 leverages existing installed physician base to enable accelerated growth
Proven Outcomes	<ul style="list-style-type: none">➤ Proven model enables better patient experience, greater physician satisfaction, improved clinical outcomes and lower medical costs
Multiple Avenues of Organic Growth	<ul style="list-style-type: none">➤ Flexible market entry through payor or provider partnership that preserves existing patient provider relationship➤ Multiple opportunities to grow membership through existing payors / providers, new payors, new providers, new markets, etc.

Select Preliminary Unaudited Fourth Quarter and Full Year 2021 Results

Fourth Quarter 2021

- **\$183M revenue**, an increase of 46% compared to \$125 million in the prior year
- **\$35M to \$30M adjusted EBITDA* loss** compared to an adjusted EBITDA loss of \$30 million in the prior year

Full Year 2021

- **67,000 at-risk Medicare Advantage members** at December 31, 2021, an increase of 32% compared to 51,000 in the prior year
- **\$642M revenue**, an increase of 32% compared to \$486 million in the prior year
- **\$88M to \$83M adjusted EBITDA* loss** compared to an adjusted EBITDA loss of \$55 million in the prior year
- Adjusted EBITDA loss PMPM is expected to range between \$120 and \$115

*Adjusted EBITDA is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, please refer to the Appendix. EBITDA is defined as GAAP net income (loss) before (i) interest expense, (ii) income taxes and (iii) depreciation and amortization. Adjusted EBITDA is defined as EBITDA, further adjusted to add back the effect of certain expenses, such as (iv) mark-to-market warrant expense, (v) premium deficiency reserves, (vi) stock-based compensation and (vii) transaction expenses.

Full Year 2022 Outlook

At-Risk MA Members

- 90,000 to 95,000 at-risk Medicare Advantage members at December 31, 2022
- Increase of 34% to 42% vs. prior year driven by entry into California, expanded contracts and added members

Revenue

- \$950M to \$1.0B revenue
- Increase of 48% to 56% vs. prior year driven by expanded membership

Adjusted EBITDA*

- \$50M to \$80M adjusted EBITDA* loss
- \$75 to \$45 adjusted EBITDA loss per member per month (PMPM), compared to \$120 to \$115 PMPM in the prior year

*We have not reconciled guidance for Adjusted EBITDA to net income (loss), the most directly comparable GAAP measure, and have not provided forward-looking guidance for net income (loss), because of the uncertainty around certain items that may impact net income (loss), including stock-based compensation, that are not within our control or cannot be reasonably predicted. EBITDA is defined as GAAP net income (loss) before (i) interest expense, (ii) income taxes and (iii) depreciation and amortization. Adjusted EBITDA is defined as EBITDA, further adjusted to add back the effect of certain expenses, such as (iv) mark-to-market warrant expense, (v) premium deficiency reserves, (vi) stock-based compensation and (vii) transaction expenses.



P3 Health Partners – Thank You

Appendix – Unaudited Preliminary Net Loss to EBITDA reconciliation

In millions \$	For the three months ended		For the three months ended
	December 31, 2021		December 31, 2020
	Lower range	Upper range	
Net income (loss)	\$(94.6)	\$(89.6)	\$(14.2)
Interest (income) expense, net	4.2	4.2	3.1
Income tax expense ⁽¹⁾	--	--	0.1
Depreciation expense	0.5	0.5	0.2
Amortization expense	7.3	7.3	--
Mark-to-market warrant expense	(0.9)	(0.9)	--
Premium deficiency reserve	5.7	5.7	(19.2)
Transaction expense, Business Combinations	24.7	24.7	--
Transaction related litigation fees	7.9	7.9	--
Stock-based compensation	10.2	10.2	(0.2)
Adjusted EBITDA	\$(35.0)	\$(30.0)	\$(30.2)

(1) As of the date of this release, the Company has not finalized its 2021 income tax provision.

Appendix – Unaudited Preliminary Net Loss to EBITDA reconciliation

In millions \$	For the year ended December 31, 2021		For the year ended December 31, 2020
	Lower range	Upper range	
Net income (loss)	\$(180.9)	\$(175.9)	\$(45.4)
Interest (income) expense, net	17.4	17.4	10.0
Income tax expense ⁽¹⁾	--	--	0.1
Depreciation expense	1.7	1.7	0.8
Amortization expense	7.3	7.3	--
Mark-to-market warrant expense	11.1	11.1	--
Premium deficiency reserve	10.3	10.3	(20.5)
Transaction expense, Business Combinations	25.6	25.6	--
Transaction related litigation fees	7.9	7.9	--
Stock-based compensation	11.6	11.6	0.4
Adjusted EBITDA	<u>\$(88.0)</u>	<u>\$(83.0)</u>	<u>\$(54.6)</u>

(1) As of the date of this release, the Company has not finalized its 2021 income tax provision.

Appendix – Unaudited Preliminary Net Loss to EBITDA reconciliation

In PMPM \$	For the year ended	
	December 31, 2021	
	Lower range	Upper range
Net income (loss) PMPM	\$(248)	\$(242)
Interest (income) expense, net	24	24
Income tax expense ⁽¹⁾	–	–
Depreciation expense	2	2
Amortization expense	10	10
Mark-to-market warrant expense	15	15
Premium deficiency reserve	14	14
Transaction expense, Business Combinations	35	35
Transaction related litigation fees	11	11
Stock-based compensation	16	16
Adjusted EBITDA PMPM	<u>\$(120)</u>	<u>\$(115)</u>

(1) As of the date of this release, the Company has not finalized its 2021 income tax provision.