

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): January 9, 2024



**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, Nevada**  
(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.**

To the extent information in Item 7.01 of this Current Report on Form 8-K (including Exhibit 99.1) relates to a completed fiscal period, such information is incorporated by reference into this Item 2.02.

## **Item 7.01. Regulation FD Disclosure.**

On January 9, 2024, P3 Health Partners Inc. (the “Company”) issued a press release reaffirming the full-year 2023 financial guidance that the Company provided in its November 8, 2023 earnings release. The Company has also provided financial guidance and its projected Medicare Advantage membership for the fiscal year ending December 31, 2024. 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 Company previously announced that members of its senior management will participate in the 42nd Annual J.P. Morgan Healthcare Conference (the “JPM Conference”) on January 10, 2024. The Company expects to present at the JPM Conference at approximately 1:30 PM PT (4:30 PM ET), and the presentation will be available through a live audio webcast. The presentation materials can be found on the investor relations page of the Company’s website (ir.p3hp.org), along with instructions for accessing the webcast (as previously provided through a news wire release on January 2, 2024).

The information in Item 2.02 and Item 7.01, including the information contained in Exhibit 99.1 of this Current Report on Form 8-K, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (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 Exchange Act or the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such a filing.

## **Cautionary Note Regarding Forward-Looking Statements**

This Current Report on Form 8-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact contained herein are forward-looking statements. These statements include, but are not limited to, statements about the Company’s preliminary results fiscal year 2023, the Company’s expected financial performance, the Company’s guidance for fiscal year 2024 and upcoming events and presentations. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, and uncertainties that are difficult to predict and generally beyond our control. Although management believes that the expectations reflected in these forward-looking statements are reasonable as of the date made, there are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the factors set forth under the caption “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the Securities and Exchange Commission (“SEC”), as updated by Part II, Item 1A. “Risk Factors” in the Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2023 and our other filings with the SEC. You are cautioned not to place undue reliance on any forward-looking statements made herein. Any forward-looking statement speaks only as of the date as of which it is made, and, except as otherwise required by law, we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise.

## **Financial Disclosure Advisory**

The preliminary 2023 financial results are estimates and represent the most current information available to the Company’s management, as financial closing procedures for the fourth quarter and fiscal year ended December 31, 2023 are not yet complete. The Company expects that its actual results to be reported in its Annual Report on Form 10-K for the year ended December 31, 2023 will not differ materially from the preliminary results, however, these results are subject to change following 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 fiscal year 2023.

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**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit Number	Description
<a href="#">99.1</a>	<a href="#">Press Release of the Company, dated January 9, 2024</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**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: January 9, 2024

By: /s/ Jessica Puathasnanon  
Jessica Puathasnanon  
Chief Legal Officer



People. Passion. Purpose.

### **P3 Health Partners Reaffirms Guidance for 2023 and Announces Guidance for 2024**

**Henderson, NV—January 9, 2024**—P3 Health Partners Inc. (“P3” or the “Company”) (NASDAQ: PIII), a patient-centered and physician-led population health management company, is participating in J.P. Morgan’s 42<sup>nd</sup> Annual Healthcare Conference, being held in San Francisco, CA from January 8-11, 2024. In advance of the associated meetings and presentation, P3 is reaffirming guidance for 2023 and announcing guidance for 2024.

“We made significant strides in 2023 and expect to achieve meaningful profitability in 2024, an important milestone for the company. We have a robust pipeline of strategic partnerships that will drive growth and further validate the P3 business model. And our business continues to gain momentum across all key performance metrics including managing medical cost trend,” said Dr. Sherif Abdou, co-founder and CEO of P3.

#### **Reaffirming full-year 2023 guidance:**

- Medicare Advantage Members from 115,000 to 120,000
- Revenue from \$1.2 billion to \$1.25 billion
- Medical Margin from \$155 million to \$175 million
- Medical Margin PMPM from \$120 to \$130
- Adjusted EBITDA is expected to be a loss between \$50 million and \$30 million

#### **Providing full-year 2024 guidance:**

- Medicare Advantage Members from 125,000 to 135,000
- Revenue from \$1.45 billion to \$1.55 billion
- Medical Margin from \$230 million to \$250 million
- Medical Margin PMPM from \$165 to \$175
- Adjusted EBITDA from \$20 million to \$40 million, as previously announced

Dr. Sherif Abdou, P3’s co-founder and Chief Executive Officer and Atul Kavthekar, P3’s Chief Financial Officer, are scheduled to present on Wednesday, January 10 at 1:30 pm Pacific Time.

A live audio webcast of the presentation is available [here](#). A replay will be available on P3’s investor relations webpage for 30 days following the presentation.

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### Full-Year 2023 Guidance

	Year Ending December 31, 2023	
	Low	High
Medicare Advantage Members	115,000	120,000
Total Revenues (in millions)	\$1,200	\$1,250
Medical margin (in millions)	\$155	\$175
Medical margin PMPM	\$120	\$130
Adjusted EBITDA (in millions)	\$(50)	\$(30)

### Full-Year 2024 Guidance

	Year Ending December 31, 2024	
	Low	High
Medicare Advantage Members	125,000	135,000
Total Revenues (in millions)	\$1,450	\$1,550
Medical margin (in millions)	\$230	\$250
Medical margin PMPM	\$165	\$175
Adjusted EBITDA (in millions)	\$20	\$40

### About P3 Health Partners (NASDAQ: PIII):

P3 Health Partners Inc. is a leading population health management company committed to transforming healthcare by improving the lives of both patients and providers. Founded and led by physicians, P3 has an expansive network of more than 2,700 affiliated primary care providers across the country. Our local teams of health care professionals manage the care of thousands of patients in 18 counties across five states. P3 supports primary care providers with value-based care coordination and administrative services that improve patient outcomes and lower costs. Through partnerships with these local providers, the P3 care team creates an enhanced patient experience by navigating, coordinating, and integrating the patient's care within the healthcare system. For more information, visit [www.p3hp.org](http://www.p3hp.org) and follow us on LinkedIn and Facebook.com/p3healthpartners.

### Non-GAAP Financial Measures

In addition to the financial results prepared in accordance with accounting principles generally accepted in the U.S. ("GAAP"), this press release contains certain non-GAAP financial measures as defined by the SEC rules, including Adjusted EBITDA, medical margin and medical margin PMPM. EBITDA is defined as GAAP net income (loss) before (i) interest, (ii) income taxes and (iii) depreciation and amortization. Adjusted EBITDA is defined as EBITDA, further adjusted to exclude the effect of certain supplemental adjustments, such as (i) mark-to-market warrant gain/loss, (ii) premium deficiency reserves, (iii) equity-based compensation expense and (iv) certain other items that we believe are not indicative of our core operating performances. 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. Medical margin represents the amount earned from capitation revenue after medical claims expenses are deducted and medical margin PMPM is defined as medical margin divided by the number of Medicare Advantage members each month divided by the number of months in the period. Medical claims expenses represent costs incurred for medical services provided to our members. As our platform grows and matures over time, we expect medical margin to increase in absolute dollars; however, medical margin PMPM may vary as the percentage of new members brought onto our platform fluctuates. New membership added to the platform is typically dilutive to medical margin PMPM. 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 Company is not able to provide a quantitative reconciliation of its full-year 2023 preliminary results and 2024 guidance as to Adjusted EBITDA (loss), medical margin and medical margin PMPM to net income (loss), gross profit and gross profit PMPM, the most directly comparable GAAP measures, respectively, and has not provided forward-looking guidance for net income (loss), gross profit (loss) or gross profit (loss) PMPM because of the uncertainty around certain items that may impact net income (loss), gross profit (loss) or gross profit (loss) PMPM that are not within our control or cannot be reasonably predicted without unreasonable effort.

### **Cautionary Note Regarding Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended. 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 strategy and operating performance; current expectations regarding the Company’s preliminary revenue, medical margin, medical margin PMPM, and Adjusted EBITDA loss for the full-year ended December 31, 2023 and outlook as to revenue, medical margin, medical margin PMPM and Adjusted EBITDA for the full-year ending December 31, 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, our ability to continue as a going concern; our potential need to raise additional capital to fund our existing operations or develop and commercialize new services or expand our operations; our ability to achieve or maintain profitability; our ability to maintain compliance with our debt covenants in the future, or obtain required waivers from our lenders if future operating performance were to fall below current projections, and if there are material changes to management’s assumptions, we could be required to recognize non-cash charges to operating earnings for goodwill and/or other intangible asset impairment; our ability to identify and develop successful new geographies, physician partners, payors and patients; changes in market or industry conditions, regulatory environment, competitive conditions, and receptivity to our services; our ability to fund 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, including the impact of new variants of the virus, or another pandemic, epidemic or outbreak of infectious disease on our business and results of operation; increased labor costs; our ability to recruit and retain qualified team members and independent physicians; and other factors discussed in Part I, Item 1A. “Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 31, 2023, as updated by Part II, Item 1A. “Risk Factors” in the Company’s Quarterly Report on Form 10-Q for the period ended September 30, 2023 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**

#### **Investor Relations**

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