## 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 27, 2025



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)

89074

85-2992794

(I.R.S. Employer Identification No.)

(Zip Code)

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

cutive offices)

(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

D 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	РШИ	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 Art.

#### Item 2.02 Results of Operations and Financial Condition.

On March 27, 2025, P3 Health Partners Inc. (the "Company") announced its financial results for the fiscal year ended December 31, 2024. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 to this Current Report on Form 8-K (the "Report").

The information in this Item 2.02, including the information contained in Exhibit 99.1 of this Report, 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.

#### Item 9.01 Financial Statements and Exhibits.

#### (d) Exhibits

Exhibit Number	Description
99.1	Press Release of the Company, dated March 27, 2025
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 27, 2025

By: /s/ Leif Pedersen

Leif Pedersen Chief Financial Officer

#### P3 Health Partners Announces Fourth Quarter and Full Year 2024 Results

Revenue increased 18% year-over-year to \$1.50 billion

Affirming 2025 guidance

Management to Host Conference Call and Webcast March 27, 2025 at 4:30 PM ET

HENDERSON, NV—March 27, 2025—P3 Health Partners Inc. ("P3" or the "Company") (NASDAQ: PIII), a patient-centered and physician-led population health management company, today announced its financial results for the fourth quarter and full year ended December 31, 2024, and affirmed its 2025 guidance.

"Our business model remains fundamentally strong as we continue to deliver member and top-line growth, quality outcomes, and provider retention," said Aric Coffman, CEO of P3. "With the \$130M+ in identified programmatic opportunities advancing our path to financial sustainability, we remain committed to enabling our payor and provider partners to drive high quality, cost-efficient care and long-term market growth."

#### Fourth Quarter 2024 Financial Results

- Total revenue was \$370.7 million, an increase of 7% compared to \$346.9 million in the fourth quarter of the prior year
- · Capitated revenue was \$367.5 million, an increase of 7% compared to \$342.8 million in the fourth quarter of the prior year
- Gross profit was a loss of \$39.5 million, as compared to negative \$20.8 million in the fourth quarter of the prior year. Gross profit PMPM was a loss of \$103, as compared to a loss of \$65 in the fourth quarter of the prior year
- Medical margin<sup>(1)</sup> was \$7.3 million compared to \$9.1 million in the prior year. Medical margin PMPM<sup>(1)</sup> was \$19 compared to a medical margin PMPM of \$28 in the
  prior year
- Net loss was \$129.1 million compared to a net loss of \$69.1 million in the fourth quarter of the prior year. Net loss PMPM was \$335 compared to a net loss PMPM of \$220 in the prior year
- Adjusted EBITDA loss<sup>(1)</sup> was \$67.6 million compared to an Adjusted EBITDA loss<sup>1)</sup> of \$44.3 million in the fourth quarter of the prior year. Adjusted EBITDA loss PMPM<sup>(1)</sup> was \$175 compared to Adjusted EBITDA loss PMPM of \$138 in the fourth quarter of the prior year

#### Full-Year 2024 Financial Results

- At-risk membership of 123,800, an increase of approximately 14% compared to 108,900 in the prior yeaf<sup>2</sup>)
- Total revenue was \$1.50 billion, an increase of 18% compared to \$1.27 billion in the prior year
- Capitated revenue was \$1.48 billion, an increase of 18% compared to \$1.25 billion in the prior year
- Gross profit was a loss of \$58.9 million, as compared to positive \$31.6 million in the prior year. Gross profit PMPM was a loss of \$52, compared to a positive \$25 PMPM in the prior year
- Medical margin<sup>(1)</sup> was \$85.5 million, a decrease of 37% compared to \$135.1 million in the prior year. Medical margin PMPM<sup>1)</sup> was \$75, a decrease of 31% compared to a medical margin PMPM of \$108 in the prior year
- Net loss was \$310.4 million compared to a net loss of \$186.4 million in the prior year
- Adjusted EBITDA loss<sup>(1)</sup> was \$167.2 million compared to an Adjusted EBITDA loss<sup>(1)</sup> of \$85.5 million in the prior year. Adjusted EBITDA loss PMPM<sup>(1)</sup> was \$147 compared to Adjusted EBITDA loss PMPM<sup>(1)</sup> of \$68 in the prior year

#### Fiscal 2025 Guidance

	Year Ended Dec	ember 31, 2025
	Low	High
At-risk Members	109,000	119,000
Total Revenues (in millions)	\$1,350	\$1,500
Medical Margin <sup>(1)(3)</sup> (in millions)	\$174	\$210
Medical Margin <sup>(3)</sup> PMPM	\$133	\$147
Adjusted EBITDA <sup>(3)</sup> (in millions)	\$(35)	\$5

(1) Adjusted EBITDA, Adjusted EBITDA per member, per month ("PMPM"), medical margin, and medical margin PMPM are non-GAAP financial measures. For reconciliations of these measures to the most directly comparable GAAP measures, if applicable, and more information regarding the Company's use of non-GAAP financial measures, please see the section titled "Non-GAAP Financial Measures."

<sup>(2)</sup> See "Key Performance Metrics" for additional information on how the Company defines "at-risk members."

(3) The Company is not able to provide a quantitative reconciliation of guidance for Adjusted EBITDA, 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), 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. For more information regarding the non-GAAP financial measures discussed in this press release, please see "Non-GAAP Financial Measures" below.

The foregoing 2025 outlook statement represents management's current estimate as of the date of this release. Actual results may differ materially depending on a number of factors. Investors are urged to read the "Cautionary Note Regarding Forward-Looking Statements" included in this release. Management does not assume any obligation to update these estimates.

#### Management to Host Conference Call and Webcast on March 27, 2025 at 4:30 PM ET

Title & Webcast	P3 Health Fourth Quarter and Full Year 2024 Earnings Conference Call							
Date & Time	March 27, 2025, 4:30pm Eastern Time							
Conference Call Details	Toll-Free 1-833-316-0546 (US) International 1-412-317-0692 Ask to be joined into the P3 Health Partners call							
The conference call will also be webcast live in the "Events & Presentations" section of the Investor page of the P3 website (r.p3hp.org). The Company's press release will								

be available at <u>ir.p3hp.org</u> website in advance of the conference call. An archived recording of the webcast will be available at<u>ir.p3hp.org</u> for a period of 90 days following the conference call.

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

<u>P3 Health Partners Inc.</u> 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 3,100 affiliated primary care providers across the country. Our local teams of health care professionals manage the care of thousands of patients in 27 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 <u>www.p3hp.org</u> and follow us on @p3healthpartners and <u>Facebook.com/p3healthpartners</u>.

### **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 and Adjusted EBITDA PMPM, 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, (iv) certain transaction and other related costs and (v) certain other items that we believe are not indicative of our core operating performances. Adjusted EBITDA PMPM is defined as Adjusted EBITDA divided by the number of at-risk Medicare 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. 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 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 are used in the usefulness of our non-GAAP financial measures. The tables at the end of this press release present a reconciliation of Adjusted EBITDA to net income (loss) and Adjusted EBITDA PMPM to net income (loss)

#### **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 members for whom we receive a fixed percentage of premium under capitation arrangements as of the end of a particular period.

#### **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; and the Company's ability to execute on its identified strategic improvement opportunities, 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 gravitors and regulations applicable to our business; our ability to maintain our relationships with health plans and other key payors; the impact of fluctuations in risk adjustments; our ability to establish and maintain effective

internal controls and the impact of material weaknesses we have identified; our ability to maintain the listing of our securities on Nasdaq; increased labor costs and medical expense; our ability to recruit and retain qualified team members and independent physicians; and the factors described under Part I, Item 1A. "Risk Factors" and Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on March 27, 2024, and in our subsequent 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.

Ryan Halsted Investor Relations Gilmartin Group ir@p3hp.org

#### P3 HEALTH PARTNERS INC. and SUBSIDIARIES CONSOLIDATED BALANCE SHEETS (in thousands, except per share amounts) (unaudited)

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NOTAL CURRENT ASSETS         184.400         166.017           Property and quipment, net         5,734         8.666           Property and quipment, net         5,734         8.666           Other Inegierum assets         19,106         19,310         666,733           Other Inegierum assets         19,106         19,311         78,420         5         8660,733           LABELITIES, MEZZANIKE QUITY, AND STOCKHOLDERS' EQUITY         78,420         5         8660,733         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         78,920         79,920         78,920         78	Prepaid expenses and other current assets		14,422	3,613
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InamyBile seets, net         574.350         666.733           Other long-term asets         19,106         19,501           ITAL ASSETS <sup>0</sup> \$ 783.200         \$ 800.967           LABEUTES, MEZZANDE EQUITY, AND STOCKHOLDERS' EQUITY         \$ 783.200         \$ 800.967           CURRENT LIABUITIES.         29,416         36,663           Accrued payable         29,416         36,863           Accrued payable         27,22         3,506           Healti plan settlements payable         25,565         34,992           Claims payable         255,565         34,992           Premiun deficiency reserve         673,38         13,600           Claims payable         25,069         178,009           Current portion of long-term debt         65,000            Labilities held for sale         333            Current portion of long-term debt         65,000            Labilities held for sale         333            Contingent consideration          4,907           Deparating Helsen Hability         11,313         11,623           Contingent consideration          4,907           Deparating Helsen Hability         10,312         10,852	TOTAL CURRENT ASSETS		184,140	 166,017
Other long-term assets191,06191,301TOTA.A SASTES*\$ 193,402\$ 860,907LABLITTES. MEZANTNE EQUITY. AND STOCKHOLDERS' EQUITYCURRENTS \$ 842\$ 860,307Accounds expenses and other current liabilities294,1636,884Accrued expenses and other current liabilities294,1636,884Accrued expenses and other current liabilities55,5634,992Health plan settlements payable55,5634,992Chaires payable255,6831,860Perminu deficiency reserve67,36831,3670Current portion of long-term debt65,000Labilities held for sale65,000Labilities held for sale64,01329,9372Openting lease liability11,339Openting lease liability11,331Conting extern debt, nt4,907Conting extern debt, nt4,907Conting extern debt, nt4,907Dier Long-Term Liabilities4,907Conting extern debt, nt4,907Conting extern debt, nt4,907MEZZANINE EQUITY:4,907Class Voorm Books, S0000 part value; 200,000 shares authorized; 105,597 and 105,598 alares issued and outstanding as of December 31,2024 and 2023, respectively16Class Voorm Sock, S0000 part value; 200,000 shares authorized; 105,597 and 105,598 alares issued and outstanding as of December 31,2024 and 2023, respectively16Class Voorm Sock, S0000	Property and equipment, net		5,734	8,686
S         783,420         S         783,420         S         860,967           LABLITTES, MEZZANNE EQUITY, AND STOCKHOLDERS' EQUITY	Intangible assets, net		574,350	666,733
Difference         S         8,442         S         8,663           Accounts payable         29,416         35,863         3,566           Accounts payable         29,416         35,865         3,4992         3,566           ItealitITES.         29,416         35,865         3,4992         3,566           ItealitITES.         25,565         34,992         1,3,506         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,360         1,362         1,360         1,362         1,362         1,362         1,863         1,362         1,863         1,362         1,863         1,362         1,863         1,862         1,863         1,862         1,863         1,862         1,863         1,862         1,863         1,862	Other long-term assets		19,196	19,531
CURRENT LIABILITIES:         \$ 8,420         \$ 8,630           Accound payoll         29,416         \$ 0,683           Accound payoll         2,722         3,506           Chall phan stelements payable         55,565         \$ 34,992           Chall phan stelements payable         255,806         \$ 34,992           Chall phan stelements payable         255,806         \$ 34,992           Chall phan stelements payable         67,368         \$ 13,670           Accrued interst         67,368         \$ 35,367           Current portion of long-term debt         66,000            Liabilities held for sale         353            TOTAL CURRENT LIABILITIES         496,6415         299,372           Operating lase liability         11,333         13,622           Operating lase liability         11,333         13,622           Contigent consideration          490,613           Contigent consideration          49,824           Contigent consideration          49,824           Contigent consideration          49,824           Contegent consideration          49,907           Contegent consideration          49,907 <td>TOTAL ASSETS<sup>(1)</sup></td> <td>\$</td> <td>783,420</td> <td>\$ 860,967</td>	TOTAL ASSETS <sup>(1)</sup>	\$	783,420	\$ 860,967
Accounts payable         S         8.442         S         8.663           Accrued expenses and other current liabilities         29,416         36,884           Accrued expenses and other current liabilities         27,722         3,506           Heath plan settlements payable         25,565         34,3992           Claims payable         25,565         34,3992           Claims payable         63,368         13,670           Accrued interest         12,460         22,5688           Current payrito folong-term debt         65,000            Liabilities held for sale         353            Operating lease liability         11,339         13,622           Quartant patholities         10,312         1,032           Contingent consideration          4,907           Operating lease liability         10,312         1,085           Contingent consideration          4,907           Contingent consideration          4,907           Conteng error liabilities         20,001            Contingent consideration          4,907           Conteng error liabilities         20,001            Contingent consideration	LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' EQUITY			
Accrued expenses and other current liabilities         29,416         36,884           Accrued payroll         2,722         3,506           Health plan settlements payble         55,55         34,992           Chinns payable         255,089         178,009           Premium deficiency reserve         67,368         13,670           Accrued interest         12,460         235,309           Current portion of long-term debt         65,000            Liabilities held for sale         353            OTAL CURRENT LIABILITIES         406,615         299,372           Operating lease liability         11,339         13,622           Warnant liabilities         10,312         1,085           Contingert consideration         -         4,907           Long-term debt, net         26,001            Other Long-term Liabilities         26,001            COMMITMENTS AND CONTINGENCIES (Note 13)         -         42,7305           REZZANINE EQUITY:         -         633,81         427,305           Class Voommon stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and oustanding as of December 31, 2024 and 2023, respectively         16         12           Class Voommon stock, \$0,0001 par	CURRENT LIABILITIES:			
Accured payroll         2,722         3,506           Health plan settlements pyable         55,565         174,809           Claims payable         67,368         13,670           Accrued interest         67,368         13,670           Current portion of long-term debt         65,000         -           Liabilities held for sale         353         -           TOTAL CURRENT LIABILITIES         496,615         299,372           Operating lease liability         11,339         13,622           Variant liabilities         10,112         1,082           Consing et consideration         -         4,907           Long-term debt, net         89,824         108,319           Other Long-Term Liabilities         26,001         -           Contingent consideration         -         4,907           Long-term debt, net         89,824         108,319           Other Long-Term Liabilities         26,001         -           COMMITMENTS AND CONTINGENCIES (Note 13)         -         -           MEZZANINE EQUITY:         -         427,305           Class A common stock, 50,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12 <tr< td=""><td>Accounts payable</td><td>\$</td><td>8,442</td><td>\$ 8,663</td></tr<>	Accounts payable	\$	8,442	\$ 8,663
Health plan settlements payable         55,565         34,992           Claims payable         255,089         178,009           Premium deficiency reserve         67,368         13,360           Accrued interest         12,460         23,648           Current portion of long-term debt         65,000         —           Liabilities held for sale         353         —           TOTAL CURRENT LIABILITIES         496,415         299,372           Operating lease liability         11,339         13,522           Warrant liabilities         10,312         1,083           Contingent consideration         —         49,007           Long-term debt, net         00,811         108,319           Other Long-Term Liabilities         26,001         —           TOTAL LIABILITIES <sup>40</sup> 633,891         427,305           COMMTMENTS AND CONTINGENCIES (Note 13)         533,891         427,305           REZZANNE COUTTY:	Accrued expenses and other current liabilities		29,416	36,884
Claims payable         255,089         178,009           Premium deficiency reserve         67,368         13,670           Accrucal interst         12,460         12,460           Current portion of long-term debt         65,000         —           Liabilities held for sale         33         —           TOTAL CURRENT LIABILITIES         496,415         299,372           Operating lease liability         11,339         13,622           Warmant liabilities         10,312         10,835           Conting consideration         —         496,015           Conting-term Liabilities         88,824         108,319           Oher Long-Term Liabilities         26,001         —           COMMTINETNS AND CONTINGENCIES (Note 13)         21,523         20,501           MEZZANINE EQUITY:         Totak common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         10         12           Class A common stock, \$0,00001 par value; 205,000 shares authorized; 195,997 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         10         12           Class A common stock, \$0,00001 par value; 205,000 shares authorized; 195,997 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         10         10	Accrued payroll		2,722	3,506
Premium deficiency reserve         67,368         13,670           Accrued interest         12,460         23,648           Current portion of long-term debt         65,000            Liabilities held for sale         353            TOTAL CURRENT LIABILITIES         496,415         299,372           Operating lease liability         11,339         13,622           Warrant liabilities         10,312         1085           Contingent consideration          4,907           Long-term debt, net         89,824         108,319           Other Long-Term Liabilities         26,001            COMMITMENTS AND CONTINGENCIES (Note 13)          53,931           MEZZANINE EQUITY:          427,305           Redeemable non-controlling intrest         73,593         291,532           STOCKHOLDERS' EQUITY:          20         20           Class A common stock, \$0.0001 par value; 205,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class A common stock, \$0.0001 par value; 20,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         20         20           Class A common	Health plan settlements payable		55,565	34,992
Accrued interest         12,460         23,648           Curret portion of long-term debt         65,000         —           Liabilities held for sale         353         —           TOTAL CURRENT LIABILITIES         496,415         299,372           Operating lease liability         11,339         13,622           Warrant liabilities         10,312         10,8319           Contingent consideration         —         4,907           Long-term Liabilities         26,001         —           Constident consideration         26,001         —           TOTAL LIABILITIES <sup>(1)</sup> 26,001         —           COMMITENTS AND CONTINGENCIES (Note 13)         —         —           MEZZANINE EQUITY:         73,593         291,532           COCKMOLDERS' EQUITY:         —         20           Class A common stock, \$0,0001 par value; 800,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively	Claims payable		255,089	178,009
Current portion of long-term debt         65,000         —           Liabilities held for sale         353         —           TOTAL CURRENT LIABILITIES         496,415         299,372           Operating lease liability         10,312         1,085           Quarant liabilities         10,312         1,085           Contingent consideration         —         4907           Long-term Liabilities         26,001         —           TOTAL LIABILITIES <sup>(1)</sup> 26,001         —           COMMITMENTS AND CONTINGENCIES (Note 13)         427,305         201,532           MEZZANINE EQUITY:         633,891         427,305           Redeemable non-controlling interest         73,593         291,532           STOCKHOLDERS' EQUITY:         16         12           Class A common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class A common stock, \$0,0001 par value; 205,000 shares authorized; 162,670 and 116,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class A common stock, \$0,0001 par value; 205,000 shares authorized; 162,670 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class A common stoc	Premium deficiency reserve		67,368	13,670
Liabilities held for sale         353         —           TOTA L CURRENT LIABILITIES         496,415         299,372           Operating lease liability         10,312         10,085           Warrant liabilitisi         10,312         10,085           Contingent consideration         —         4,907           Long-term debt, net         89,824         108,319           Other Long-Term Liabilities         26,001         —           TOTAL LIABILITIES <sup>(1)</sup> 633,891         427,305           COMMITMENTS AND CONTINGENCIES (Note 13)         633,891         427,305           MEZZANINE EQUITY:         73,593         291,532           Redeemable non-controlling interest         73,593         291,532           STOCKHOLDERS' EQUITY:         16         12           Class A common stock, \$0,0001 par value; 200,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Additional paid in capital         570,093         509,442         200         20         20         20         20         20         20         20 <td>Accrued interest</td> <td></td> <td>12,460</td> <td>23,648</td>	Accrued interest		12,460	23,648
TOTAL CURRENT LIABILITIES496,415299,372Operating lease liability11,33913,622Warrant liabilities10,3121,085Contingent consideration—4,907Long-term debt, net89,824108,319Other Long-Term Liabilities26,001—TOTAL LIABILITIES <sup>(1)</sup> 633,891427,305COMINTENTS AND CONTINGENCIES (Note 13)——MEZZANINE EQUITY:———Class A common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively1612Class A common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively1612Additional paid in capital——2020Additional paid in capital——142,130TOTAL STOCKHOLDERS' EQUITY——142,130TOTAL STOCKHOLDERS' EQUITY——142,130	Current portion of long-term debt		65,000	_
Operating lease liability         11,339         13,622           Warrant liabilities         10,312         1,085           Contingent consideration         —         4,907           Long-term debt, net         88,824         108,319           Other Long Term Liabilities         26,001         —           TOTAL LIABILITIES <sup>(1)</sup> 633,891         427,305           COMMITMENTS AND CONTINGENCIES (Note 13)         —         —           MEZZANINE EQUITY:         —         —           Redeenable non-controlling interest         73,593         291,532           STOCKHOLDERS' EQUITY:         —         —           Class A common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Class A common stock, \$0,0001 par value; 205,000 shares authorized; 162,870 and 116,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Additional paid in capital         —         —         20         20           Additional paid in capital	Liabilities held for sale		353	_
Warrant liabilities         10,312         1,085           Contingent consideration         —         4,907           Long-term deb, net         89,824         108,319           Other Long-Term Liabilities         26,001         —           TOTAL LIABILITIES <sup>(1)</sup> 633,891         427,305           COMITIMENTS AND CONTINGENCIES (Note 13)         —         —           MEZZANINE EQUITY:         —         —           Redeemable non-controlling interest         73,593         221,532           STOCKHOLDERS' EQUITY:         —         —           Class A common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         112           Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         16         12           Additional pail in capital         —         —         10         12           Accumulated deficit	TOTAL CURRENT LIABILITIES		496,415	 299,372
Contingent consideration–4,907Long-term debt, net89,824108,319Other Long-Term Liabilities26,001–TOTAL LIABILITIES <sup>(1)</sup> 633,891427,305COMMITMENTS AND CONTINGENCIES (Note 13)633,891427,305MEZZANINE EQUITY:73,593291,532STOCKHOLDERS' EQUITY:73,593291,532Class A common stock, \$0,0001 par value; 200,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively1612Class A common stock, \$0,0001 par value; 200,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively2020Additional paid in capital579,093509,442579,093509,442Accumulated deficit(503,193)(367,344)172,936142,130TOTAL STOCKHOLDERS' EQUITY75,936142,130142,130	Operating lease liability		11,339	13,622
Long-term debt, net     89,824     108,319       Other Long-Term Liabilities     26,001     —       TOTAL LIABILITIES <sup>(1)</sup> 633,891     427,305       COMMITMENTS AND CONTINGENCIES (Note 13)     MEZZANINE EQUITY:	Warrant liabilities		10,312	1,085
Other Long-Term Liabilities     26,001       TOTAL LIABILITIES <sup>(1)</sup> 633,891     427,305       COMITIMENTS AND CONTINGENCIES (Note 13)         MEZZANINE EQUITY:          Redeenable non-controlling interest     73,593     291,532       STOCKHOLDERS' EQUITY:          Class A common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively     16     12       Class A common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively     20     20       Additional paid in capital     579,093     509,442       Accumulated deficit     (503,193)     (367,344)       TOTAL STOCKHOLDERS' EQUITY     75,936     142,130	Contingent consideration		-	4,907
TOTAL LIABILITIES <sup>(1)</sup> 633,891       427,305         COMMITMENTS AND CONTINGENCIES (Note 13)       633,891       427,305         MEZZANINE EQUITY:       73,593       291,532         Redeemable non-controlling interest       73,593       291,532         STOCKHOLDERS' EQUITY:       16       12         Class A common stock, \$0,0001 par value; 200,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively       16       12         Additional paid in capital       579,093       509,442       20       20         Additional paid in capital       (503,193)       (367,344)       (367,344)       142,130         TOTAL STOCKHOLDERS' EQUITY       175,936       142,130       142,130       142,130	Long-term debt, net		89,824	108,319
COMMITMENTS AND CONTINGENCIES (Note 13)         MEZZANINE EQUITY:         Redemable non-controlling interest         STOCKHOLDERS' EQUITY:         Class A common stock, \$0.0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively       16       12         Class V common stock, \$0.0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively       20       20         Additional paid in capital       579,093       509,442         Accumulated deficit       (503,193)       (367,344)         TOTAL STOCKHOLDERS' EQUITY       75,936       142,130	Other Long-Term Liabilities		26,001	
MEZZANINE EQUITY: Redeemable non-controlling interest 73,593 291,532 STOCKHOLDERS' EQUITY: Class A common stock, \$0,0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively 16 12 Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively 20 20 Additional paid in capital 579,093 509,442 Accumulated deficit 10 (503,193) (367,344) TOTAL STOCKHOLDERS' EQUITY	TOTAL LIABILITIES <sup>(1)</sup>		633,891	427,305
Redeemable non-controlling interest     73,593     291,532       STOCKHOLDERS' EQUITY:     16     12       Class A common stock, \$00,000 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively     16     12       Class V common stock, \$00,000 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively     20     20       Additional paid in capital     579,093     509,442       Accumulated deficit     (503,193)     (367,344)       TOTAL STOCKHOLDERS' EQUITY     75,936     142,130	COMMITMENTS AND CONTINGENCIES (Note 13)			
STOCKHOLDERS' EQUITY: Class A common stock, \$0,000 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively Additional paid in capital Accumulated deficit TOTAL STOCKHOLDERS' EQUITY Class V common stock, \$0,0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively 20 20 20 20 20 20 20 20 20 20	MEZZANINE EQUITY:			
Class A common stock, \$0.0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively       16       12         Class V common stock, \$0.0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively       20       20         Additional paid in capital       579,093       509,442         Accumulated deficit       (503,193)       (367,344)         TOTAL STOCKHOLDERS' EQUITY       75,936       142,130	Redeemable non-controlling interest		73,593	291,532
Class V common stock, \$0.0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively         20         20           Additional paid in capital         579,093         509,442         579,093         509,442           Accumulated deficit         (503,193)         (367,344)         130         142,130           TOTAL STOCKHOLDERS' EQUITY         75,936         142,130         142,130	STOCKHOLDERS' EQUITY:			
Additional paid in capital         579,093         509,442           Accumulated deficit         (503,193)         (367,344)           TOTAL STOCKHOLDERS' EQUITY         75,936         142,130	Class A common stock, \$0.0001 par value; 800,000 shares authorized; 162,870 and 116,588 shares issued and outstanding as of December 31, 2024 and 2023, respectively		16	12
Accumulated deficit         (503,193)         (367,344)           TOTAL STOCKHOLDERS' EQUITY         75,936         142,130	Class V common stock, \$0.0001 par value; 205,000 shares authorized; 195,957 and 196,569 shares issued and outstanding as of December 31, 2024 and 2023, respectively		20	20
TOTAL STOCKHOLDERS' EQUITY 75,936 142,130	Additional paid in capital		579,093	509,442
	Accumulated deficit	_	(503,193)	 (367,344)
TOTAL LIABILITIES, MEZZANINE EOUITY, AND STOCKHOLDERS' EOUITY \$ 783,420 \$ 860,967	TOTAL STOCKHOLDERS' EQUITY		75,936	 142,130
	TOTAL LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' EQUITY	\$	783,420	\$ 860,967

(1) The Company's consolidated balance sheets include the assets and liabilities of its consolidated variable interest entities ("VIEs"). As discussed in Note 20 "Variable Interest Entities," P3 LLC is itself a VIE, P3 LLC represents substantially all the assets and liabilities of the Company. As a result, the language and amounts below refer only to VIEs held at the P3 LLC level. The consolidated balance sheets include total assets that can be used only to settle obligations of P3 LLC's consolidated VIEs totaling \$9.3 million and \$8.6 million as of December 31, 2024 and 2023, respectively, and total liabilities of P3 LLC's consolidated VIEs for which creditors do not have recourse to the general credit of the Company totaled \$14.9 million and \$13.6 million aof December 31, 2024 and 2023, respectively, as these are eliminated in consolidation and not presented within the consolidated balance sheets.

## P3 HEALTH PARTNERS INC. and SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS (in thousands, except per share amounts) (unaudited)

	Three Months En	ded December 31,	Year Ended December 31,				
	2024	2023	2024	2023			
OPERATING REVENUE:							
Capitated revenue \$	367,456	\$ 342,836	\$ 1,483,602	\$ 1,252,309			
Other patient service revenue	3,230	4,025	16,853	14,066			
TOTAL OPERATING REVENUE	370,686	346,861	1,500,455	1,266,375			
OPERATING EXPENSE:							
Medical expense	410,224	367,679	1,559,372	1,234,740			
Premium deficiency reserve	37,927	(3,344)	53,698	(12,705)			
Corporate, general and administrative expense	31,366	24,431	112,596	122,362			
Sales and marketing expense	461	721	1,331	3,233			
Depreciation and amortization	21,153	21,634	86,058	86,675			
Impairment of Assets Held for Sale	8,058	—	8,058	—			
TOTAL OPERATING EXPENSE	509,189	411,121	1,821,113	1,434,305			
OPERATING LOSS	(138,503)	(64,260)	(320,658)	(167,930)			
OTHER INCOME (EXPENSE):							
Interest expense, net	(6,834)	(4,046)	(22,173)	(15,985)			
Mark-to-market of stock warrants	7,488	760	22,114	433			
Other	384	206	1,457	(249)			
Gain on asset sale, net	13,269	_	13,269	_			
TOTAL OTHER (EXPENSE) INCOME	14,307	(3,080)	14,667	(15,801)			
LOSS BEFORE INCOME TAXES	(124,196)	(67,340)	(305,991)	(183,731)			
PROVISION FOR INCOME TAXES	(4,952)	(1,767)	(4,387)	(2,695)			
- NET LOSS	(129,148)	(69,107)	(310,378)	(186,426)			
LESS: NET LOSS ATTRIBUTABLE TO REDEEMABLE NON-CONTROLLING INTEREST	(70,531)	(43,645)	(174,529)	(128,653)			
NET LOSS ATTRIBUTABLE TO CONTROLLING INTEREST \$							
NET LOSS PER SHARE (Note 16):							
Basic	(0.36)	(0.22)	(0.94)	(0.61)			
Diluted	(0.36)	(0.22)	(1.08)	(0.63)			
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING (Note 16):							
Basic	162,634	115,303	145,175	94,889			
Diluted	162,634	115,303	146,998	294,590			

## P3 HEALTH PARTNERS INC. and SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (in thousands) (unaudited)

	Year Ended Decer	nber 31,
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (310,378) \$	(186,42
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	86,058	86,67
Equity-based compensation	5,752	5,97
Amortization of original issue discount and debt issuance costs	87	47
Accretion of contingent consideration	—	11:
Gain on write off of contingent consideration	(4,907)	_
Gain on asset sale	(13,269)	_
Deferred income taxes	(1,090)	_
Impairment of assets held for sale	8,058	—
Mark-to-market adjustment of stock warrants	(22,114)	(43)
Premium deficiency reserve	53,698	(12,705
Changes in operating assets and liabilities:		
Health plan receivable	(2,769)	(46,55
Clinic fees, insurance, and other receivable	(990)	4,560
Prepaid expenses and other current assets	(10,834)	(1,24)
Other long-term assets	(43)	(5)
Accounts payable, accrued expenses, and other current liabilities	(8,101)	15,98
Accrued payroll	(784)	28
Health plan settlements payable	20,573	21,38
Claims payable	77,080	26,80
Accrued interest	7,895	9,58
Other long-term liabilities	5,897	_
Operating lease liability	53	(450
Net cash used in operating activities	(110,128)	(76,028
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	_	(1,82
Proceeds from asset sale	14,525	-
Net cash provided by (used in) investing activities	14,525	(1,82)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt, net of original issue discount	88,057	14,10
Payment of debt issuance costs	(103)	(17)
Proceeds from liability-classified warrants and private placement offering, net of offering costs paid	40,496	86,59
Proceeds from at-the-market sales, net of offering costs paid	33	_
Deferred offering costs paid	(507)	(175
Payment of tax withholdings upon settlement of restricted stock unit awards	(103)	(10
Repayment of short-term and long-term debt	(30,973)	_
Proceeds from short-term debt	1,871	_
Net cash provided by financing activities	98,771	100,33
Net change in cash and restricted cash	3,168	22,47
Cash and restricted cash, beginning of year	40,934	18,45
	\$ 44,102 \$	40,934
Cash and restricted cash, end of year	\$ 44,102 \$	40,934

P3 HEALTH PARTNERS INC. and SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED) *(in thousands)* 

Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes\$(22,831)\$(11)Fair value adjustment to redeemable noncontrolling interest\$(20,579)\$2Warrants issued in connection with new debt\$12,127\$Reconciliation of cash and restricted cash:		Year Ended	ıber 31,	
Cash paid for interest§14,191§Cash paid for income taxes§5,477\$Supplemental disclosures of non-cash investing and financing information:S617\$Operating lease liabilities arising from obtaining new right-of-use assets\$617\$Operating lease liabilities and right-of-use assets reduced due to lease modification or termination\$92\$Increase in accrued expenses related to debt issuance costs and original issue discount\$307\$Increase in accounts payable related to private placement offering costs\$686\$Increase in accrued expenses related to at-the-market offering costs\$\$\$Increase in accrued expenses related to at-the-market offering costs\$\$\$Increase in other receivable related to at-the-market offering costs\$\$\$Increase in other receivable related to at-the-market sales proceeds\$\$\$Restricted stock unit awards issued in satisfaction of executive transaction bonuses\$\$\$Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes\$\$\$Warrants issued in connection with new debt\$\$\$\$Reconciliation of cash and restricted cash:\$\$\$\$		2024		2023
Cash paid for income taxes       \$ 5,477       \$         Supplemental disclosures of non-cash investing and financing information:       •       •         Operating lease liabilities arising from obtaining new right-of-use assets       \$ 617       \$         Operating lease liabilities and right-of-use assets reduced due to lease modification or termination       \$ 092)       \$         Increase in accrued expenses related to debt issuance costs and original issue discount       \$ 3007       \$         Increase in accounts payable related to private placement offering costs       \$ 686       \$       \$         Increase in accounts payable related to at-the-market offering costs       \$ - \$       \$       \$       \$         Increase in accurued expenses related to at-the-market offering costs       \$ - \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       <	Supplemental disclosures of cash flow information:			
Supplemental disclosures of non-cash investing and financing information: <ul> <li>Operating lease liabilities arising from obtaining new right-of-use assets</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced due to lease modification or termination</li> <li>S</li> <li>Operating lease liabilities and right-of-use assets reduced and right of the market offering costs</li> <li>S</li> <li>S</li></ul>	Cash paid for interest	\$ 14,191	\$	5,813
Operating lease liabilities arising from obtaining new right-of-use assets\$617\$Operating lease liabilities and right-of-use assets reduced due to lease modification or termination\$(92)\$Increase in accrued expenses related to debt issuance costs and original issue discount\$307\$Increase in accounts payable related to private placement offering costs\$686\$Increase in accounts payable related to at-the-market offering costs\$\$\$Increase in accounts payable related to at-the-market offering costs\$\$\$Increase in accounts payable related to at-the-market offering costs\$\$\$Increase in other receivable related to at-the-market sales proceeds\$\$\$Restricted stock unit awards issued in satisfaction of executive transaction bonuses\$\$\$\$Remeasurement adjustment to redeemable noncontrolling interest\$\$\$\$\$Warrants issued in connection with new debt\$\$\$\$\$\$Reconciliation of cash and restricted cash:\$\$\$\$\$\$	Cash paid for income taxes	\$ 5,477	\$	567
Operating lease liabilities and right-of-use assets reduced due to lease modification or termination\$(92)\$Increase in accrued expenses related to debt issuance costs and original issue discount\$307\$Increase in accounts payable related to private placement offering costs\$686\$Increase in accounts payable related to at-the-market offering costs\$\$\$Increase in accrued expenses related to at-the-market offering costs\$\$\$Increase in accrued expenses related to at-the-market offering costs\$\$\$Increase in other receivable related to at-the-market sales proceeds\$\$\$Restricted stock unit awards issued in satisfaction of executive transaction bonuses\$\$\$Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes\$\$\$Varrants issued in connection with new debt\$\$12,127\$Reconciliation of cash and restricted cash:\$\$\$\$	Supplemental disclosures of non-cash investing and financing information:			
Increase in accrued expenses related to debt issuance costs and original issue discount       \$       307       \$         Increase in accounts payable related to private placement offering costs       \$       686       \$         Increase in accounts payable related to at-the-market offering costs       \$       686       \$         Increase in accounts payable related to at-the-market offering costs       \$       \$       \$         Increase in accrued expenses related to at-the-market offering costs       \$       \$       \$         Increase in other receivable related to at-the-market sales proceeds       \$       \$       \$         Restricted stock unit awards issued in satisfaction of executive transaction bonuses       \$       \$       \$         Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes       \$       \$       \$       \$         Varrants issued in connection with new debt       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$	Operating lease liabilities arising from obtaining new right-of-use assets	\$ 617	\$	7,222
Increase in accounts payable related to private placement offering costs\$686Increase in accounts payable related to at-the-market offering costs\$\$Increase in accounts payable related to at-the-market offering costs\$\$Increase in accrued expenses related to at-the-market offering costs\$\$Increase in other receivable related to at-the-market sales proceeds\$\$Restricted stock unit awards issued in satisfaction of executive transaction bonuses\$\$Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes\$\$Yarrants issued in connection with new debt\$\$\$Reconciliation of cash and restricted cash:\$\$\$	Operating lease liabilities and right-of-use assets reduced due to lease modification or termination	\$ (92)	\$	_
Increase in accounts payable related to at-the-market offering costs       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       -       \$       \$       1       \$       \$       1       \$	Increase in accrued expenses related to debt issuance costs and original issue discount	\$ 307	\$	212
Increase in accrued expenses related to at-the-market offering costs       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$       \$	Increase in accounts payable related to private placement offering costs	\$ 686	\$	12
Increase in other receivable related to at-the-market sales proceeds       \$       -       \$         Restricted stock unit awards issued in satisfaction of executive transaction bonuses       \$       -       \$         Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes       \$       (22,831)       \$       (11)         Fair value adjustment to redeemable noncontrolling interest       \$       (20,579)       \$       2         Warrants issued in connection with new debt       \$       12,127       \$       2         Reconciliation of cash and restricted cash:       -       -       -       -	Increase in accounts payable related to at-the-market offering costs	\$ —	\$	19
Restricted stock unit awards issued in satisfaction of executive transaction bonuses       \$       -       \$         Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes       \$       (22,831)       \$       (11)         Fair value adjustment to redeemable noncontrolling interest       \$       (20,579)       \$       2         Warrants issued in connection with new debt       \$       12,127       \$       \$	Increase in accrued expenses related to at-the-market offering costs	\$ _	\$	206
Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes     \$     (22,831)     \$     (11)       Fair value adjustment to redeemable noncontrolling interest     \$     (20,579)     \$     (21)       Warrants issued in connection with new debt     \$     12,127     \$	Increase in other receivable related to at-the-market sales proceeds	\$ —	\$	33
Fair value adjustment to redeemable noncontrolling interest     \$     (20,579)     \$     2       Warrants issued in connection with new debt     \$     12,127     \$       Reconciliation of cash and restricted cash:     \$     12,127     \$	Restricted stock unit awards issued in satisfaction of executive transaction bonuses	\$ 	\$	5,000
Warrants issued in connection with new debt     \$     12,127     \$       Reconciliation of cash and restricted cash:     \$     \$	Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes	\$ (22,831)	\$	(117,860)
Reconciliation of cash and restricted cash:	Fair value adjustment to redeemable noncontrolling interest	\$ (20,579)	\$	20,579
	Warrants issued in connection with new debt	\$ 12,127	\$	_
Cash \$ 38,816 \$	Reconciliation of cash and restricted cash:			
	Cash	\$ 38,816	\$	36,320
Restricted cash 5,286	Restricted cash	 5,286		4,614
Total cash and restricted cash\$44,102\$4	Total cash and restricted cash	\$ 44,102	\$	40,934

## RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA LOSS

(in thousands, except PMPM)

(unaudited)

	Three Months Ended December 31,			Year Ended	December 31,	
	2024		2023	2024		2023
Net loss	\$ (129,148)	\$	(69,107)	\$ (310,378)	\$	(186,426)
Interest expense, net	6,834		4,046	22,173		15,985
Depreciation and amortization	21,153		21,634	86,058		86,675
Income tax provision	4,952		1,767	4,387		2,695
Mark-to-market of stock warrants	(7,488)		(760)	(22,114)		(433)
Premium deficiency reserve	37,927		(3,344)	53,698		(12,705)
Equity-based compensation	721		1,720	5,752		5,979
Other <sup>(1)</sup>	(2,533)		(212)	(6,775)		2,656
Transaction and other related costs <sup>(2)</sup>	—		—	—		70
Adjusted EBITDA loss	\$ (67,582)	\$	(44,256)	\$ (167,199)	\$	(85,504)
Adjusted EBITDA loss PMPM	\$ (175)	\$	(138)	\$ (147)	\$	(92)

(1) Other during the year ended December 31, 2024 consisted of (i) interest income, (ii) gain recognized upon the settlement and write-off of contingent consideration related to an acquisition completed in a prior year and (iii) gain recognized on asset sale partially offset by (iv) severance and related expense in connection with our chief executive officer transition (v) loss on impairment on assets held for sale, and (vi) valuation allowance on our notes receivable. Other during the year ended December 31, 2023 consisted of (i) interest income offset by (ii) cybersecurity incident loss, (iii) restructuring and other charges, including severance and benefits paid to employees pursuant to workforce reduction plans, (iv) the disposition of our Pahrump operations, (v) expenses for third-party consultants to assist us with the development, implementation, and documentation of new and enhanced internal controls and processes for compliance with Sarbanes-Oxley Section 404(b), (vi) a legal settlement outside of the ordinary course of business, and (vii) valuation allowance on our notes receivable.

(2) Transaction and other related costs during the year ended December 31, 2023 consisted of legal fees incurred related to acquisition-related litigation.

#### MEDICAL MARGIN (in thousands, except PMPM)

(unaudited)

	Three Months Ended December 31,				Year Ended December 31,			
	2024		2023		2024		2023	
Capitated revenue	\$ 367,456	\$	342,836	\$	1,483,602	\$	1,252,309	
Less: medical claims expense	(360,178)		(333,761)		(1,398,143)		(1,117,258)	
Medical margin	\$ 7,278	\$	9,075	\$	85,459	\$	135,051	
Medical margin PMPM	\$ 19	\$	28	\$	75	\$	108	

# RECONCILIATION OF GROSS PROFIT (LOSS) TO MEDICAL MARGIN (in thousands)

	Three Months Ended December 31,				Year Ended December 31,			
	2024		2023		2024		2023	
Gross profit (loss)	\$ (39,538)	\$	(20,818)	\$	(58,917)	\$	31,635	
Other patient service revenue	(3,230)		(4,025)		(16,853)		(14,066)	
Other medical expense	50,046		33,918		161,229		117,482	
Medical margin	\$ 7,278	\$	9,075	\$	85,459	\$	135,051	

## RECONCILIATION OF TOTAL OPERATING EXPENSE TO ADJUSTED OPERATING EXPENSE (in thousands) (unaudited)

	Three Months Ended December 31,				Year Ended December 31,					
	2024		2023		2024		2023			
Total operating expense	\$ 509,189	\$	411,121	\$	1,821,113	\$	1,434,305			
Medical expense	(410,224)		(367,679)		(1,559,372)		(1,234,740)			
Depreciation and amortization	(21,153)		(21,634)		(86,058)		(86,675)			
Premium deficiency reserve	(37,927)		3,344		(53,698)		12,705			
Equity-based compensation	(721)		(1,720)		(5,752)		(5,979)			
Other	2,533		212		6,775		(2,656)			
Transaction and other related costs	—		—		—		(70)			
Adjusted operating expense	\$ 41,697	\$	23,644	\$	123,008	\$	116,890			