

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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-40033



P3 Health Partners Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

2370 Corporate Circle Suite 300 Henderson, Nevada

(Address of principal executive offices)

85-2992794

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

89074

(Zip code)

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

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Class A common stock, par value \$0.0001 per share	PIII	The Nasdaq Stock Market LLC
Warrants exercisable for one share of Class A common stock	PIIIW	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's voting and non-voting stock held by non-affiliates on June 30, 2025 (the last business day of the registrant's most recently completed second fiscal quarter) based on the closing price on that date as reported by the Nasdaq Stock Market was approximately \$11.2 million.

As of March 23, 2026, the registrant had 3,294,290 shares of Class A common stock, par value \$0.0001, and 3,919,124 shares of Class V common stock, par value \$0.0001, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement for its 2026 annual meeting of stockholders to be filed with the Securities and Exchange Commission (the "SEC") within 120 days after December 31, 2025 are incorporated by reference into Part III of this Annual Report on Form 10-K.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (the “Form 10-K”) 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 (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this Form 10-K, including statements regarding our future results of operations and financial position, business and growth strategy, prospective products, research and development costs, future revenue, market opportunity, timing and likelihood of success, plans and objectives of management for future operations, our ability to raise additional capital and continue as a going concern, future results of anticipated products and prospects, our ability to maintain compliance with California regulations related to financial solvency and operational performance, and our ability to regain compliance with the Nasdaq listing rules, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” “would” or “continue” or the negative of these terms or other similar expressions, although not all forward-looking statements contain these words.

The forward-looking statements in this Form 10-K are only predictions and are based largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this Form 10-K and are subject to a number of known and unknown risks, uncertainties and assumptions, and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including those described under the sections in this Form 10-K in Part I, Item 1A. “[Risk Factors](#)” and Part II, Item 7. “[Management’s Discussion and Analysis of Financial Condition and Results of Operations](#)” and elsewhere in this Form 10-K.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

You should read this Form 10-K and the documents that we reference in this Form 10-K and have filed as exhibits hereto completely and with the understanding that our actual future results, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Unless the context otherwise requires, “we,” “us,” “our,” “P3” and the “Company” refer to P3 Health Partners Inc. and its subsidiaries. “P3 LLC” refers to the surviving entity after the consummation of a series of business combinations in December 2021 with Foresight Acquisition Corp. (the “Business Combinations”), which was renamed P3 Health Group, LLC.

Amounts presented in this Form 10-K have been adjusted to reflect the 1-for-50 reverse stock split implemented by the Company on April 11, 2025.

SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in Part I, Item 1A. “[Risk Factors](#)” in this Form 10-K. You should carefully consider these risks and uncertainties when investing in our common stock. The principal risks and uncertainties affecting our business include the following:

- Our ability to continue as a going concern.
- Our need to raise additional capital to fund our existing operations or develop and commercialize new services or expand our operations.
- We have a history of net losses. We expect to continue to incur losses for the foreseeable future and we may never achieve or maintain profitability.
- We may not be able to maintain compliance with our debt covenants in the future which could result in an event of default.
- Our relatively limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.
- A significant portion of our assets consists of other intangible assets, the value of which may be reduced if we determine that those assets are impaired.
- We rely on our management team and key employees and our business, financial condition, cash flows and results of operations could be harmed if we are unable to retain qualified personnel.
- Our growth depends in part on our ability to identify and develop successful new geographies, physician partners, payors and patients. If we are not able to successfully execute upon our growth strategies, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.
- If growth in the number of patients and physician partners on our platform decreases, or the number of services that we are able to provide to physician partners and members decreases, due to legal, regulatory, economic or business developments, our business, financial condition and results of operations will be harmed.
- We primarily depend on reimbursement by third-party payors on a capitated basis, as well as payments by individuals, which could lead to delays, uncertainties and disagreements regarding the timing and process of reimbursement, including any changes or reductions in Medicare reimbursement rates or rules.
- The termination or non-renewal of the Medicare Advantage (“MA”) contracts held by the health plans with which we contract, or the termination or nonrenewal of our contracts with those plans, could have a material adverse effect on our revenue and our operations.
- We are dependent on our affiliated professional entities and other physician partners and other providers to effectively manage the quality and cost of care and perform obligations under payor contracts.
- Reductions in the quality ratings of the health plans we serve could have a material adverse effect on our business, results of operations, financial condition and cash flows.
- Developments affecting spending by the healthcare industry could adversely affect our business.
- Our business and operations would suffer in the event of information technology system failures, security breaches, cyberattacks or other deficiencies in cybersecurity.
- Actual or perceived failures to comply with applicable data protection, privacy and security laws, regulations, standards and other requirements could adversely affect our business, financial condition and results of operations.

- We conduct business in a heavily regulated industry and if we fail to adhere to all of the complex government laws and regulations that apply to our business, we could incur fines or penalties or be required to make changes to our operations or experience adverse publicity, any or all of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, and reputation.
- If our arrangements with our affiliated professional entities and other physician partners are found to constitute the improper rendering of medical services or fee splitting under applicable state laws, our business, financial condition and our ability to operate in those states could be adversely impacted.
- We face inspections, reviews, audits and investigations under federal and state government programs and contracts. These audits could have adverse findings that may negatively affect our business, including our results of operations, liquidity, financial condition and reputation.
- The impact on us of recent healthcare legislation and other changes in the healthcare industry and in healthcare spending is currently unknown, but may adversely affect our business, financial condition and results of operations.
- Our only significant asset is the ownership of a minority of the economic interest in P3 LLC, and such ownership may not be sufficient to generate the funds necessary to meet our financial obligations or to pay any dividends on our Class A common stock, par value \$0.0001 per share (the “Class A common stock”).
- Changes in laws and regulations related to AI Technologies could adversely affect our products, services, and results of operations.
- We will be required to make payments under the Tax Receivable Agreement, dated as of December 3, 2021, by and among P3 LLC and the members of P3 LLC from time to time party thereto (the “Tax Receivable Agreement”) for certain tax benefits we may claim, and the amounts of such payments could be significant.
- Foresight Sponsor Group, LLC and its affiliates and representatives, non-employee directors and other non-employee stockholders are not limited in their ability to compete with us, and the corporate opportunity provisions in our certificate of incorporation could enable such persons to benefit from corporate opportunities that might otherwise be available to us, which presents potential conflicts of interest.
- Failure to satisfy California regulations related to financial solvency and operational performance could result in our affiliated physician groups and Restricted Knox-Keene licensed health plans becoming subject to sanctions, and their ability to do business in California could be limited or terminated.
- Our failure to meet the continued listing requirements of The Nasdaq Capital Market could result in a delisting of our securities.
- Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, financial condition, results of operations, and stock price and may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock and your investment.
- We may not recognize the anticipated benefits of recent and future acquisitions or dispositions and any such transactions could disrupt our operations and have a material adverse effect on our business, financial condition and results of operations
- Other risks and uncertainties described in this Form 10-K, including those under Part I, Item 1A. [“Risk Factors.”](#)

PART I

Item 1. Business.

Background

We were incorporated in Delaware as Foresight Acquisition Corp. (“Foresight”) on August 20, 2020. On December 3, 2021 (the “Closing Date”), we completed the Business Combinations (defined and discussed more fully below) with P3 Health Group Holdings, LLC, a Delaware limited liability company (“P3 Health Group Holdings”) and we changed our name to P3 Health Partners Inc. Following the Business Combinations, we are organized in an “Up-C” structure, in which P3 Health Partners Inc. is the sole manager of P3 Health Group, LLC and directly owns approximately 46% of P3 Health Group, LLC as of December 31, 2025. Substantially all of the Company’s assets are held and operations are conducted by P3 LLC and its subsidiaries, and the Company’s only assets are equity interests in P3 LLC.

Business Combinations

The Business Combinations were effected pursuant to (1) an agreement and plan of merger, dated as of May 25, 2021 (as amended, the “Merger Agreement”), by and among Foresight, P3 Health Group Holdings and Merger Sub, and (2) the transaction and combination agreement, dated as of May 25, 2021 (as amended, the “Transaction and Combination Agreement”), by and among Foresight, the Merger Corps, the Blockers, and the Blocker sellers (each term as defined in the Transaction and Combination Agreement), pursuant to which, among other things, P3 Health Group Holdings merged with and into Merger Sub (the “P3 Merger”), with Merger Sub as the surviving company, which was renamed P3 LLC, and the Merger Corps merged with and into the Blockers, with the Blockers as the surviving entities and wholly owned subsidiaries of Foresight (collectively, the “Business Combinations”).

Overview

P3 is a patient-centered and physician-led population health management company. We strive to offer superior care to those patients that we serve. Founded and led by physicians, P3 is a team of doctors, clinicians and healthcare professionals with a shared passion for delivering value-based care (“VBC”). We believe our leadership team’s substantial experience in VBC and population health management, combined with our strong payor relationships, large community-based physician networks and custom technology platform uniquely position us to empower physicians, align incentives for healthcare providers and payors and improve the clinical outcomes for the communities we serve.

As fellow healthcare professionals, we understand the challenges physicians face when providing VBC. We have leveraged that expertise to build our “P3 Care Model.” The key attributes that differentiate P3 include: 1) patient centricity, 2) physician leadership, and 3) our delegated/integrated care model. Tactically, we typically leverage the community’s existing healthcare infrastructure to build a strong network of local physicians. We primarily contract with local physicians to enter the P3 network using an affiliate model, rather than building and staffing our own clinics or acquiring individual practices. By doing so, we preserve the existing patient-physician relationship, allow physicians to maintain their independence and have a built-in patient panel on Day 1. We then align physician incentives and provide our team tools and technology to support our physician partners in a VBC system and care for the patients we have the honor and privilege to serve together. We augment these affiliate partnerships with employed Primary Care Physicians (“PCPs”), P3-operated clinics, and wellness centers. Furthermore, we offer a broad delegated care model in which we take on the responsibility to reshape the local healthcare market to provide high quality care for patients throughout the care continuum.

We operate in the \$1,118.0 billion Medicare market, which covers more than 68 million eligible lives as of July 2025. Our core focus is the Medicare Advantage (“MA”) market, which covers approximately 34 million Medicare eligible lives in 2025. Medicare beneficiaries may enroll in an MA plan, under which payors contract with the CMS to provide a defined range of healthcare services that are comparable to Medicare fee-for-service (“FFS”), which is also referred to as “traditional Medicare.”

In MA, the Centers for Medicare & Medicaid Services (“CMS”) pays health plans a monthly sum per member to manage all health expenses of a participating member. Our platform focuses on Medicare Advantage and manages the needs of our members through subscription-like per-member-per-month (“PMPM”) arrangements with health plans or payors. From there, the economics of our care model are further impacted by our ability to drive total cost of care savings and bend the cost curve. Our model allows us to “do well” while also “doing good.” We contract with health plans to

provide capitated care services with respect to certain of their MA members. Our contracts with four health plans to provide capitated care services for their members collectively accounted for approximately 75% of our total revenue for the year ended December 31, 2025, compared to contracts with four health plans which collectively accounted for approximately 59% of our total revenue for the year ended December 31, 2024.

The U.S. healthcare system is ripe for change and disruption, and we believe that the P3 Care Model is distinctly situated to address several pain points, including:

- *Unsustainable and rising healthcare costs.* The United States spent \$5.3 trillion, representing 18.0% of GDP, on healthcare in 2024. National health expenditures are projected to grow 5.8% per year from 2024 to 2033, according to CMS. While representing only 17% of the United States population, the 65 and older age group accounted for 21% of all healthcare spending in 2024, with an average spend of approximately \$15,474 per person. This segment is growing faster than the rest of the population and is projected to reach 22% of the United States population by 2050. Healthcare expenditures are particularly concentrated in this age group in large part due to the high rate of chronic conditions. Rising healthcare costs disproportionately impact low- and middle-income seniors, who often embrace MA plans. This is our area of focus given we believe we can have the greatest clinical and financial impact on this population. Improved care management of seniors is critical to reducing the rapid growth in U.S. healthcare spending.
- *Inadequate access to primary care and PCP shortages.* The current FFS reimbursement model leads to relatively lower pay for PCPs as well as fewer quality touchpoints with patients. We believe that factors like these directly contribute to fewer physicians considering entering, or staying in, the field of primary care.
- *Sub-optimal quality of care and sub-optimal clinical outcomes.* The FFS model unintentionally incentivizes the volume of patients and services performed rather than the quality of services and care—resulting in a deprioritization of preventive services and overall health of the patient.
- *PCP burnout and dissatisfaction.* The traditional FFS model values quantity over quality, which has been shown to lead to physician burnout and jeopardizes the long-term sustainability of the independent primary care business model. According to a 2025 Physicians Foundation report, six in 10 physicians show signs of burnout, compared to four in 10 in 2018. In addition, as average reimbursement rates decline in an FFS model, physicians would need to continually increase the number of patients seen to sustain their practice.
- *Difficulty in maintaining PCP independence.* Small physician practices deliver the majority of care in the U.S.—with 47% of physicians working in practices with 10 or fewer physicians, per a 2025 American Medical Association report. That report also found that 42% of PCPs worked in a practice in 2024 that was wholly owned by physicians (e.g., private practice) representing an 18% point drop since 2012. In our experience, physicians who have chosen to work at smaller practices throughout their careers tend to do so because they value their independence. Given the increasingly significant financial and administrative burdens, these physicians are generally unable to maintain independence while effectively transitioning to a VBC model. We believe that allowing them to maintain their independence increases their engagement with population health management practices, which is key to transforming the healthcare system.
- *Limited collaboration between PCPs and payors.* Over the years, we have seen that payors recognize the importance of PCPs in directing and managing total cost of care. Payors have attempted to increase their proximity to primary care physicians through acquisitions and investments in care delivery services and technologies. However, a payor’s ability to impact physician workflows continues to be structurally limited by the multi-payor nature of most physician practices. This makes it challenging for any single payor to achieve the level of integration we believe is needed to improve clinical engagement and effectively manage healthcare costs. We believe this creates significant opportunity for a platform to partner directly and create alignment between payors and physicians.

We aim to overcome these hurdles with a differentiated model that we believe is an attractive option for patients, physicians and payors. P3 honors the existing social and moral contract between patients and their PCPs, partnering with local physicians using an affiliate model. We risk-stratify our patients to help our physician partners prioritize care for those who need it the most. We also provide care teams to serve as an extension of the physician’s practice. These teams provide wraparound services to our patients and collaborate with the patients’ caregivers to ensure patients have the tools to successfully navigate their healthcare journey across the care continuum. We have made significant investments in

technology to customize patient care management plans. Taken as a whole, our P3 Care Model is designed to help facilitate enhanced clinical outcomes for our key stakeholders, resulting in a physician retention rate of over 88% for the year ended December 31, 2025.

We are led by one of the most experienced management teams in population health. Our executive team has a proven track record in the healthcare industry. These years of experience have fostered strong relationships in the managed care, physician and payor segments. This is paired with a deep understanding of physicians, patients, technology, payments and branding. Lastly, the core of our care model is based on their collective years of experience in medical cost management. We believe these critical facets position our team to successfully navigate and enable the shift to patient-centric, physician-led, VBC.

We Deliver VBC to the Fastest Growing Market in Healthcare

A need for a new payment structure and an aging U.S. population

Historically, healthcare in the U.S. has been focused on reacting to acute events, which resulted in the development of the FFS payment model. The FFS model unintentionally incentivizes the volume of patients and services performed rather than the quality of services and care—resulting in a deprioritization of preventative services and overall health of the patient, and further reflected in laws regulating healthcare by scrutinizing the volume or value of claims processed in the FFS model. Beyond sub-optimal clinical outcomes, FFS results in significant healthcare spend. As 10,000 seniors age into Medicare each day and prevalence of chronic conditions increases, the need for lower healthcare spend leads the push towards VBC and additional offerings such as MA.

VBC and MA

MA serves as an alternative to traditional Medicare. MA is an integrated plan that includes both Part A and Part B coverage. Most MA plans also offer Part D, vision, hearing, dental and other benefits. Typically, the out-of-pocket costs are lower for MA plans than traditional Medicare, but patients are limited to seeing physicians within the plan's network and some coverage of certain specialty services may require PCPs' referrals and plan authorizations.

MA has been well received since it was introduced, with penetration among Medicare beneficiaries increasing from 19% in 2007 to 54% in 2025 and is projected to increase to 64% by 2035. This trend reflects the understanding that MA plans are financially and clinically valuable to Medicare eligible patients.

Our Market Opportunity

We believe there is significant white space opportunity. As of December 31, 2025, we have contracted with 2,400 primary care physicians. This represents less than 1% of the total number of PCPs in the U.S. of approximately 544,000. We believe the industry is primed for a platform like ours, which allows physicians to remain independent while accessing financial resources and infrastructure to support a VBC model.

We believe our total addressable market is represented by the approximately 68 million Americans (approximately 17% of the total population) who were enrolled in either traditional Medicare or MA nationally in 2025, which represented \$1,118 billion of annual spend. Within this, we believe our core addressable market to be the MA market, specifically within moderate-to-highly populated MA-eligible dense counties, which we define as having greater than 10,000 Medicare eligible lives. By multiplying these approximately 34 million MA members by an average \$1,000 PMPM spend, we estimate this represents a core addressable market size of over \$300 billion.

The P3 Care Model

Patient-Centric

Patient wellness, not sickness. The VBC model rewards superior clinical outcomes and value delivered to the patient. With this in mind, we built our model to consider the whole patient rather than individual illnesses as they arise. We work with our physician partners to develop a holistic view of a patient's health over time to understand the most effective methods to empower their patients to actively participate in and better manage their health (e.g., medication adherence, complete understanding of potential impediments to receiving care).

Robust care teams. We staff dedicated care managers and care navigators to help ensure end-to-end patient care across the full continuum. Care navigators are responsible for day-to-day patient care (e.g., scheduling appointments, assisting with check-ins, etc.). Care managers, on the other hand, tend to have more medical responsibilities (e.g., reviewing patient charts, coordinating care with PCPs, ensuring appropriate documentation, etc.) and serve as a communication point across care teams. Together, they complement our network of physicians and enable the highest quality of care for our patients—ensuring they are being seen at the right time by the appropriate physician and all corresponding documentation and communication has been streamlined.

Personalized care. Using our proprietary technology platform for integrated data reporting, physicians can stratify their patient panels based on risk. Identifying patients who are high risk (or rising risk) helps prioritize those patients who may need to be seen more often or require additional resources to improve their health. Additionally, our tailored tech suite provides our physician partners with detailed insights to understand what is driving individual patient clinical outcomes and medical costs. Leveraging this data, we then collaborate with physicians to build individualized, longitudinal care plans, catered to the needs of individual patients.

Physician-Led

Collaborative and supportive partnerships. As members of our team are former physicians, we have a deep understanding of the way in which physicians are trained. In our experience, most physicians not only understand the value of a VBC model but also *want* to provide their patients with the highest quality care. However, the way in which most physicians today were trained caters to an FFS model. To support the VBC model, we provide training to physicians on best clinical practices based on nationally recognized care guidelines. As a result, we have seen physicians deliver cost saving, quality healthcare. Unlike some of our peers, we typically enter markets with our affiliate physician model and contract directly with physician groups or independent physicians to enter the P3 network rather than primarily building and staffing our own clinics or acquiring physician practices. By doing so, we preserve the existing patient-physician relationship and create a built-in patient panel on Day 1. Affiliate physicians retain their independence, while gaining access to P3's teams, tools and technologies that are key to success in a VBC model. P3's care teams become an extension of each physician's office and support our collective patients to navigate the health care system, collaborate with caregivers, and enable a successful health care journey. All P3 affiliated physicians must pass an annual credentialing process and maintain compliance with all regulatory standards.

Aligned incentives. Our model properly aligns physicians' incentives with clinical outcomes, designed so that patients receive the optimal care they deserve. To do this, we offer several types of incentive-based payments to our affiliated physicians. First, as physicians join our network, we continue to pay them based on their prior FFS practice model, or structure a contract to offer a monthly, fixed, capitated payment for each patient paneled to their practice. Additionally, we provide quality incentive payments to our physician partners as they close quality gaps in care, enable patient access and improve documentation, rather than increasing the number of claims processed, or chargeable value of those claims. Finally, as improved clinical outcomes result in reduced medical costs, we share the savings between P3 and our physician partners. These contracts were built with the physician in mind, which is reflected in our results—an annual physician retention rate of over 88% for 2025. Aligning physician incentives with performance on growth, quality, patient disease documentation, and medical expense creates better economics within their practices.

Broad Delegated Care Model

Reshaping local healthcare. Our substantial experience in the population health management space has allowed us to build the capabilities to better control and manage the delivery of services across the full care continuum. Our team has the ability to take on additional services from our payor partners, including networking, credentialing, utilization management and claims processing. In order to take on these functions, our teams must pass regular delegation audits by CMS as well as our payor partners. By assuming responsibility for the patient's entire care experience, we can tailor care provision and coordination to their individual needs. We take on this added burden, as it allows us to reshape the local healthcare market and accelerate the shift from a FFS model to a VBC model.

Delegated services. Through delegation, we can build local networks of physicians and specialists to meet the needs of our patients. By creating a captive network, we ensure that our network of physicians and specialists are properly educated on best clinical practices based on national recognized care guidelines. Furthermore, delegation allows us to align incentives across the full continuum, not just the PCP office. With additional tools like utilization management, we ensure that quality care is delivered in the appropriate care setting. To help with care delivery effectiveness, we perform concurrent reviews to manage acute and post-acute hospitals for length of stay and appropriateness. Finally, by taking on

responsibility for processing and paying claims, we are able to ensure the appropriate payment for the appropriate care. Ownership over claims creates value and helps to accelerate the reduction of unnecessary medical costs.

P3 Technology/Health Hub

The backbone of our P3 Care Model is our proprietary technology platform—P3 Technology/Health Hub—which enables physicians, care teams, patients and their family members to engage in the care journey. Our platform was purposefully built as a data and technology-enabled care ecosystem that drives preventive rather than reactive care.

P3 Technology/Health Hub integrates clinical and claims data from disparate data points each month from payors, outpatient and inpatient facilities and other ancillary care settings. By using P3 Technology/Health Hub at the time of patient onboarding, we are able to assign patient risk levels using our proprietary risk stratification tool that leverages multiple parameters to prioritize patients who require additional resources. We continually collect data on patients from multiple sources so our care teams can proactively and dynamically deliver individualized care based on changes to a patient’s health profile. For example, within approximately 12 hours of a hospitalization—even out of state—our physician partners are notified and alerted to the patient’s clinical status. Our care managers also monitor patient care and provide physicians with actionable insights to enable additional care across settings and locations. These factors create a positive feedback loop, whereby our technology accelerates clinical outcomes, improving strong performance, and further growing our business.

The P3 Technology/Health Hub is built on multiple products, including:

Provider Portal. This physician-facing product enables our physician partners to understand, care for and monitor their patients. Physicians can access a risk stratified patient list based on historical diagnoses, suspect diagnoses, ER visits, chronic comorbidities and socio-economic factors, among others. By using this, P3 is able to present physicians with care opportunities, Healthcare Effectiveness Data and Information Set (“HEDIS®”) gaps in care and drug substitution opportunities, which directly translate into stronger cost management. Analyzing the risk-stratified patient-level data helps physicians and office staff strategize patient scheduling to optimize their resources and work hours to meet the healthcare needs of the patients that need the most care. Provider Portal also generates additional possible conditions that the physicians can screen for during patient visits. This exercise gives physicians a longitudinal view of patients’ health and any potential undiagnosed medical conditions they may have developed since their last annual wellness visit. This represents an important opportunity for physicians to address the conditions which otherwise may have been missed during initial health reviews of the patient.

Provider Portal is also used by our internal certified coders, who are certified by the American Academy of Professional Coders, to review and reconcile claims data with electronic medical record and charts data. This provides P3 an opportunity to capture dropped or missed codes documented in the patient’s medical record that were not properly converted during the initial submission of claims by our physician partner offices. This practice also ensures that the diagnosis data that is submitted to health plans is validated with appropriate supporting documentation for seamless acceptance by CMS for year-over-year risk calculation for our patients.

P3 Care Connect. P3 Care Connect is a comprehensive management tool used by P3 care management, utilization management and concurrent review teams. P3 Care Connect enables P3 care managers to provide concierge and individualized care for specific, high-risk and special needs populations. This capability allows our platform and its constituents to deliver highly impactful clinical programs aimed to reduce cost and improve clinical outcomes while optimizing efficiency. Care orchestration through a combination of program management, cohort building, care plan and assessment builders help our care managers build more intelligent care plans. P3 Care Connect allows our care and medical management teams to process prior authorizations, track P3 patient referrals within our network throughout the care continuum and manage a concurrent review for inpatient services through an automated platform that improves efficiency and auditability of existing business workflows. This tool also enables a streamlined communication between P3 and primary care physicians, specialists and other ancillary care physicians who are involved in the care of our patients.

Analytic Management Tools. Analytic Management Tools is a business intelligence platform that converts data into visualizations and real-time metrics to empower decision making at every level across the organization. This platform provides comprehensive physician profiles, cost analysis, and quality metrics, allowing management to identify trends, uncover improvement opportunities, and optimize resource utilization. Additionally, its embedded Risk Adjustment engine helps quantify burden of illness, offering clinical risk stratification data that supports targeted care coordination for high-

risk patient populations. It helps our administrative teams deliver a data driven approach for a better, more engaged physician experience and act as a support system to their practices.

This tool combines data management with data analysis to evaluate and transform complex data sets into meaningful, actionable information used to support effective strategic, tactical and operational insights. It also provides comprehensive information that drives performance to improve clinical outcomes and quality of care and creates physician profiles and cost analysis to improve healthcare management. With an embedded Risk Adjustment engine, it allows the organization to determine the burden of illness for our patients while providing stratification clinical data to physicians.

Our Disciplined Growth Strategy

We intend to utilize our competitive strengths to increase our footprint within our current markets and across new states and counties to ultimately increase the number of physicians and patients we serve while at the same time managing the growth of the business in a disciplined, cost-efficient manner. As we grow our network, we conduct periodic strategic reviews of our provider and payor contracts, as a result of which we may elect to periodically exit underperforming provider and payor contracts in an effort to rationalize our network costs.

Additional membership through current relationships. Recent data suggests that the number of Medicare-eligible patients and MA penetration rates will continue to increase in the upcoming years. We believe that this trend will translate into increased coverage by our current payor partners in our existing markets. As these new patients enroll in MA through our payors, they become attributed to our platform with little incremental cost to us.

Furthermore, we believe our physician partners will also increase their patient coverage as the number of available MA lives increases. We expect to be favorably positioned to benefit from this source of growth, bolstered by the sticky physician-patient relationship and our platform's ability to assist our physician partners in more effectively managing healthcare quality, patient experience and cost.

Expansion in current markets. Based on our ability to provide a compelling value proposition for physicians looking to shift to value-based care while remaining independent, we believe there is significant opportunity to grow lives in our current markets in Arizona, California, Nevada, and Oregon. Additionally, we have the opportunity to expand our existing membership base through our payor partners' presence in our current markets.

Expansion into adjacent markets. Once we establish a presence in a geography, we are then able to leverage our regional infrastructure and our relationships with payors as we expand into adjacent geographies. We are more easily able to deploy this 'land and expand' strategy once we have established the P3 brand in a particular market.

Expansion into new markets. We are constantly evaluating our pipeline of opportunities to continue growing our membership. Based on our analysis and experience to date, we have identified a list of target markets that we believe are ideal candidates for the P3 Care Model, whether across physicians or payors. We can facilitate this growth through new payor contracts, new network partnerships via joint ventures or expanding into a new market as part of an existing payor contract.

Execute on accretive acquisitions. While our growth to date has been organic, we believe there are additional robust opportunities to acquire additional lives across both physicians and payors.

Competition

The healthcare industry is highly competitive and fragmented. Our primary competition remains the status quo, FFS environment that much of the healthcare system operates in today. We currently face competition in every aspect of our business, including in offering a favorable reimbursement structure for existing physician partners and attracting payors and physician partners who are not contracted with us, from a range of large- and medium-sized local and national companies that provide care under a variety of models that could attract patients, providers and payors. Our primary competitors in the population health management space include Aledade, Astrana Health and Agilon Health, in addition to numerous local provider networks, hospitals and health systems. Moreover, large, well-financed payors have in some cases developed their own managed care services tools and may provide these services to their physicians and patients at discounted prices or may seek to expand their relationships with additional competing physicians or physician networks. Other organizations may also seek to apply specialized services or programs, including providing data analytics or disease-based programs, designed to enable physicians or payors to operate successfully under VBC arrangements. Our competitors typically vary by geography, and we may also encounter competition in the future from other new entrants. Our growth strategy and our business could be adversely affected if we are not able to continue to access existing

geographies, successfully expand into new geographies or maintain or establish new relationships with payors and physician partners.

See the section titled “*Risk Factors—Risks Related to Our Business and Industry—We operate in a competitive industry, and if we are not able to compete effectively, our business, financial condition and results of operations will be harmed.*”

The principal competitive factors in our business include the nature and caliber of relationships with physicians; patient healthcare quality, outcomes and cost; the strength of relationships with payors; the quality of the physician experience; local geography leadership position; and the strength of the underlying economic model. We believe our platform, partnership and network model enables us to compete favorably.

Intellectual Property

We rely on a combination of trademark laws in the U.S. as well as confidentiality procedures and contractual provisions to protect our trade secrets, including proprietary technology, databases and our brand.

We have a federal trademark registration application for “P3 Health Partners” in the U.S. We also have filed other applications to protect names and marks that are meaningful to our business in the U.S. across various states and local jurisdictions, including for the use of the local brand created within each of our geographies, and will pursue additional trademark registrations to the extent we believe it would be beneficial and cost-effective.

We are the controller of a variety of registered domain names that include “p3hp” and similar variations.

We have developed proprietary technology and processes that support our operational programs and clinical insights, including our P3 Technology/Health Hub, which is a proprietary system that aids in the aggregation and analysis of third-party data we collect. Our internally developed technology is continuously refined to support the needs of our platform and partners. We continue to regularly assess the most appropriate methods of protecting our intellectual property and may decide to pursue available protections in the future.

We maintain our intellectual property and confidential business information in a number of ways. For instance, we have a policy of requiring all employees and consultants to execute confidentiality agreements upon the commencement of an employment or consulting relationship with us. Our employee agreements also require relevant employees to assign to us all rights to any inventions made or conceived during their employment with us in accordance with applicable law. In addition, we have a policy of requiring individuals and entities with which we discuss potential business relationships to sign non-disclosure agreements. Lastly, our contracts with physicians include confidentiality and non-disclosure provisions.

We may be unable to obtain, maintain and enforce our intellectual property rights, and assertions by third parties that we violate their intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

Human Capital

As of December 31, 2025, we had approximately 320 full-time employees. We consider our relationship with our employees to be good. None of our employees are currently represented by a labor union or party to a collective bargaining agreement.

Our human capital resources objectives include sourcing, recruiting, developing, retaining, rewarding, recognizing and integrating our existing and prospective employees. We recognize that attracting, motivating and retaining skilled and purpose-driven talent from all backgrounds at all levels is vital to continuing our success. By improving employee retention and engagement, we also improve our ability to protect the long-term interests of our stakeholders and stockholders. We invest in our employees through what we consider to be high-quality benefits, various health and wellness initiatives, and social events that bring our employees together to support the communities in which we live and work. We believe we offer competitive compensation packages and work to ensure fairness in internal compensation practices.

People join P3 because of our mission: to ensure providers and their patients get the healthcare they deserve. Together with our employees and physician partners, we have defined our core values as:

- People: Our attitude is respecting and valuing everyone. Our community is strong and safe. We are “family” and we take care of each other with the same intensity as we take care of our patients.
 - Collaboration *“We achieve more when we work as one.”*
 - Service: *“We serve others with empathy, purpose, and a commitment to excellence.”*
- Passion: Our heart is our patients. Our soul is our clinicians. Our strength is our people and culture.
 - Accountability: *“We own our commitments and deliver results, individually and together.”*
 - Empowerment: *“We empower everyone to identify and solve problems regardless of title or role.”*
- Purpose: Our core is fixing health care. Our mindset is disciplined purposeful growth.
 - Innovation: *“We view obstacles as catalysts for progress and growth.”*
 - Adaptability: *“We stay agile and resilient, embracing change and evolving to meet the needs of those we serve.”*

Our human capital efforts are supported by our dedicated human resources team. This team supports the business in identifying and recruiting top talent, supporting the onboarding of new hires through an employee orientation program, providing a structured approach to performance management that allows leaders and employees to collaborate to set organizational goals, chart plans, and assign performance targets such that it becomes a systematic process to achieving goals and objectives and having productive conversations about performance outcomes and career development. Our talent management framework is designed to help us meet the human capital and business needs within the organization. From identification of critical roles to succession planning and retention management practices, the team provides resources and tools, and leads the processes and experiences to help us successfully execute on our talent management strategy.

Our efforts to promote a positive employee experience and foster an inclusive culture are further supported and enhanced by local and national in-person and virtual events, including town halls, in-office celebrations and employee activity committees.

Government Regulation

Regulatory Licensing and Certification

Many states require regulatory approval, including licensure and certification, before establishing certain types of clinics offering certain professional and ancillary services, including the services P3 offers. The operations of the P3 owned and managed clinics are subject to extensive federal, state and local regulation relating to, among other things, the adequacy of medical care, equipment, personnel, operating policies and procedures, and proof of financial ability to operate. Our ability to operate profitably will depend in part on the ability of P3 owned and managed clinics and their providers to obtain and maintain all necessary licenses and other approvals, and maintain updates to their enrollment in the Medicare and Medicaid programs, including the addition of new clinic locations, providers and other enrollment information. In addition, certain ancillary services such as the provision of diagnostic laboratory testing require additional state and federal licensure and regulatory oversight, including oversight by CMS, under Clinical Laboratory Improvement Amendments of 1988 (“CLIA”) which requires all clinical laboratories to meet certain quality assurance, quality control and personnel standards, and comparable state laboratory licensing authorities. Standards for testing under CLIA are based on the complexity of the tests performed by the laboratory, with tests classified as “high complexity,” “moderate complexity,” or “waived.” P3 owned and managed clinics hold CLIA Certificates of Waiver and perform certain CLIA-waived tests, which subject such clinics to certain CLIA requirements, as well as applicable state law requirements. Sanctions for failure to comply with applicable state and federal licensing, certification and other regulatory requirements include suspension of licensure or payment eligibility, revocation or limitation of the applicable authorization, significant fines and penalties and/or an inability to receive reimbursement from government healthcare programs and other third-party payors.

With respect to P3’s providers participating in its network, P3 providers must meet minimum requirements to apply for participation or continued participation with P3 through a credentialing process, including, without limitation, having a valid, current medical license and registration with the U.S. Drug Enforcement Administration and applicable state pharmacy authority, if required for the provider’s scope of practice, the absence of any debarment, suspension,

exclusion or other restriction from receiving payments from any government or other third-party payor program, and clearing the National Practitioner Data Bank's reporting of any reportable events and/or disciplinary actions. P3's credentialing program is designed to meet CMS and the National Committee for Quality Assurance ("NCQA") credentialing requirements as well as applicable federal and state laws. P3's credentialing committee is comprised of a group of multispecialty providers with responsibilities for thoroughly reviewing each P3 provider's qualifications and credentials. Providers are generally recredentialed every three years or more often if necessary, which is consistent with industry guidelines. In addition, network providers are required under their participating provider agreements with P3 to have established an ongoing quality assurance program. Moreover, P3's contracts may allow P3 to withhold compensation from time to time based upon the providers meeting certain quality metrics, including HEDIS quality measures and care coordination metrics.

State Corporate Practice of Medicine and Fee-Splitting Laws

Our arrangements with our affiliated professional entities and other physician partners are subject to various state laws, commonly referred to as corporate practice of medicine and fee-splitting laws, which are intended to prevent unlicensed persons from interfering with or influencing the physician's professional judgment, and prohibiting the sharing of professional service fees with non-professional or business interests. These laws vary from state to state, including those where the Company does business, and are subject to broad interpretation and enforcement by state regulators. For example, the corporate practice of medicine prohibition in Nevada has only been established through intermittent attorney general opinions with limited guidance and no statutory or regulatory standards. Other restrictions in Nevada regarding fee-splitting and physician payments are found in statutes and regulations regarding physician licensure and restrictions on physician referrals of patients. Arizona's corporate practice of medicine was established under older case law, and more recent legislation suggests that the prohibition may not be strictly enforced in the state, although not expressly permitted by this legislation or addressed in more recent decisional authority from Arizona's courts. Oregon currently prohibits the corporate practice of medicine but has an exception for professional corporations with majority physician ownership where a non-licensed person or entity may hold minority ownership interest in such professional corporation.

California's corporate practice of medicine doctrine has been developed through statutes, case law and state attorney general opinions. The general prohibition on the corporate practice of medicine arises out of the California Business and Professions Code, which has been enforced through case law and attorney general opinions. In California, physicians and certain licensed professionals cannot be employed by non-professional corporations, except under limited exceptions which do not apply to the Company. Additionally, all clinical decisions and certain business or management decisions that result in control over a physician's practice of medicine or a licensed professional's clinical decisions must be made by a physician or licensed professional and not by an unlicensed person or entity. California also prohibits professional fee splitting arrangements, but management fees based on a percentage of gross revenue or similar arrangement that is commensurate with fair market value of services provided by the management company are generally permissible.

In 2025, the Oregon legislature introduced and, on June 9, 2025, the governor signed into law, Oregon Senate Bill 951 ("SB 951"), which strengthened the state's corporate practice of medicine doctrine and imposed new restrictions on dual ownership of a professional medical practice and a management services organization ("MSO") that contractually provides management and administrative services for the medical practice. Under SB 951, MSOs cannot make hiring or compensation decisions for licensed medical providers, set schedules or patient loads, influence diagnostic coding or care protocols, negotiate payor contracts, or set billing and collection policies. SB 951 also prohibited MSOs from placing absolute restrictions on the abilities of the medical practices they served from selling their assets without MSO approval, or from internal sales of the medical providers' stock or equity interests in the practice. SB 951 also invalidated a wide range of restrictive covenants limiting competition by physicians, often known as "non-compete" agreements, with exceptions for physicians who own 10% or more of the medical practice seeking to impose such restriction, or for very new physicians that require a substantial investment in hiring, relocation, and training.

SB 951 took effect on January 1, 2026 for entities that had not been formed as of the date of the bill's passage into law, while existing professional entities and management services organizations in existence as of the bill's passage have until January 1, 2029 to comply with its requirements. Immediately following SB 951's passage, the Oregon legislature passed and governor signed into law Oregon House Bill 3410A ("HB 3410A"), a companion bill that clarified certain language within SB 951 and provided limited circumstances where a MSO's relationship with a medical practice could continue to require the medical practice to restrict the transfer of its equity interests or assets, such as upon death, disqualification, or debarment.

We believe we have structured our management services agreements with our affiliated professional entities to comply with the corporate practice of medicine and fee-splitting laws of Nevada, California, Arizona, and Nebraska, and we expect to enter into similar agreements with affiliated professional entities in other states where we may operate in the future. In our affiliated practices, all clinical decisions and other business and management decisions that result in control over a physician's practice of medicine or a licensed professional's clinical decisions remain exclusively with the affiliated professional entities, their physician shareholders and the physicians and licensed professionals employed and contracted by such entities.

A determination of non-compliance against us and/or our affiliated professional entities or other physician partners based on the reinterpretation of existing laws or adoption of new laws could lead to adverse judicial or administrative action, civil or criminal penalties, receipt of cease-and-desist orders from state regulators, loss of provider licenses, and/or restructuring of these arrangements.

Healthcare Fraud and Abuse Laws

We are subject to a number of federal and state healthcare regulatory laws that restrict certain business practices in the healthcare industry. These laws include, but are not limited to, federal and state anti-kickback, false claims, self-referral and other healthcare fraud and abuse laws.

The federal Anti-Kickback Statute ("AKS") prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, in cash or kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. Consequences for violation of the AKS range from civil enforcement through the False Claims Act, as discussed below, the imposition of administrative fines and penalties such as exclusion from the Medicare and Medicaid programs, through criminal prosecution that may result in incarceration and orders to pay fines, penalties, and restitution.

Several courts have interpreted the AKS's intent requirement to mean that if any one purpose of an arrangement involving remuneration is to induce referrals of healthcare business reimbursable by a federal healthcare program, AKS has been violated.

The AKS includes statutory exceptions and regulatory safe harbors that, if complied with, protect certain arrangements from constituting a violation of the law. By way of example, the AKS safe harbor for value-based arrangements and the safe harbor for arrangements between managed care organizations and downstream contractors both require, among other things, that the arrangement does not induce a person or entity to reduce or limit medically necessary items or services furnished to any patient. Failure to meet the requirements of an applicable AKS safe harbor, however, does not render an arrangement illegal. Rather, the government may evaluate such arrangements on a case-by-case basis, taking into account all facts and circumstances, including the parties' intent and the arrangement's potential for abuse, extent and degree of compliance with the applicable safe harbor factors, and such arrangements may be subject to greater scrutiny by enforcement agencies.

The federal prohibition on physician self-referral, commonly referred to as the "Stark Law," prohibits a physician who has a financial relationship, or who has an immediate family member who has a financial relationship, with entities providing designated health services ("DHS") from referring Medicare and Medicaid patients to such entities for the furnishing of DHS, unless a statutory or regulatory exception applies. The Stark Law also prohibits the entity from billing for any such prohibited referral. Unlike the AKS, the Stark Law is a civil, strict-liability statute and violated if the financial arrangement does not meet an applicable exception, regardless of any intent by the parties to induce or reward referrals or the reasons for the financial relationship and the referral.

The federal False Claims Act ("FCA") prohibits a person from knowingly presenting, or caused to be presented, a false or fraudulent request for payment from the federal government, or from making a false statement or using a false record to have a claim approved. A claim includes "any request or demand" for money or property presented to the United States government. Moreover, the government may assert that a claim including items and services resulting from a violation of the AKS or the Stark Law constitutes a false or fraudulent claim for purposes of the civil FCA. Penalties for a violation of the FCA include fines of up to \$0.1 million for each false claim (adjusted annually for inflation), plus up to three times the amount of damages caused by each false claim. Private individuals also have the ability to bring actions under these false claims laws in the name of the government alleging false and fraudulent claims presented to or paid by

the government (or other violations of the statutes) and to share in any amounts paid by the entity to the government in fines or settlement. Such suits, known as qui tam actions, are pervasive in the healthcare industry.

Further, the Civil Monetary Penalties Law authorizes the imposition of civil monetary penalties, assessments and exclusion against an individual or entity based on a variety of prohibited conduct, including, but not limited to offering remuneration to a federal health care program beneficiary that the individual or entity knows or should know is likely to influence the beneficiary to order or receive health care items or services from a particular provider. Moreover, in certain cases, providers who routinely waive copayments and deductibles for Medicare and Medicaid beneficiaries can also be held liable under the AKS and civil FCA. One of the statutory exceptions to the prohibition is non-routine, unadvertised waivers of copayments or deductible amounts based on individualized determinations of financial need or exhaustion of reasonable collection efforts. The U.S. Department of Health and Human Services (“HHS”) Office of Inspector General (“OIG”) emphasizes, however, that this exception should only be used occasionally to address special financial needs of a particular patient. Although this prohibition applies only to federal healthcare program beneficiaries, the routine waivers of copayments and deductibles offered to patients covered by commercial payors may implicate applicable state laws related to, among other things, unlawful schemes to defraud, excessive fees for services, tortious interference with patient contracts and statutory or common law fraud.

The Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (collectively, “HIPAA”), also established federal criminal statutes that prohibit, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, including private third-party payors, and knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the AKS, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

Several states in which we operate have also adopted similar fraud and abuse laws as described above. The scope of these laws, such as their application to payment sources other than Medicare and Medicaid, and the interpretations of them, vary from state to state and are enforced by state regulatory authorities, each with broad and widely varying discretion. Some state fraud and abuse laws apply to items or services reimbursed by any payor, including patients and commercial insurers, and not just those reimbursed by a federally funded healthcare program, while other states have laws against kickbacks and self-referral that apply solely to Medicare or Medicaid funds.

Violation of any of these laws or any other governmental regulations that apply may result in significant penalties, including, without limitation, administrative, civil, and criminal penalties, damages, disgorgement, fines, restitution, treble damages if pursued under the FCA, additional reporting requirements and compliance oversight obligations, in the event that a corporate integrity agreement or other agreement is required to resolve allegations of noncompliance with these laws, the curtailment or restructuring of operations, exclusion from participation in governmental healthcare programs, and/or individual imprisonment.

Healthcare Reform

In the United States, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system, many of which are intended to contain or reduce healthcare costs. By way of example, in the United States, the Affordable Care Act, as amended by the Health Care and Education Reconciliation Act (collectively, the “ACA”), substantially changed the way healthcare is financed by both governmental and private insurers. The ACA required, among other things, CMS to establish a Medicare shared savings program (“MSSP”) to promote accountability and coordination of care through the creation of Accountable Care Organizations (“ACOs”). The MSSP allows for providers, physicians and other designated health care professionals and suppliers to form ACOs and voluntarily work together to invest in infrastructure and redesign delivery processes to give coordinated high quality care to their Medicare patients, avoid unnecessary duplication of services and prevent medical errors. Since their inception, ACOs have gone through several evolutions, with CMS periodically launching ACO programs for defined time periods, which are succeeded by new ACO models. With each generation of ACO, CMS has intended for the rules governing ACO operation and organization to be responsive to any limitations identified in prior ACO generations, and to leverage changes in law and developments in technology to expand care available to patients and focus on aligning compensation to providers with quality of care delivered to patients. ACOs that achieve quality performance standards established by CMS are eligible to share in a portion of the Medicare program’s cost savings. ACO program methodologies and participation requirements are updated by CMS for each performance year and participants are expected to comply with such program requirements and

required to report on performance after the close of the year. ACOs that fail to comply with such program requirements can face penalties or even termination of their participation in the Medicare shared savings program.

Since its enactment, there have been judicial, executive and Congressional challenges to certain aspects of the ACA. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA without specifically ruling on the constitutionality of the ACA. Prior to the Supreme Court's decision, President Biden issued an executive order initiating a special enrollment period from February 15, 2021 through August 15, 2021 for purposes of obtaining health insurance coverage through the ACA marketplace. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare. In July of 2025, congress passed and the President signed into law the One Big Beautiful Bill Act of 2025 ("OBBBA"), which affected certain provisions of the ACA. In particular, the OBBBA made changes regarding the availability of subsidies available for the purchase of plans available on healthcare exchanges created by the ACA, as well as automatic re-enrollment in the ACA marketplace. The OBBBA represents the latest legislative efforts to change the ACA, which vary between expanding or contracting the scope and function of the ACA depending on which political party controls the presidency and/or the majority of one or both houses of Congress.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. These changes included aggregate reductions to Medicare payments to providers by 2%, commonly known as "sequestration." Sequestration was legislated to take effect on April 1, 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through the first six months of fiscal year 2032. Since adopting this sequestration into law, though, its implementation and resulting reductions in Medicare payments have been repeatedly suspended from taking effect, including through the Infrastructure Investment and Jobs Act of 2023, Consolidated Appropriations Act of 2024, American Relief Act of 2025, and the OBBBA. In addition, on January 2, 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, reduced Medicare payments to several providers, including hospitals, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Additionally, the CMS Innovation Center continues to test an array of value-based alternative payment models, including the Global and Professional Direct Contracting Model to allow Direct Contracting Entities to negotiate directly with the government to manage traditional Medicare beneficiaries and share in the savings and risks generated from managing such beneficiaries. Although we currently do not participate in these pilot payment models, we may choose to do so in the future. Additional changes that may affect our business include the expansion of new programs such as Medicare payment for performance initiatives for physicians under the Medicare Access and CHIP Reauthorization Act of 2015 ("MACRA"), which first affected physician payment in 2019 based on physician participation in the Merit-Incentive Based Program ("MIPS"), or other eligible alternative payment model. Due to the revenue-neutral nature of MACRA and MIPS's proposals for increasing or otherwise adjusting physician compensation, the result has been that certain physician organizations have received incentive payments for improved outcomes and reported increases in quality measures, while other physicians and provider groups saw reimbursements decrease due to not participating in such updates or failing to report data. Incentive payments available under MIPS have also decreased over time, as have the amounts of incentive payments available under certain alternative payment models. In addition, there likely will continue to be regulatory proposals directed at containing or lowering the cost of healthcare, adopt new payment models that rely on the data-gathering and reporting capacities of new technology to assess the quality of care provided to patients, and other changes as government healthcare programs and other third-party payors transition from FFS to value-based reimbursement models. These updates have included, and may continue to include in the future, risk-sharing, bundled payment and other innovative approaches. It is possible that the federal or state governments will implement additional reductions, increases, or changes in reimbursement in the future under government programs that may adversely affect us or increase the cost of providing our services. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue or attain growth, any of which could have a material impact on our business.

Further, healthcare providers and industry participants are also subject to a growing number of requirements intended to promote interoperability of electronic medical records systems and the exchange of patient health information between and among them. For example, on April 5, 2021, healthcare providers and certain other entities became subject to information blocking restrictions pursuant to the 21st Century Cures Act (the "Cures Act") that prohibit practices that are likely to interfere with the access, exchange or use of electronic health information, except as required by law or specified by the HHS as a reasonable and necessary activity. In 2022, the Information Blocking Rule, which was contemplated by the Cures Act, took effect, with subsequent amendments via rulemaking in 2023 and 2024 to clarify certain aspects of the rule and its intended implementation. The Information Blocking Rule allowed HHS to impose penalties of up to \$1 million per violation on healthcare providers, information technology service providers, health information exchanges, health information networks, or software developers that block the access or exchange of electronic health information. Revisions

to this rule clarified what entities were subject to its requirements, what conduct or activity was permitted or constituted impermissible information blocking, and made other changes to reflect changing law, particularly in the area of reproductive health. Violations may result in other disincentives and consequences. It is unclear at this time what the costs of compliance with the new rules will be and what additional risks there may be to our business.

Data Privacy and Security Laws

We are subject to a number of federal and state laws and regulations that govern the collection, use, disclosure, and protection of health-related and other personal information, including health information privacy and security laws, data breach notification laws, and consumer protection laws and regulations, including HIPAA, 42 C.F.R. Part 2 (“Part 2”), regulations promulgated under the Cures Act, and other state laws that guard data privacy, including those in California and Nevada. The incidence of data breaches has escalated significantly from 2019 through the end of 2025, and continues to be a risk to us and the healthcare sector in general due to both business risk and potential administrative, civil and even criminal liability, including penalties, fines, and corrective actions, that may arise from data breaches or the inaccessibility of patient information, such as in “ransomware” attacks.

Failure to comply with these laws, where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation, including class actions. Privacy and security laws, regulations, and other obligations are constantly evolving, may conflict with each other to complicate compliance efforts, and can result in investigations, proceedings, or actions that lead to significant civil and/or criminal penalties and restrictions on data processing.

Federal and State Insurance and Managed Care Laws

Regulation of downstream risk-sharing arrangements, including, but not limited to, at-risk and other value-based arrangements, varies significantly from state to state. Some states require downstream entities and risk-bearing entities to obtain an insurance license, a certificate of authority, or an equivalent authorization, in order to participate in downstream risk-sharing arrangements with payors. In some states, statutes, regulations and/or formal guidance explicitly address whether and in what manner the state regulates the transfer of risk by a payor to a downstream entity. However, the majority of states do not explicitly address the issue, and in such states, regulators may nonetheless interpret statutes and regulations to regulate such activity without predictable guidance. If downstream risk-sharing arrangements are not regulated directly in a particular state, the state regulatory agency may nonetheless require oversight by the licensed payor as the party to such a downstream risk-sharing arrangement. Such oversight is accomplished via contract and may include the imposition of reserve requirements several times greater than normal bond or security requirements necessary to obtain a license or certificate required for operation, as well as reporting obligations. Further, state regulatory stances regarding downstream risk-sharing arrangements can change rapidly and codified provisions may not keep pace with evolving risk-sharing mechanisms and other new value-based reimbursement models. Certain of the states where we currently operate or may choose to operate in the future regulate the operations and financial condition of risk bearing organizations like us and our affiliated providers. For example, P3 acquired Medcore HP, a licensed health plan under California’s Knox Keene Act, which subjects the entity to certain capital requirements, licensing or certification, governance controls, utilization review, grievance procedures, and reporting requirements among others. While these regulations have not had a material impact on our business to date, as we continue to expand, for example, through acquisitions or otherwise, these rules may require additional resources and capitalization and add complexity to our business.

Seasonality

Our business experiences some variability depending upon the time of the year. While new patients are attributed to our platform throughout the year, we experience the largest portion of our at-risk membership growth during the first quarter. Operations in our new markets generally begin on January 1, at which time our payor partners attribute patients to our physician partners as our agreements with those payors in those geographies become effective. This coincides with the beginning of the Medicare program year, when plan enrollment selections made during the prior Annual Enrollment Period, which runs each year from October 15 to December 7, take effect.

In addition, in January of each year, CMS revises the risk adjustment factor for each patient based upon health conditions documented in the prior year, leading to an overall increase in per-member revenue. As the year progresses, our per-member revenue declines as new members join us typically with less complete or accurate documentation (and therefore lower risk-adjustment scores) and patient morbidity disproportionately impacts our higher-risk (and therefore greater revenue) members.

Medical costs will vary seasonally depending on a number of factors, including the weather and the number of calendar working days in a given period. Certain illnesses, such as the influenza virus, are far more prevalent during colder months of the year, which will result in an increase in medical expenses during these time periods. We therefore expect to see higher levels of per member medical costs in the first and fourth quarters.

See Part II, Item 7. “[Management’s Discussion and Analysis of Results of Operations—Key Factors Affecting our Performance—Impact of Seasonality.](#)”

Available Information

We were incorporated under the laws of the State of Delaware on August 20, 2020 under the name Foresight Acquisition Corp. Upon the closing of the Business Combinations, we changed our name to P3 Health Partners Inc. Our principal executive offices are located at 2370 Corporate Circle, Suite 300, Henderson, NV 89074 and our telephone number is (702) 910-3950. Our website is www.p3hp.org. Under the investor relations page of the Company’s website, ir.p3hp.org, we make available free of charge a variety of information for investors, including our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Proxy Statements on Schedule 14A and any amendments to those materials filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, as soon as reasonably practicable after we electronically file that material with or furnish it to the Securities and Exchange Commission (“SEC”). The information found on our website is not part of this or any other report we file with, or furnish to, the SEC.

Item 1A. Risk Factors.

Our business involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Form 10-K. The occurrence of any of the events described below could harm our business, operating results, financial condition, liquidity, or prospects. In any such event, the market price of our Class A common stock could decline, and you may lose all or part of your investment. This Form 10-K also contains forward-looking statements that involve risks and uncertainties. See “[Cautionary Statement Regarding Forward-Looking Statements](#).” Our actual results could differ materially and adversely from those anticipated in these forward-looking statements as a result of certain important factors, including those set forth below.

Risks Related to Our Business and Financial Results

Our management has performed an analysis of our ability to continue as a going concern and has identified substantial doubt about our ability to continue as a going concern.

As of December 31, 2025, we had \$25.0 million of unrestricted cash and cash equivalents available to fund future operations, \$336.7 million of outstanding indebtedness, of which \$45.0 million is classified as current on our balance sheet, and \$287.8 million of unpaid claims. We expect to continue to incur operating losses and generate negative cash flows from operations for the foreseeable future. Based on our currently available cash resources, including the aggregate proceeds of \$18.0 million we received from a related party financing transaction in January and February 2026, and assuming no other financing transactions, we believe we will require additional funding in 2026. As a result of these factors, management has concluded that there is substantial doubt about our ability to continue as a going concern within one year after the date the consolidated financial statements included elsewhere in this Form 10-K are issued. In evaluating our ability to continue as a going concern and meet our obligations, management considered our current projections of future cash flows, current financial condition, sources of liquidity, and debt obligations for at least one year from the date of issuance of this Form 10-K.

We continue to explore raising additional capital through a combination of debt financing and equity issuances and sales of assets. As substantial doubt about our ability to continue as a going concern exists, our ability to finance our operations through the sale and issuance of debt or equity securities or through bank or other financing could be impaired and there is no assurance that sources of financing will be available on a timely basis, or on satisfactory terms, or at all. If we are unable to raise additional capital or generate cash flows necessary to fund our operations or refinance our indebtedness, we will need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect our business, financial condition, results of operations, and prospects.

If our affiliated physician groups and Restricted Knox-Keene licensed health plans are not able to satisfy California regulations related to financial solvency and operational performance, they could become subject to sanctions, and their ability to do business in California could be limited or terminated.

The California Department of Managed Health Care (“DMHC”) has instituted regulations intended to provide a formal mechanism for monitoring the financial solvency and operational performance of risk-bearing organizations (including capitated physician groups) and Restricted Knox-Keene licensed health plans in California. Under current DMHC regulations, our affiliated physician groups, as applicable, are required to, among other things:

- Maintain, at all times, a minimum “cash-to-claims ratio” (which means the organization’s cash, marketable securities, and certain qualified receivables, divided by the organization’s total unpaid claims liability) of 0.75; and
- Submit periodic reports to the DMHC containing various data and attestations regarding their performance and financial solvency, including incurred but not reported (“IBNR”) calculations, documentation, and attestations as to whether or not the organization (i) was in compliance with the “Knox-Keene Act” requirements related to claims payment timeliness, and (ii) had maintained compliance with minimum “cash-to-claims ratio,” tangible net equity, and positive working capital requirements.

In the event that a physician group is not in compliance with any of the above criteria, it would be required to describe in a report submitted to the DMHC the reasons for non-compliance and actions to be taken to bring it into compliance. Under such regulations, the DMHC can also make some of the information in the reports public, including, but not limited to, whether or not a particular physician organization met each criteria.

The DMHC determined that, as of December 31 2025 Medcore HP was not in compliance with the DMHC's positive tangible net equity requirement. As a result, the DMHC required Medcore HP to develop and implement a corrective action plan ("CAP") for such deficiency. Medcore HP submitted its CAP in March 2026.

Risks Related to Our Operating History

We have a history of net losses. We expect to continue to incur losses for the foreseeable future and we may never achieve or maintain profitability.

We have experienced losses since our inception. For the year ended December 31, 2025, we incurred net losses of \$323.1 million. As of December 31, 2025, we had an accumulated deficit of \$651.1 million. We expect to continue to incur net losses, comprehensive losses, and negative cash flows from operating activities in accordance with our operating plan. We expect that our operating expenses will continue to increase as we grow our business, build relationships with physician partners and payors, develop new services and comply with the requirements associated with being a public company. Since our inception, we have financed our operations primarily through cash we obtained as a result of the Business Combinations, private placements of equity securities, issuances of promissory notes, payments received from various payors, borrowings under the Term Loan Facility (as defined herein) and the disposition of certain of our Florida assets. We may not succeed in sufficiently increasing our revenue to offset these expenses. Consequently, we may not be able to achieve and maintain profitability for the current or any future fiscal year. We may never be able to generate sufficient revenue to achieve or sustain profitability and our recent and historical growth should not be considered indicative of our future performance.

Our business and the markets in which we operate are rapidly evolving, which makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.

Our business and the markets in which we operate are rapidly evolving which make it difficult to evaluate and assess the success of our business to date, our future prospects and the risks and challenges that we may encounter. These risks and challenges include our ability to:

- attract new members and partner physicians to our platform and position our platform as a convenient and accepted way to access and deliver healthcare;
- retain our current members, affiliated professional entities and other physician partners and encourage them to continue to utilize our platform and services;
- gain market acceptance of our services and products with members and physicians and maintain and expand such relationships;
- comply with existing and new laws and regulations applicable to our business and in our industry;
- anticipate and respond to changes in Medicare reimbursement rates and the markets in which we operate, including rule changes that may limit the reimbursement we can obtain from Medicare;
- react to challenges from existing and new competitors;
- maintain and enhance our reputation and brand;
- effectively manage our growth and business operations, including new geographies;
- forecast our revenue, which includes reimbursements, and budget for, and manage, our expenses, including our medical expense amounts, and capital expenditures;
- hire and retain talented individuals at all levels of our organization;
- maintain and improve the infrastructure underlying our platform, including our data protection, implementation of artificial intelligence for appropriate functions to the extent permitted by applicable law, intellectual property and cybersecurity; and

- successfully update our platform and services, including expanding our services into different healthcare products and services, develop and update our software, offerings and services to benefit our members.

If we fail to understand fully or adequately address the challenges that we are currently encountering or that we may encounter in the future, including those challenges described here and elsewhere in this “*Risk Factors*” section, our business, financial condition and results of operations could be adversely affected. If the risks and uncertainties that we plan for when operating our business are incorrect or change, or if we fail to manage these risks successfully, our results of operations could differ materially from our expectations and our business, financial condition and results of operations could be adversely affected.

Our relatively limited operating history makes it difficult to evaluate our future prospects and the risks and challenges we may encounter.

We were established in 2017 and we are continuing to grow our marketing and management capabilities. Consequently, predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history. Our relatively limited operating history, evolving business and rapid growth make it difficult to evaluate our future prospects and the risks and challenges we may encounter, and we may not continue to grow at or near historical rates. If our growth strategy is not successful, we may not be able to continue to grow our revenue or operations.

In addition, as a business with a limited operating history, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown challenges. We are transitioning to a company capable of supporting commercialization, sales and marketing. We may not be successful in such a transition and, as a result, our business may be adversely affected.

We may not be able to maintain compliance with our debt covenants in the future which could result in an event of default.

Our Term Loan Facility (as defined herein) with CRG Partners (the “Lender”), the VGS Promissory Note, the VGS 2 Promissory Note, the VGS 3 Promissory Note, VGS 4 Promissory Note, and VGS 5 Promissory Note (each as defined herein and collectively, the “Loan Documents”) contain affirmative and negative covenants which, among other things, require us to maintain minimum liquidity and annual minimum revenue levels that increase over time and restrict P3 LLC’s ability and the ability of its subsidiaries from, among other things, incurring certain indebtedness and liens, and making certain restricted payments. If we breach these or other financial covenants and fail to secure a waiver or forbearance from the lenders, such breach or failure could result in an event of default and accelerate the repayment of the outstanding debt or the exercise of other rights or remedies that our lenders may have under applicable law. We were not in compliance with the Loan Documents’ covenants related to issuance of the 2025 financial statements with an audit opinion free of a “going concern” explanatory paragraph. The lenders under the Loan Documents have granted us a waiver of the covenant under the Term Loan Facility related to the existence of a “going concern” explanatory paragraph in the audit opinion for our audited financial statements for the fiscal year ended December 31, 2025. We were in material compliance with all other covenants under the Loan Documents as of December 31, 2025; however, there can be no assurance that we will be able to maintain compliance with these covenants in the future or that the lenders under the Loan Documents or the lenders of any future indebtedness we may incur will grant any such waiver or forbearance in the future.

We may not recognize the anticipated benefits of recent and future acquisitions or dispositions and any such transactions could disrupt our operations and have a material adverse effect on our business, financial condition and results of operations.

The anticipated benefits of any future acquisitions or dispositions may not be realized fully, or at all, and may take longer to realize than expected. Anticipated benefits of any acquisition may be affected by, among other things, competition and our ability to grow and manage growth profitably. Further, we may not be able to continue the operational success or successfully finance or integrate any businesses that we acquire. The integration of any acquisition may divert management’s time and resources from our core business and disrupt our operations or may result in conflicts with our business. Any acquisition may not be successful, may reduce our cash reserves, may negatively affect our earnings and financial performance and, to the extent financed with the proceeds of debt, may increase our indebtedness. We cannot ensure that any acquisition we make will not have a material adverse effect on our business, financial condition and results of operations.

A significant portion of our assets consists of other intangible assets, the value of which may be reduced if we determine that those assets are impaired.

As of December 31, 2025, the net carrying value of other intangible assets represented \$492.4 million, or 75% of our total assets. Indefinite-lived intangible assets are evaluated for impairment annually, or more frequently if circumstances indicate impairment may have occurred. Definite-lived intangible assets totaling \$491.7 million are amortized over 10 years. If our operating performance falls below our then current projections or if there are material changes to management's assumptions, we have in the past and could in the future be required to recognize additional non-cash charges to operating earnings for other intangible asset impairment, which could be significant. For example, due to the decrease in the share price over the second and fourth quarters of 2022, the Company recorded a significant goodwill impairment charge of \$1,315.0 million during the year ended December 31, 2022. Goodwill or intangible asset impairments have had, and any future impairments may have, a material adverse effect on our results of operations.

We may need to raise additional capital to fund our existing operations or develop and commercialize new services or expand our operations.

We may need to spend significant amounts to fund our existing operations, including expansion into new geographies, to improve our platform and to develop new services. Based upon management's assessment of the Company's ability to continue as a going concern as described above in the risk factor entitled "*Our management has performed an analysis of our ability to continue as a going concern and has identified substantial doubt about our ability to continue as a going concern,*" absent additional funding, we believe that our existing cash, cash equivalents and restricted cash are not sufficient to fund our operating and capital needs for at least the next 12 months. We maintain the majority of our cash, cash equivalents and restricted cash in accounts with major U.S. financial institutions, and our deposits at these institutions, at times, may exceed insured limits. Market conditions can impact the viability of these institutions. In the event of failure of any of the financial institutions where we maintain our cash, cash equivalents and restricted cash, there can be no assurance that we would be able to access uninsured funds in a timely manner or at all. Any inability to access or delay in accessing these funds could adversely affect our business and financial position.

Our expectation regarding the sufficiency of funds is based on assumptions that may change as a result of many factors currently unknown to us. Until such time, if ever, as we can generate sufficient revenue, we may finance our cash needs through a combination of equity offerings and debt financings or other sources. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe that we have sufficient funds for our current or future operating plans.

Our present and future funding requirements will depend on many factors, including:

- our ability to achieve revenue growth;
- our ability to effectively manage medical expense amounts;
- the cost of expanding our operations, including our geographic scope, and our offerings, including our marketing efforts;
- our rate of progress in launching, commercializing and establishing adoption of our services; and
- the effect of competing technological and market developments.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a securityholder. In addition, debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends and these forms of financing may have rights, preferences, and privileges senior to those of holders of our common stock and may involve restrictive covenants which could place significant restrictions on our operations. For example, from December 2022 through December 2025, in various private placement transactions and in connection with the issuance of unsecured promissory notes (see Note 11 "Debt" to the consolidated financial statements included elsewhere in this Form 10-K), we have issued an aggregate of 14.7 million shares of Class A common stock and warrants and pre-funded warrants to purchase an aggregate of 8.2 million shares of Class A common stock. See Part II, Item 7A. "[Management's Discussion and Analysis of Financial Condition](#)

and Results of Operations—Liquidity and Capital Resources.” If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may be required to relinquish valuable rights to our technologies, intellectual property, or future revenue streams or grant licenses on terms that may not be favorable to us. Furthermore, any capital raising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to advance development activities. If we are unable to raise additional funds when needed to fund our operations, we will need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect our business, financial condition, results of operations, and prospects.

Risks Related to Our Business and Industry

Pandemics or epidemics have impacted, and may in the future impact, our operations and may materially and adversely affect our business and financial results.

The extent to which any pandemic, epidemic, or outbreak of an infectious disease may directly or indirectly impact our operations and results of operations will depend on multiple factors, including, but not limited to the ultimate geographic spread of the disease, the duration and scope of the outbreak, the emergence of variants, the availability and efficacy of vaccines, and government, social, business and other actions that are taken in response to the pandemic or outbreak, including federal designation as a public health emergency (“PHE”) and the federal regulatory and legislative response to addressing that PHE. We may be unable to properly anticipate or prepare for these events and, as a result, our business may be materially adversely impacted.

We rely on our management team and key employees and our business, financial condition, cash flows and results of operations could be harmed if we are unable to retain qualified personnel.

Our success depends largely upon the continued services of key members of senior management and other key employees. Most key employees are at-will employees and therefore they may terminate employment with us at any time with no advance notice. We also rely on our leadership team in the areas of managed care, operations and general and administrative functions. From time to time, there may be changes in our management team resulting from the hiring or departure of executives, which could disrupt our business. The replacement of one or more of our executive officers or other key employees would likely involve significant time and costs and may significantly delay or prevent the achievement of our business objectives. Our business would also be adversely affected if we fail to adequately plan for succession of our leadership or if we fail to effectively recruit, integrate, retain and develop key talent and/or align our talent with our business needs, in light of the current rapidly changing environment.

Competition for qualified personnel in our industry is intense due to the limited number of individuals who possess the required skills and experience. In particular, we face substantial competition for physicians and other healthcare providers. As a result, as we continue to grow and enter new geographies, it may be difficult for us to hire additional qualified personnel with the necessary skills. We continued to experience labor shortages in 2025. Additionally, the trend towards eliminating or significantly reducing the enforceability of restrictive covenants and non-compete provisions in states where we operate or may operate in the future, may impair our ability to attract or retain talent, and may have unforeseen consequences on wages and benefits for physicians and other healthcare providers. A number of factors have and may in the future adversely affect the labor force available to us or increase labor costs, including high employment levels, federal unemployment subsidies, increased wages offered by other employers, and other government regulations. In addition, we have experienced high employee turnover and expect to continue to experience high employee turnover in the future. New hires require significant training and, in most cases, take significant time before such personnel achieve full productivity. New employees may not become as productive as we expect, and we may be unable to hire or retain sufficient numbers of qualified individuals. If our retention efforts are not successful or our employee turnover rate increases in the future, we may not be able to effectively pursue our business plan which could harm our business, financial condition, cash flows and results of operations.

Finally, as job candidates often consider the value of the stock options or other equity instruments they are to receive in connection with their employment, the volatility in the price of our stock may adversely affect our ability to attract or retain highly skilled personnel. Further, the requirement to expense stock options and other equity instruments may discourage us from granting the size or type of stock option or equity awards that job candidates require to join our company. Failure to attract new personnel or failure to retain and motivate our current personnel could have a material adverse effect on our business, financial condition and results of operations.

Our growth depends in part on our ability to identify and develop successful new geographies, physician partners, payors and patients. If we are not able to successfully execute upon our growth strategies, there may be a material adverse effect on our business, financial condition, cash flows and results of operations.

Our business depends on our ability to identify and develop successful geographies and relationships with physician partners and payors, and to successfully execute upon our growth initiatives to increase the profitability of our physician partners. In order to pursue our strategy successfully, we must effectively implement our platform, partnership and network model, including identifying suitable candidates and successfully building relationships with and managing integration of new physician partners and payors. We contract with a limited number of affiliated professional entities and other physician partners and rely on such physicians within each geography. In addition, certain of our providers are permitted to provide services on other platforms. Our growth initiatives in our existing geographies depend, in part, on our physician partners' ability to increase their capacity to service Medicare patients, and to effectively meet increased patient demand. Our affiliated professional entities and other physician partners may encounter difficulties in recruiting additional primary care physicians to their practices due to many factors, including significant competition in their geographies. Accordingly, the loss or dissatisfaction of any physician partners, our inability to recruit and integrate physician partners into our model, or the failure of our affiliated professional entities or other physician partners to recruit additional primary care physicians or manage and scale capacity to timely meet patient demand, could substantially harm our brand and reputation, impact our competitiveness, inhibit widespread adoption of our platform, partnership and network model and impair our ability to attract new physician partners and maintain existing physician partnerships, both in new geographies and in geographies in which we currently operate, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Further, our growth strategy depends, in part, on securing and integrating new high-caliber physician partners and expanding into new geographies in which we have little or no operating experience. Integration and other risks can be more pronounced for larger and more complicated relationships or relationships outside of our core business space, or if multiple relationships are pursued simultaneously. Additionally, new geographies may be characterized by stakeholder preferences for, and experience with, rates of MA enrollment, MA reimbursement rates, the characteristics of the populations eligible for or covered by MA, payor concentration and rates of unnecessary variability in and utilization of medical care that differ from those in the geographies where our existing operations are located. Likewise, new geographies into which we seek to expand may have laws and regulations that differ from those applicable to our current operations that may delay, impede, or even preclude successful expansion into those markets. We may be unfamiliar with the regulatory requirements in each geography that we enter, and we may be forced to incur significant expenditures to ensure compliance with requirements to which we are subject. If we are unable or unwilling to incur such costs, our growth in new geographies may be less successful than in our current geographies.

Further, our growth to date has increased the significant demands on our management, operational and financial systems, infrastructure and human and capital resources. We must continue to improve our existing systems for operational and financial management, including our reporting systems, procedures and controls. These improvements have and could require significant capital expenditures and place increasing demands on our management. We may not be successful in managing or expanding our operations or in maintaining adequate financial and operating systems and controls. If we do not successfully manage these processes, our business, financial condition, cash flows and results of operations could be harmed.

If growth in the number of patients and physician partners on our platform decreases, or the number of services that we are able to provide to physician partners and members decreases, due to legal, regulatory, economic or business developments, our business, financial condition and results of operations will be harmed.

Substantially all of our total revenue relates to federal government healthcare programs. The policies and decisions made by the federal government regarding these programs have a substantial impact on the size of our membership base, the reimbursement rates among members and manner in which those rates are changed or updated, and our network of providers and therefore, our results of operation. Additionally, our future results of operations depend, in part, on our ability to expand our services and offerings, including broadening our continuum of care.

There are sometimes wide variations in the established per member reimbursement rates as a result of, among other things, members' risk status, acuity levels and age, plan benefit design and geography. As the composition of our membership base changes, due to programmatic, competitive, regulatory, benefit design, economic or other changes, there is a corresponding change to our premium revenue, costs and margins, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Additional factors that could affect our ability to sell products and services include, but are not limited to:

- price, performance and functionality of our solution;
- availability, price, performance and functionality of competing solutions;
- our ability to develop and sell complementary services;
- stability, performance and security of our hosting infrastructure and hosting services; and
- changes in healthcare laws, regulations or trends.

Any of these consequences could lower retention rate and have a material adverse effect on our business, financial condition and results of operations.

If the estimates and assumptions we use to project the size, revenue or medical expense amounts of our target geographies are inaccurate or the cost of providing services exceeds the amounts received by us, our future growth prospects may be impacted, and we may generate losses or fail to attain financial performance targets.

We often do not have access to reliable historical data regarding the size, revenue or medical expense levels of our target geographies or potential physician partners. As a result, our market opportunity estimates and financial forecasts developed as we enter into a new geography are subject to significant uncertainty, and are based on assumptions and estimates that may not prove to be accurate. The estimates and forecasts in this Form 10-K and our other public disclosures relating to the size and expected growth of the market for our services and the estimates of our market opportunity may prove to be inaccurate.

Principal assumptions relating to our market opportunity include estimates of the total number and average length of relationships between MA patients and their physicians, the ratings of the MA patients within the target market's population, historical MA patient growth rates, amount of revenue and medical expenses associated with MA members expected to be attributed to our affiliated professional entities and other physician partners and historical experience that such physician partners have with a similar platform. Our market opportunity is based on the assumption that our platform, partnership and network model will be more attractive to potential physician partners than competing options. However, potential physician partners may elect to pursue a different strategic option.

Changes in our anticipated ratio of medical expense to revenue can significantly impact our financial results. Accordingly, the failure to adequately predict and control medical costs and expenses could have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, the medical expenses of patients may be outside of our affiliated providers' control in the event that patients take certain actions that increase such expenses, such as unnecessary hospital visits. Numerous factors impact our ability to accurately estimate and control our medical expenses, many of which are not within our control. Factors that may cause medical expenses to exceed estimates include:

- the health status of our members, including changes to that status and ability to adjust MA reimbursement to reflect that risk, including due to changes in MA measurement of risk and reimbursement;
- higher levels of hospitalization among our members;
- higher than expected utilization of new or existing healthcare services or technologies;
- an increase in the cost of healthcare services and supplies, whether as a result of inflation, labor competition, or otherwise;
- changes to mandated benefits or other changes in healthcare laws, regulations and practices;
- increased costs attributable to specialist physicians, hospitals and ancillary providers;
- changes in the demographics of our members and medical trends;

- contractual or claims disputes with providers, hospitals or other service providers within and outside a health plan's network;
- the occurrence of catastrophes, major epidemics or pandemics, or acts of terrorism; and
- the reduction of health plan premiums.

Additionally, fluctuations in the magnitude of the hospital and physician network, including the discontinuation of a hospital or specialty or ancillary physician's participation in our payors' provider network, could adversely impact our business, financial condition, cash flows, and results of operations. If we underestimate or do not correctly predict the cost of the care our affiliated providers furnish to patients, we might be underpaid for the care that must be provided to patients, which could have a negative impact on our results of operations and financial condition.

We primarily depend on reimbursement by third-party payors, as well as payments by individuals, which could lead to delays, uncertainties and disagreements regarding the timing and process of reimbursement, including any changes or reductions in Medicare reimbursement rates or rules.

The reimbursement process is complex and can involve lengthy delays. Although we recognize revenue when we provide services to patients, we have experienced and may from time to time experience delays in receiving the associated capitation payments or, for patients on fee-for-service arrangements, the reimbursement for the service provided. In addition, third-party payors may disallow, in whole or in part, requests for reimbursement based on determinations that the patient is not eligible for coverage, certain amounts are not reimbursable under plan coverage, were for services provided that were not medically necessary, or additional supporting documentation is necessary. Third-party payors are also increasingly focused on controlling healthcare costs, and such efforts, including any revisions to reimbursement policies, may further reduce, complicate or delay our reimbursement claims. Further, the Medicare program and its reimbursement rates and rules, upon which many third-party payors base their reimbursement rate, are subject to frequent change. Each year, CMS issues a final rule to establish the MA benchmark payment rates for the following calendar year. Any reduction to MA reimbursement levels may have a material adverse effect on our business, results of operations, financial condition and cash flows. Additionally, any delay or default by the government in making Medicare reimbursement payments could materially and adversely affect our business, financial condition and results of operations.

Retroactive adjustments may change amounts realized from third-party payors. As described below, we are subject to audits by such payors, including governmental audits of our Medicare claims, and may be required to repay these payors if a finding is made that we were incorrectly reimbursed. Delays, uncertainties and disagreements regarding the reimbursement process may adversely affect accounts receivable, increase the overall costs of collection and cause us to incur additional borrowing and other costs related to resolving disagreements or uncertainties. For example, in July 2021, a discrepancy was identified in the service agreement with one of our health plans in the way the revenue of Medicare Part C and Medicare Part D was being calculated compared to the definitions of "revenue" under the service agreement. This discrepancy resulted in a contract dispute and a renegotiation of the service agreement. In January 2023, the renegotiation was settled and we reflected the known settlement of \$5.0 million within health plan settlements payable on our consolidated balance sheet as of December 31, 2022.

In addition, certain of our patients are covered under health plans that require the patient to cover a portion of their own healthcare expenses through the payment of copayments or deductibles. We may not be able to collect the full amounts due with respect to these payments that are the patient's financial responsibility, or in those instances where physicians provide services to uninsured individuals. To the extent permitted by law, amounts not covered by third-party payors are the obligations of individual patients for which we may not receive whole or partial payment. Any increase in cost shifting from third-party payors to individual patients, including as a result of high deductible plans for patients, increases our collection costs and reduces overall collections, which we may not be able to offset with sufficient revenue.

In response to the COVID-19 pandemic, the CMS, the federal agency responsible for administering the Medicare program, made several changes in the manner in which Medicare pays for telehealth visits, many of which relax previous requirements, including site requirements for both the providers and patients, telehealth modality requirements and others. State law applicable to telehealth, particularly licensure requirements, was also relaxed in many jurisdictions as a result of the COVID-19 pandemic. Although telehealth flexibilities have been durable since the end of the COVID-19 pandemic, the availability of these flexibilities and extent to which Medicare will pay for remote care is the subject of annual legislation to fund Medicare and the annual publication of the Physician Fee Schedule. While Telehealth has generally remained intact during 2025 and Medicare will permit many telehealth services through December 31, 2027, the lack of permanent

legislation assuring its funding as covered services will create periodic uncertainty regarding the long-term future of telehealth as an avenue of providing services to patients, and makes the availability of this service subject to periodic political or fiscal debates. If laws or regulations change to restrict our ability to or prohibit us from delivering care through telehealth modalities, our financial condition and results of operations may be adversely affected.

The termination or non-renewal of the Medicare Advantage contracts held by the health plans with which we contract, or the termination or nonrenewal of our contracts with those plans, could have a material adverse effect on our revenue and operations.

We contract with health plans to provide capitated care services with respect to certain of their MA members. Our operations are dependent on a concentrated number of payors with whom we contract to provide services to members. Our contracts with four health plans to provide capitated care services for their members collectively accounted for approximately 75% of our total revenue for the year ended December 31, 2025. If a plan with which we contract for these services loses its MA contracts with CMS, receives reduced or insufficient government reimbursement under the MA program, decides to discontinue its MA and/or commercial plans, decides to contract with another company to provide capitated care services to its members, or decides to directly provide care, our contract with that plan could be at risk and we could lose revenue. Increased attention to the costs of the MA program in the media and within HHS may result in smaller-than-expected increases in MA reimbursement and make participation in MA less desirable in comparison to other plans, such as traditional FFS Medicare. On January 26, 2026, CMS issued its Advance Notice identifying proposed methodological changes to risk calculation and capitation beginning in calendar year 2027, soliciting public comments in response to these proposals before finalizing MA's payment rules for calendar year 2027. This public comment period ended on February 25, 2026, with more than 46,500 comments received by CMS. Although the Advance Notice identifies an effective growth rate of 4.97%, CMS's own calculations estimate that the average increase in MA reimbursement will be 0.09% compared to calendar year 2026. This Advance Notice also proposes changes in risk adjustment methodology and star ratings for MA plans under HHS's mandatory five-star rating system. In addition, certain of our contracts with health plans are terminable without cause. If any of these contracts were terminated, certain patients covered by such plans may choose to shift to another PCP within their health plan's network. Moreover, our inability to maintain our agreements with health plans, in particular with key payors such as Centene Corporation, Atrio Health Plans, United Healthcare, Humana and Aetna, with respect to their MA members or to negotiate favorable terms for those agreements in the future, could result in the loss of patients and could have a material adverse effect on our profitability and business.

The healthcare industry has also experienced and continues to experience a trend of consolidation, resulting in fewer but larger payors that have significant bargaining power, given their market share. Payments from payors are the result of negotiated rates. These rates may decline based on renegotiations and larger payors having significant bargaining power to negotiate higher discounted fee arrangements with healthcare providers. As a result, payors increasingly are demanding discounted fee structures or the assumption by healthcare providers of all or a portion of the financial risk related to paying for care provided through capitation agreements.

We are dependent on our affiliated professional entities and other physician partners and other providers to effectively manage the quality and cost of care and perform obligations under payor contracts.

Our success depends upon our continued ability to collaborate with and expand a network of high-caliber affiliated professional entities and other physician partners who can provide high quality of care, improve clinical outcomes and effectively manage healthcare costs, which are key drivers of our results of operations. Our physician partners could demand an increased payment arrangement or take other actions, or fail to take actions, that could result in higher medical costs, lower quality of care for our members, harm to our reputation or create difficulty meeting regulatory or other requirements. Likewise, our physician partners could take actions contrary to our instructions, requests, policies or objectives or applicable law, or could have economic or business interests or goals that are or become inconsistent with our own. Further, our physician partners may not engage with our platform to assist in improving overall quality of care and management of healthcare costs, which could produce results that are inconsistent with our estimates and financial models and negatively impact our growth.

In addition to receiving care from our affiliated professional entities and other physician partners, our members also receive care from an array of hospitals, specialists and ancillary providers who typically contract directly with our payors. We cannot guarantee the quality and efficiency of services from such providers, over which we have no control. Members who receive sub-optimal healthcare from such providers may be dissatisfied with our physician partners, which would have a negative impact on member satisfaction and retention. Any of these consequences could adversely impact our business, financial condition and results of operations.

We could also experience significant losses if the expenses incurred to deliver healthcare services to our attributed members exceed revenue we receive from payors in respect of our attributed members. Under a capitation contract, a payor typically prospectively pays periodic capitation payments representing a prospective budget from which its physician partnerships manage healthcare expenses on behalf of the population enrolled with that physician partnership. To manage total medical services expense, we rely on our affiliated professional entities' and other physician partners' ability to improve clinical outcomes, implement clinical initiatives to provide a better healthcare experience for our members and accurately and sufficiently document the risk profile of our members. While our contracts vary, generally, if the cost of medical care provided exceeds the corresponding capitated revenue we receive, we may realize operating deficits, which are typically not capped, and could lead to substantial losses.

Reductions in the quality ratings of the health plans we serve could have a material adverse effect on our business, results of operations, financial condition and cash flows.

As a result of the ACA, the level of reimbursement each health plan receives from CMS is dependent, in part, upon the quality rating of the MA plan. Such ratings impact the percentage of any cost savings rebate and any bonuses earned by such health plan. Since a significant portion of our revenue is expected to be calculated as a percentage of CMS reimbursement received by these health plans with respect to our patients, reductions in the quality ratings of a health plan that we serve could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Given each health plan's control of its plans and the many other providers that serve such plans, we believe that we will have limited ability to influence the overall quality rating of any such plan. The Bipartisan Budget Act, passed in February 2018, implemented certain changes to prevent artificial inflation of star ratings for MA plans offered by the same organization, with such ratings subject to CMS's regulation and oversight through periodic recalibration of ratings criteria and data relied upon for such calculations. In addition, CMS has terminated plans that have had a rating of less than three stars for three consecutive years, whereas MA plans with five stars are permitted to conduct enrollment throughout almost the entire year. On January 26, 2026, CMS issued its Advance Notice identifying proposed methodological changes to risk calculation and capitation beginning in calendar year 2027, which proposes changes to this star rating system for MA plans that may be more stringent and result in reduced average reimbursement for MA organizations and their providers if finalized. Because low quality ratings can potentially lead to the termination of a plan that we serve, we may not be able to prevent the potential termination of a contracting plan or a shift of patients to other plans based upon quality issues which could, in turn, have a material adverse effect on our business, results of operations, financial condition and cash flows.

We operate in a competitive industry, and if we are not able to compete effectively, our business, financial condition and results of operations will be harmed.

Our industry is competitive and we expect it to continue to attract increased competition, which could make it difficult for us to succeed. We currently face competition in various aspects of our business, including in offering a favorable reimbursement structure for physician partners and potential physician partners and attracting payors and physician partners who are not contracted with us, from a range of companies that provide similar services under different care models that could attract patients, providers and payors, including hospitals, managed service organizations and provider networks and data analysis consultants. Further, individual physicians who are contracted within our network may affiliate with our competitors. Competition from hospitals, managed service organizations and provider networks and data analysis consultants, payors and other parties could result in payors changing the benefit structure that is offered to our members, which could negatively impact our profitability and market share.

Our primary competitors include Aledade, Astrana Health, Inc. and agilon health, inc., in addition to numerous local provider networks, hospitals and health systems. Moreover, large, well-financed payors have in some cases developed their own managed services tools and may provide these services to their physicians and patients at discounted prices, or may seek to expand their relationships with additional competing physicians or physician networks, including in geographic areas we serve. This may result in a more competitive environment and increased challenges to grow at the rates we have projected. We expect that competition will continue to increase as a result of consolidation in the healthcare industry and increased demand for its services.

Some of our competitors may have greater name recognition, particularly in local geographies, longer operating histories, superior products or services and significantly greater resources than we do. Further, our current or potential competitors may be acquired by or partner with third parties with greater resources than we have. As a result, our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards or customer requirements and may have the ability to initiate or withstand substantial benefits

structure and premium competition. In addition, current and potential competitors have established, and may in the future establish, cooperative relationships with providers of complementary services, technologies or services to increase the attractiveness of their services.

Accordingly, new competitors or alliances may emerge that have greater market share, a larger customer base, better data aggregation systems, greater marketing expertise, greater financial resources and larger marketing teams than we have, which could put us at a competitive disadvantage. Our competitors could also be better positioned to serve certain segments of the healthcare delivery industry, which could create additional pressure on the premiums that our payors are able to charge. If we are unable to successfully compete, our business, financial condition, cash flows and results of operations could be materially adversely affected.

Our future growth and the success of our business will depend in large part upon the effectiveness and efficiency of our marketing efforts, and our ability to develop brand awareness cost-effectively.

Our business success depends on our ability to attract and retain members, which significantly depends on our marketing practices. Our future growth and ability to achieve profitability will depend in large part upon the effectiveness and efficiency of our marketing efforts, including our ability to:

- create greater awareness of our brand;
- identify the most effective and efficient levels of spending in each market, media and specific media vehicle;
- determine the appropriate creative messages and media mix for advertising, marketing and promotional expenditures;
- effectively manage marketing costs (including creative and media) to maintain acceptable consumer acquisition costs;
- select the most effective markets, media and specific media vehicles in which to advertise; and
- convert consumer inquiries into clients and members.

We believe that developing and maintaining widespread awareness of our brand in a cost-effective manner is critical to achieving widespread adoption of our services and attracting new clients and members. Our brand promotion activities may not generate consumer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand, or incur substantial expenses in doing so, we may fail to attract or retain members necessary to realize a sufficient return on our brand-building efforts or to achieve the widespread brand awareness that is critical for broad adoption of our brands.

Developments affecting spending by the healthcare industry could adversely affect our business.

The U.S. healthcare industry has changed significantly in recent years, and we expect that significant changes will continue to occur, including as a result of the current U.S. Presidential administration. Future changes are expected as a result of the upcoming midterm Congressional elections in 2026. General reductions in expenditures by healthcare industry participants could result from, among other things:

- government regulations or private initiatives that affect the manner in which healthcare providers interact with patients, payors or other healthcare industry participants, including changes in pricing or means of delivery of healthcare products and services;
- consolidation of healthcare industry participants;
- finalization of the calendar year 2027 MA rates, including any changes to risk adjustment and other factors that affect the total spending allocated to the MA program;
- reductions in government funding for healthcare, whether for providers, beneficiaries, or otherwise; and

- adverse changes in business or economic conditions affecting healthcare payors or providers or other healthcare industry participants.

Any of these changes in healthcare spending could adversely affect our revenue. Even if general expenditures by industry participants remain the same or increase, developments in the healthcare industry may result in reduced spending in some or all of the specific markets that we serve now or in the future. The timing and impact of developments in the healthcare industry are difficult to predict. We cannot assure you that the demand for our solutions and services will continue to exist at current levels or that we will have adequate technical, financial, and marketing resources to react to changes in the healthcare industry.

We and our affiliated professional entities and other physician partners may become subject to medical liability claims, which could cause us to incur significant expenses and may require us to pay significant damages if the claims are not covered by insurance.

Our overall business entails the risk of medical liability claims. Successful medical liability claims could result in substantial damage awards that exceed the limits of our and those affiliated professionals' insurance coverage. Legislative changes in California and Nevada have resulted in increased damages that can be recovered in medical liability claims. Relatedly, legislative changes in Nevada have resulted in changes to the coverage requirements for medical liability insurance policies when defending and paying claims, resulting in upward pressure on premiums, and may result in increased deductibles or self-insurance requirements for such policies. We carry or will carry professional liability insurance for the Company and each of our healthcare professionals. Additionally, all of the network providers that contract or will contract with us separately carry or will carry professional liability insurance for themselves and their healthcare professionals. Professional liability insurance is expensive and insurance premiums may increase significantly in the future, particularly as we expand our services. As a result, adequate professional liability insurance may not be available to us and our affiliated professionals in the future at acceptable costs or at all, which may negatively impact our and our affiliated professionals' ability to provide services to members, and thereby adversely affect our overall business and operations.

Any claims made against us or our affiliated professionals that are not fully covered by insurance could be costly to defend against, result in substantial damage awards, and divert the attention of our management and our affiliated professional entities from our operations, which could have a material adverse effect on our business, financial condition and results of operations. In addition, any claims may adversely affect our business or reputation.

If we or our affiliated professional entities or other physician partners fail to comply with applicable data interoperability and information blocking rules, our consolidated results of operations could be adversely affected.

The Cures Act included many provisions related to data interoperability, information blocking and patient access. In March 2020, the HHS, Office of the National Coordinator for Health Information Technology, which is now known as the Office of the Assistant Secretary for Technology Policy and Office of the National Coordinator for Health Information Technology ("ASTP/ONC"), and CMS finalized and issued complementary rules that are intended to clarify provisions of the Cures Act regarding interoperability and information blocking, known as the Information Blocking Rule, which took effect in 2022. This rule includes, among other things, requirements surrounding information blocking, changes to ASTP/ONC's health IT certification program and requirements that CMS regulated payors make relevant claims/care data and provider directory information available through standardized patient access and provider directory application programming interfaces that connect to provider electronic health record systems. The Information Blocking Rule affected the information sharing and accessibility practices of healthcare providers, health IT developers, health information exchanges/health information networks ("HIEs/HINs"), and health plans, including us. For example, this rule prohibits healthcare providers, health IT developers of certified health IT, and HIEs/HINs from engaging in practices that are likely to interfere with, prevent, materially discourage, or otherwise inhibit the access, exchange or use of electronic health information ("EHI"), also known as "information blocking." To further support access and exchange of EHI, the ASTP/ONC rule identifies eight "reasonable and necessary activities" as exceptions to information blocking activities, as long as specific conditions are met. In June 2023, HHS finalized its regulations implementing statutory penalties for information blocking, which are up to \$1 million per violation. Enforcement of information blocking penalties began on September 1, 2023; subsequent rulemaking in December 2023 and December 2024 narrowed the scope of entities that qualify as certified health IT developers, updated Health IT Certification Program requirements, modified information blocking exceptions, added a definition of "reproductive health care," created a new Protecting Care Access Exception and finalized revisions to the Privacy and Infeasibility Exceptions. Any failure to comply with these rules could have a material adverse effect on our business, results of operations and financial condition.

Our business and operations would suffer in the event of information technology system failures, security breaches, cyberattacks or other deficiencies in cybersecurity.

Our information technology systems facilitate our ability to conduct our business. While we have disaster recovery systems and business continuity plans in place, any disruptions in our disaster recovery systems or the failure of these systems to operate as expected could, depending on the magnitude of the problem, materially adversely affect our operating results by limiting our capacity to effectively monitor and control our operations. Despite our implementation of a variety of security measures, our information technology systems have been and could be subject to physical or electronic break-ins, and similar disruptions from unauthorized tampering or any weather-related disruptions where our headquarters is located. In addition, in the event that a significant number of our management personnel were unavailable in the event of a disaster, our ability to effectively conduct business could be adversely affected.

In the ordinary course of our business, we, our affiliated professional entities or other physician partners collect and store sensitive data, including personal information, protected health information (“PHI”), intellectual property and proprietary business information owned or controlled by us or our employees, members and other parties (collectively, “Confidential Information”). We manage and maintain our applications and data utilizing a combination of on-site systems and cloud-based data centers. We utilize external security and infrastructure vendors to provide and manage parts of our information technology systems, including our data centers. These applications and data encompass a wide variety of business-critical information, including research and development information, customer information, commercial information and business and financial information. We face a number of risks with respect to the protection of this Confidential Information, including loss of access, inappropriate use or disclosure, unauthorized access, inappropriate modification and the risk of being unable to adequately monitor and audit and modify our controls over our Confidential Information. This risk extends to the third-party vendors and subcontractors we use to manage this sensitive data or otherwise process it on our behalf. A breach or failure of our or our third-party vendors’ or subcontractors’ network, hosted service providers or vendor systems could result from a variety of circumstances and events, including third-party action, employee negligence or error, malfeasance, malware (e.g., ransomware), misconfigurations, “bugs” or other vulnerabilities, computer viruses, cyberattacks by computer hackers such as denial-of-service and phishing attacks, failures during the process of upgrading or replacing software and databases, power outages, hardware failures, telecommunication failures, user errors, or catastrophic events. If these third-party vendors or subcontractors fail to protect their information technology systems and our Confidential Information, we may be vulnerable to disruptions in service and unauthorized access to our Confidential Information and we could incur liability and reputational damage.

The secure processing, storage, maintenance and transmission of information are vital to our operations and business strategy, and we devote significant resources to protecting such Confidential Information. Although we take reasonable measures to protect sensitive data from unauthorized access, use or disclosure, our information technology and infrastructure may still be vulnerable. We have in the past experienced low-threat attacks by hackers or breaches due to employee error, malfeasance or other malicious or inadvertent disruptions. For example, in April 2023 we were the target of a type of wire transfer fraud known as a business email compromise (“BEC”) scam. BEC scams involve using social engineering to cause employees to wire funds to the perpetrators in the mistaken belief that the requests were made by a company executive or established vendor. While this fraud did not cause material losses to us, it reflects that we are continually susceptible to the risk of being targeted for a cyberattack.

Attacks upon information technology systems are increasing in their frequency, levels of persistence, sophistication and intensity, and are being conducted by sophisticated and organized groups and individuals with a wide range of motives and expertise. Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures against hacking, phishing, spoofing, BEC, employee error or manipulation, or other similar adverse events. We may also experience security breaches that may remain undetected for an extended period. Even if identified, we may be unable to adequately investigate or remediate incidents or breaches due to attackers increasingly using tools and techniques that are designed to circumvent controls, to avoid detection, and to remove or obfuscate forensic evidence.

Any such breach or interruption could compromise our networks and the Confidential Information stored there could be accessed by unauthorized parties, publicly disclosed, lost or stolen. Our information systems must also be continually updated, patched and upgraded to protect against known vulnerabilities. The volume of new vulnerabilities has increased markedly, as has the criticality of patches and other remedial measures. In addition to remediating newly identified vulnerabilities, previously identified vulnerabilities must also be continuously addressed. Accordingly, we are at risk that cyberattackers exploit these known vulnerabilities before they have been addressed.

Past and future cyberattacks or security incidents could result in legal claims or administrative or civil proceedings, and liability under federal or state laws that protect the privacy of personal information, and corresponding regulatory penalties. In addition, we could face criminal liability, damages for contract breach and incur significant costs for remedial measures to prevent future occurrences and mitigate past violations. Notice of breaches may be required to be made to affected individuals, HHS, or other state or federal regulators; for extensive breaches, notice may need to be made to the media or State Attorneys General. Such a notice could harm our reputation and our ability to compete. Although we maintain insurance covering certain security and privacy damages and claim expenses, we may not carry insurance or maintain coverage sufficient to compensate for all liability and in any event, insurance coverage would not address the reputational damage that could result from a security incident. Despite our implementation of security measures to prevent unauthorized access, our data is currently accessible through multiple channels, and there is no guarantee we can protect our data from breach. Unauthorized access, loss or dissemination could also disrupt our operations and damage our reputation, any of which could adversely affect our business.

Actual or perceived failures to comply with applicable data protection, privacy and security laws, regulations, standards and other requirements could adversely affect our business, financial condition and results of operations.

Numerous state and federal laws, regulations, standards and other legal obligations, including consumer protection laws and regulations, which govern the collection, dissemination, use, access to, confidentiality, security and processing of personal information, including health-related information, could apply to our operations or the operations of our partners. For example, HIPAA imposes privacy, security and breach notification obligations on certain healthcare providers, health plans, and healthcare clearinghouses, known as covered entities, as well as their business associates that perform certain services that involve creating, receiving, maintaining or transmitting individually identifiable health information for or on behalf of such covered entities, and their covered subcontractors. HIPAA requires covered entities, such as the affiliated professional entities or other physician partners, and business associates, such as us, to develop and maintain policies with respect to the protection of, use and disclosure of PHI, including the adoption of administrative, physical and technical safeguards to protect such information, and certain notification requirements in the event of a breach of unsecured PHI.

Additionally, under HIPAA, covered entities must report breaches of unsecured PHI to affected individuals without unreasonable delay, not to exceed 60 days following discovery of the breach by a covered entity or its agents. Notification also must be made to the HHS Office for Civil Rights and, in certain circumstances involving large breaches, to the media and disclosed on the internet. Business associates, as defined in the HIPAA regulations, must report breaches of unsecured PHI to covered entities within 60 days of discovery of the breach by the business associate or its agents. A non-permitted use or disclosure of PHI is presumed to be a breach under HIPAA unless the covered entity or business associate establishes that there is a low probability the information has been compromised consistent with requirements enumerated in HIPAA.

Entities that are found to be in violation of HIPAA as the result of a breach of unsecured PHI, a complaint about privacy practices (including refusal of access to PHI) or an audit by HHS may be subject to significant civil and administrative fines and penalties, and may even face criminal penalties, in addition to potential additional reporting and oversight obligations if required to enter into a resolution agreement and corrective action plan with HHS to settle allegations of HIPAA non-compliance. HIPAA also authorizes state attorneys general to file suit on behalf of their residents. Courts may award damages, costs and attorneys' fees related to violations of HIPAA in such cases. While HIPAA does not create a private right of action allowing individuals to sue us in civil court for violations of HIPAA, its standards have been used as the basis for duty of care in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI.

The Federal Trade Commission (the "FTC") also has authority to initiate enforcement actions against entities that mislead customers about HIPAA compliance, make deceptive statements about privacy and data sharing in privacy policies, fail to limit third-party use of personal health information, fail to implement policies to protect personal health information or engage in other unfair practices that harm customers or that may violate Section 5(a) of the FTC Act, including for healthcare-related information that is beyond the scope of HIPAA. Even when HIPAA does not apply, the FTC treats violations of consumers' privacy rights or failing to take appropriate steps to keep consumers' personal information secure may constitute unfair and/or deceptive acts or practices in violation of Section 5(a) of the Federal Trade Commission Act and, where applicable, its related Health Breach Notification Rule, which imposes HIPAA-like reporting obligations on companies that maintain individuals' healthcare information that is not subject to HIPAA's protections. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. We expect even greater scrutiny by federal and state regulators, partners, and consumers of our

collection, use and disclosure of health information. Additionally, federal and state consumer protection laws are increasingly being applied by FTC and states' attorneys general to regulate the collection, use, storage, and disclosure of personal information, through websites or otherwise, and to regulate the presentation of website content.

Further, certain states have also adopted comparable privacy and security laws and regulations which govern the privacy, processing and protection of health-related and other personal information. Such laws and regulations are subject to interpretation by various courts and other governmental authorities, thus creating potentially complex compliance issues for us and our future customers and strategic partners. For example, the state of Nevada enacted a law that went into force on October 1, 2019 and requires companies to honor consumers' requests to no longer sell their data. Further, the California Consumer Privacy Act, as amended by the California Privacy Rights Act (collectively, the "CCPA") requires covered businesses that process the personal information of California residents to, among other things: provide certain disclosures to California residents regarding the business's collection, use, and disclosure of their personal information; receive and respond to requests from California residents to access, delete, and correct their personal information, or to opt out of certain disclosures of their personal information, and enter into specific contractual provisions with service providers that process California resident personal information on the business's behalf. Nevada enacted a similar revision to its privacy laws through the 2019 Nevada Privacy Law, which took effect on October 1, 2019. Specific to medical information, California's Confidentiality of Medical Information Act (the "CMIA") places restrictions on the use and disclosure of health information, including PHI, and other personal information, and can impose a significant compliance obligation. Violations of the CMIA can result in criminal, civil and administrative sanctions, and the CMIA also provides individuals a private right of action with respect to disclosures of their health information that violate CMIA. In the event that we are subject to or affected by HIPAA, the CCPA, or other domestic privacy and data protection laws, any liability from failure to comply with the requirements of these laws could adversely affect our financial condition.

Washington State also enacted a broadly applicable law to protect the privacy of personal health information known as the "My Health My Data Act," which generally requires affirmative consent for the collection, use, or sharing of any "consumer health data." Consumer health data is defined to include personal information that is linked or reasonably linkable to a consumer and that identifies a consumer's past, present, or future physical or mental health status; consumer health data also includes information that is derived or extrapolated from non-health information, such as algorithms and machine learning. Nevada has also passed a similar consumer health data law, and given the increased focus on the use of health data by entities that are not subject to HIPAA, additional states are expected to pass consumer health privacy laws.

Although we work to comply with applicable laws, regulations and standards, our contractual obligations and other legal obligations, these requirements are evolving and may be modified, interpreted and applied in an inconsistent manner from one jurisdiction to another, and may conflict with one another or other legal obligations with which we must comply. Any failure or perceived failure by us or our employees, representatives, contractors, consultants, collaborators, or other third parties to comply with such requirements or adequately address privacy and security concerns, even if unfounded, could result in additional cost and liability to us, damage our reputation, and adversely affect our business and results of operations.

Any future litigation against us could be costly and time-consuming to defend.

We may become subject, from time to time, to legal proceedings, federal and state audits, government investigations, and payor audits, investigations, civil investigative demands, overpayments, and claims that arise in the ordinary course of business such as claims brought by our clients in connection with commercial disputes or employment claims made by our current or former associates. Litigation and audits may result in substantial costs and may divert management's attention and resources, which may substantially harm our business, financial condition and results of operations. Insurance may not cover such claims, may not provide sufficient payments to cover all of the costs to resolve one or more such claims and may not continue to be available on terms acceptable to us. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, thereby reducing our earnings and leading analysts or potential investors to reduce their expectations of our performance, which could reduce the market price of our Class A common stock or publicly traded warrants.

Changes in U.S. tax laws, and the adoption of tax reform policies or changes in tax legislation or policies in jurisdictions outside of the United States, could adversely affect our operating results and financial condition.

We are subject to federal and state income and non-income taxes in the United States. Tax laws, regulations, and administrative practices in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating these taxes. In

particular, changes in presidential, congressional, state and local administrations in the United States could result in significant changes in, and uncertainty with respect to, tax legislation, regulation and government policy directly affecting our business or indirectly affecting us because of impacts on our members, providers and vendors.

Our effective tax rates could be affected by numerous factors, such as entry into new businesses and geographies, changes to our existing business and operations, acquisitions and investments and how they are financed, changes in our stock price, changes in our deferred tax assets and liabilities and their valuation, and changes in the relevant tax, accounting, and other laws, regulations, administrative practices, principles and interpretations. We are required to take positions regarding the interpretation of complex statutory and regulatory tax rules and on valuation matters that are subject to uncertainty, and tax authorities may challenge the positions that we take.

Our quarterly results may fluctuate significantly, which could adversely impact the value of our Class A common stock and publicly traded warrants.

Our quarterly results of operations, including our revenue, net loss and cash flows, have varied and may vary significantly in the future, and period-to-period comparisons of our results of operations may not be meaningful. Accordingly, our quarterly results should not be relied upon as an indication of future performance. Our quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, including, without limitation, the following:

- our ability to maintain and grow the number of members on our platform;
- the demand for and types of services that are offered on our platform by providers;
- the timing of recognition of revenue, including possible delays in the recognition of revenue due to sometimes unpredictable implementation timelines;
- the timing of cash sweeps for prior rendered services;
- the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure;
- our ability to effectively manage the size and composition of our network of healthcare providers relative to the level of demand for services from our members and our clients' members and patients;
- our ability to respond to competitive developments, including pricing changes and the introduction of new products and services by our competitors;
- client and member renewal rates and the timing and terms of client and member renewals;
- changes to our pricing model, including due to lack of growth or reductions in MA reimbursement levels;
- our ability to introduce new features and services and enhance our existing platform and our ability to generate significant revenue from new features and services;
- the impact of outages of our platform and associated reputational harm;
- security or data privacy breaches and associated remediation costs;
- impairment charges;
- the timing of expenses related to the development or acquisition of technologies or businesses; and
- pandemics or epidemics.

Any fluctuation in our quarterly results may not accurately reflect the underlying performance of our business and could cause a decline in the trading price of our Class A common stock and publicly traded warrants.

Our only significant asset is the ownership of a minority of the economic interest in P3 LLC, and such ownership may not be sufficient to generate the funds necessary to meet our financial obligations or to pay any dividends on our Class A common stock.

We have no direct operations and no significant assets other than the ownership of a minority of the economic interests in P3 LLC. As of December 31, 2025, we owned approximately 46% of the economic interests in P3 LLC. We depend on P3 LLC and its subsidiaries for distributions, loans and other payments to generate the funds necessary to meet our financial obligations, including to satisfy our obligations under the Tax Receivable Agreement, or to pay any dividends with respect to our Class A Common Stock. Legal and contractual restrictions in agreements governing the indebtedness of P3 LLC and its subsidiaries limit our ability to obtain cash from P3 LLC. The earnings from, or other available assets of, P3 LLC and its subsidiaries may not be sufficient to enable us to satisfy our financial obligations, including our obligations under the Tax Receivable Agreement, or pay any dividends on our Class A common stock should we decide to do so. P3 LLC is classified as a partnership for U.S. federal income tax purposes and, as such, is generally not subject to entity level U.S. federal income tax. Instead, taxable income is allocated to holders of P3 LLC units, including us. As a result, we generally will incur taxes on our allocable share of any net taxable income generated by P3 LLC. Under the terms of the P3 LLC Amended and Restated Limited Liability Company Agreement (the “P3 LLC A&R LLC Agreement”), and the Tax Receivable Agreement, P3 LLC is obligated to make tax distributions or payments to holders of its P3 LLC units, including us, except to the extent such distributions or payments would render P3 LLC insolvent or are otherwise prohibited by law or the terms of any credit facility. In addition to our tax payment obligations, we also incur expenses related to our operations and our interests in P3 LLC, including costs and expenses of being a publicly traded company, all of which could be significant. To the extent that we require funds and P3 LLC or its subsidiaries are restricted from making distributions under applicable law or regulation or under the terms of their financing arrangements, or are otherwise unable to provide such funds, it could materially adversely affect our liquidity and financial condition, including our ability to pay our income taxes when due.

Our business could be adversely impacted by climate change, extreme weather conditions and natural disasters.

The intensifying effects of climate change present physical, liability, and transition risks with both macro and micro implications for companies and financial markets. There is increasing concern that a gradual increase in global average temperatures due to increased concentration of carbon dioxide and other greenhouse gases in the atmosphere are causing significant changes in weather patterns around the globe and an increase in the frequency and severity of natural disasters. Changes in weather patterns and an increased frequency, intensity and duration of extreme weather events (such as floods, droughts, hurricanes, wildfires and severe storms), whether as a result of climate change or otherwise, could, among other things, disrupt our operations or damage or destroy our headquarters or owned or managed clinics, which may cause us to suffer losses and additional costs to maintain or resume operations, which could have an adverse impact on our business and results of operations. Public health crises arising from such extreme weather events and natural disasters or effects of climate change could also impact our business operations and result in increased medical care costs. For example, natural disasters, such as a wildfire affecting California, could have significant impacts on the health of a large number of our members. In addition, implementing changes to mitigate risks associated with such events may result in substantial short- and long-term additional operational expenses, which could have a material adverse effect on our business, results of operations or financial condition.

Changes in laws and regulations related to AI Technologies could adversely affect our products, services, and results of operations.

We use artificial intelligence (“AI”), machine learning, and automated decision-making technologies (collectively, “AI Technologies”) in our business. The regulatory framework for AI Technologies is rapidly evolving as many federal, state, and foreign government bodies and agencies have introduced or are currently considering additional laws and regulations that govern the use of AI Technologies in healthcare applications, including for documentation, administrative tasks, and utilization in the review, denial, or appeal of claims. Additionally, existing laws and regulations may be interpreted in ways that would affect the operation of AI Technologies. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations.

It is possible that new laws and regulations will be adopted in the United States, or that existing laws and regulations, including competition and antitrust laws, may be interpreted in ways that would limit our ability to use AI Technologies for our business, or require us to change the way we use AI Technologies in a manner that negatively affects

the performance of our products, services, and business and the way in which we use AI Technologies. We may need to expend resources to adjust our products or services in certain jurisdictions if the laws, regulations, or decisions are not consistent across jurisdictions. Further, the cost to comply with such laws, regulations, or decisions and/or guidance interpreting existing laws, could be significant and would increase our operating expenses (such as by imposing additional reporting obligations regarding our use of AI Technologies).

Risks Related to Our Legal and Regulatory Environment

We conduct business in a heavily regulated industry and if we fail to adhere to all of the complex government laws and regulations that apply to our business, we could incur fines or penalties or be required to make changes to our operations or experience adverse publicity, any or all of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, and reputation.

The U.S. healthcare industry is heavily regulated and closely scrutinized by federal, state and local governments. Comprehensive statutes and regulations govern the manner in which we provide and bill for services and collect reimbursement from governmental programs and private payors, our contractual relationships and arrangements with healthcare providers and vendors, our marketing activities and other aspects of our operations. Of particular importance are:

- the AKS, which prohibits the knowing and willful offer, payment, solicitation or receipt of any bribe, kickback, rebate or other remuneration for referring an individual, in return for ordering, leasing, purchasing or recommending or arranging for or to induce the referral of an individual or the ordering, purchasing or leasing of items or services covered, in whole or in part, by any federal healthcare program, such as Medicare and Medicaid. Although there are several statutory exceptions and regulatory safe harbors protecting certain common activities from prosecution, the exceptions and safe harbors are drawn narrowly. By way of example, the AKS safe harbor for value-based arrangements requires, among other things, that the arrangement does not induce a person or entity to reduce or limit medically necessary items or services furnished to any patient. Failure to meet the requirements of a safe harbor, however, does not render an arrangement illegal, although such arrangements may be subject to greater scrutiny by government authorities. Further, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation;
- the Stark Law, which, subject to limited exceptions, prohibits physicians from referring Medicare or Medicaid patients to an entity for the provision of DHS, if the physician or a member of such physician's immediate family has a direct or indirect financial relationship (including an ownership interest or a compensation arrangement) with the entity, and prohibits the entity from billing Medicare or Medicaid for such DHS. Unlike the AKS, the Stark Law is violated if the financial arrangement does not meet an applicable exception, regardless of any intent by the parties to induce or reward referrals or the reasons for the financial relationship and the referral;
- the FCA, which imposes civil and criminal liability on individuals or entities that knowingly submit false or fraudulent claims for payment to the government or knowingly make, or cause to be made, a false statement in order to have a false claim paid, including *qui tam* or whistleblower suits. There are many potential bases for liability under the FCA. The government has used the FCA to prosecute Medicare and other government healthcare program fraud; including alleged upcoding or improper coding of diagnosis codes under the risk-adjustment methodology, billing for services not provided, and providing care that is not medically necessary or that is substandard in quality. In addition, we could be held liable under the FCA if we are deemed to "cause" the submission of false or fraudulent claims by, for example, providing inaccurate billing, coding or risk adjustment information to our affiliated professional entities and other physician partners through Provider Portal and Analytic Management Tools, respectively. The government may also assert that a claim including items or services resulting from a violation of the AKS or Stark Law constitutes a false or fraudulent claim for purposes of the FCA;
- the Civil Monetary Penalties Statute, which prohibits, among other things, an individual or entity from offering remuneration to a federal healthcare program beneficiary that the individual or entity knows or should know is likely to influence the beneficiary to order or receive healthcare items or services from a particular provider;

- the criminal healthcare fraud provisions of HIPAA and related rules that prohibit knowingly and willfully executing a scheme or artifice to defraud any healthcare benefit program or falsifying, concealing or covering up a material fact or making any material false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the AKS, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation;
- reassignment of payment rules that prohibit certain types of billing and collection practices in connection with claims payable by the Medicare or Medicaid programs;
- similar state law provisions pertaining to anti-kickback, self-referral and false claims issues, some of which may apply to items or services reimbursed by any payor, including patients and commercial insurers;
- laws that regulate debt collection practices;
- a provision of the Social Security Act that imposes criminal penalties on healthcare providers who fail to disclose, or refund known overpayments;
- federal and state laws that prohibit providers from billing and receiving payment from Medicare and Medicaid for services unless the services are medically necessary, adequately and accurately documented, and billed using codes that accurately reflect the type and level of services rendered; and
- federal and state laws pertaining to the provision of services by nurse practitioners and physician assistants in certain settings, physician supervision of those services, and reimbursement requirements that depend on the types of services provided and documented and relationships between physician supervisors and nurse practitioners and physician assistants.

The laws and regulations in these areas are complex, changing and often subject to varying interpretations. As a result, there is no guarantee that a government authority will find that we or our affiliated professional entities or other physician partners are in compliance with all such laws and regulations that apply to our business. Further, because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of the business activities undertaken by us or our affiliated professional entities or other physician partners could be subject to challenge under one or more of these laws, including, without limitation, our patient assistance programs that waive or reduce the patient's obligation to pay copayments, coinsurance or deductible amounts owed for the services we provide to them if they meet certain financial need criteria.

After recent settlements by the U.S. Department of Justice ("DOJ"), in December 2024, the OIG issued a special fraud alert concerning certain marketing arrangements between healthcare professionals ("HCPs") and MA brokers and agents, as well as MA organizations. The OIG stated that certain payments from MA organizations to HCPs or their staff relating to MA plan marketing and enrollment, as well as payments from HCPs to agents, brokers and others in exchange for referring Medicare enrollees to a particular HCP, can result in abusive arrangements that could lead to improper steering, anticompetitive conduct and other harms to enrollees and to the Medicare program. In June 2024, we received a civil investigative demand ("CID") from the DOJ pursuant to the False Claims Act in the course of the government's investigation concerning our arrangements with insurance agents and brokers. The CID requests documentation and information relating to the marketing of our broker programs and our arrangements with, and remuneration paid to, MA brokers, agents and agencies, as well as our arrangements with third parties relating to these programs. We are cooperating with the investigation and providing the requested information. No assurance can be given as to the timing or outcome of the government's investigation.

If our operations are found to be in violation of any of such laws or any other governmental regulations that apply, we may be subject to significant penalties, including, without limitation, administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of operations, integrity oversight and reporting obligations, exclusion from participation in federal and state healthcare programs and imprisonment. In addition, any action against us or our affiliated professional entities or other physician partners for violation of these laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses, divert our management's attention from the operation of our business and result in adverse publicity, or otherwise experience a material adverse impact on our business, results of operations, financial condition, cash flows, reputation as a result.

If any of our affiliated professional entities, other physician partners or owned or managed clinics lose their regulatory licenses, permits, accreditations and/or registrations, as applicable, or become ineligible to receive reimbursement under Medicare, Medicaid or other third-party payors, there may be a material adverse effect on our business, financial condition, cash flows, or results of operations.

The operations of our owned and managed clinics through our affiliated professional entities and other physician partners are subject to extensive federal, state and local regulation relating to, among other things, the adequacy of medical care, equipment, personnel, operating policies and procedures, fire prevention, rate-setting, compliance with building codes and environmental protection and proof of financial ability to operate. Our owned and managed clinics and affiliated professional entities and other physician partners are also subject to extensive laws and regulation relating to facility and professional licensure, conduct of operations, including financial relationships among healthcare providers, Medicare, Medicaid and state fraud and abuse and physician self-referrals, and maintaining updates to our affiliated professional entities' and other physician partners' enrollment in the Medicare and Medicaid programs, including the addition of new clinic locations, providers and other enrollment information. Our owned and managed clinics and affiliates professional entities are subject to periodic inspection by licensing authorities and accreditation organizations to assure their continued compliance with these various standards. There can be no assurance that these regulatory authorities will determine that all applicable requirements are fully met at any given time. Should any of our owned or managed clinics or affiliated professional entities be found to be noncompliant with these requirements, we could be assessed fines and penalties, could be required to refund reimbursement amounts or could lose our licensure or Medicare and/or Medicaid certification so that we or our affiliated professional entities and other physician partners are unable to receive reimbursement from such programs and possibly from other third-party payors, any of which could materially adversely affect our business, financial condition, cash flows or results of operations. See *“—The evolving regulation of value-based reimbursement models and regulation, licensure and oversight by state regulatory authorities as a risk-bearing entity may have a material adverse effect on our operations.”*

If our arrangements with our affiliated professional entities and other physician partners are found to constitute the improper rendering of medical services or fee splitting under applicable state laws, our business, financial condition and our ability to operate in those states could be adversely impacted.

Our contractual relationships with our affiliated professional entities and other physician partners may implicate certain state laws that generally prohibit non-professional entities from providing licensed medical services or exercising control over licensed physicians or other healthcare professionals (such activities generally referred to as the “corporate practice of medicine”) or engaging in certain practices such as fee-splitting with such licensed professionals. The interpretation and enforcement of these laws vary significantly from state to state. There can be no assurance that these laws will be interpreted in a manner consistent with our practices or that other laws or regulations will not be enacted in the future that could have a material and adverse effect on our business, financial condition and results of operations. Regulatory authorities, state boards of medicine, state attorneys general and other parties may assert that, despite the agreements through which we operate, we are engaged in the provision of medical services and/or that our arrangements with our affiliated professional entities and other physician partners constitute unlawful fee-splitting. If a jurisdiction’s prohibition on the corporate practice of medicine or fee-splitting is interpreted in a manner that is inconsistent with our practices, we would be required to restructure or terminate our arrangements with our affiliated professional entities and other physician partners to bring our activities into compliance with such laws. A determination of non-compliance, or the termination of or failure to successfully restructure these relationships could result in professional disciplinary action, penalties, damages, fines, and/or a loss of revenue, any of which could have a material and adverse effect on our business, financial condition and results of operations. State corporate practice and fee-splitting prohibitions also often impose penalties on healthcare professionals for aiding in the improper rendering of professional services, which could discourage physicians and other healthcare professionals from providing clinical services to members of the health plans with whom we contract.

We face inspections, reviews, audits and investigations under federal and state government programs and contracts. These audits could have adverse findings that may negatively affect our business, including our results of operations, liquidity, financial condition and reputation.

As a result of our participation in the Medicare and Medicaid programs, we are subject to various governmental inspections, reviews, audits and investigations to verify our compliance with these programs and applicable laws and

regulations. Other third-party payors may also reserve the right to conduct audits. We also periodically conduct internal audits and reviews of our regulatory compliance. An adverse inspection, review, audit or investigation could result in:

- refunding amounts we have been paid pursuant to the Medicare or Medicaid programs or from payors;
- state or federal agencies imposing fines, penalties and other sanctions on us;
- temporary suspension of payment for new patients to the facility or agency;
- decertification or exclusion from participation in the Medicare or Medicaid programs or one or more payor networks;
- self-disclosure of violations to applicable regulatory authorities;
- damage to our reputation;
- the revocation of a facility's or agency's license;
- criminal penalties;
- a corporate integrity agreement with HHS's OIG; and
- loss of certain rights under, or termination of, our contracts with payors.

We have in the past and will likely in the future be required to refund amounts we have been paid and/or pay fines and penalties as a result of these inspections, reviews, audits and investigations. If adverse inspections, reviews, audits or investigations occur and any of the results noted above occur, it could have a material adverse effect on our business and operating results. Furthermore, the legal, document production and other costs associated with complying with these inspections, reviews, audits or investigations could be significant.

Our records and submissions to a health plan may contain inaccurate or unsupportable information regarding risk adjustment scores of members, which could cause us to overstate or understate our revenue and subject us to various penalties.

The claims and encounter records that we submit to health plans may impact data that support the Medicare Risk Adjustment Factor ("RAF") scores attributable to members. These RAF scores determine, in part, the revenue to which the health plans and, in turn, we or our affiliated professional entities or other physician partners are entitled for the provision of medical care to such members. The data submitted to CMS by each health plan is based, in part, on medical charts and diagnosis codes that we prepare and submit to the health plans. Each health plan generally relies on us and our affiliated professional entities or other physician partners to appropriately document and support such RAF data in our medical records. Each health plan also relies on us and our affiliated professional entities or other physician partners to appropriately code claims for medical services provided to members. Erroneous claims and erroneous encounter records and submissions could result in inaccurate revenue and risk adjustment payments, which may be subject to correction or retroactive adjustment in later periods. This corrected or adjusted information may be reflected in financial statements for periods subsequent to the period in which the revenue was recorded. We might also need to refund a portion of the revenue that we received, which refund, depending on its magnitude, could damage our relationship with the applicable health plan and could have an adverse effect on our business, results of operations, financial condition and cash flows.

Additionally, CMS audits MA plans for documentation to support RAF-related payments for members chosen at random. The MA plans ask providers to submit the underlying documentation for members that they serve. It is possible that claims associated with members with higher RAF scores could be subject to more scrutiny in a CMS or plan audit. There is a possibility that an MA plan may seek repayment from us should CMS make any payment adjustments to the MA plan as a result of its audits. The plans also may hold us liable for any penalties owed to CMS for inaccurate or unsupportable RAF scores provided by us or our affiliated professional entities or other physician partners. In addition, we could be liable for penalties to the government under the federal FCA, that include a monetary penalty adjusted for inflation on an annual basis for each false claim, plus up to three times the amount of damages caused by each false claim, which can be as much as the amounts received directly or indirectly from the government for each such false claim.

CMS has indicated that payment adjustments will not be limited to RAF scores for the specific MA enrollees for which errors are found but may also be extrapolated to the entire MA plan subject to a particular CMS contract. Based on a final rule issued by CMS in January 2023, overpayments to MA plans that are identified as a result of a Risk Adjustment Data Validation (“RADV”) audit will be subject to extrapolation for plan year 2018 and any subsequent plan year. On November 14, 2024, CMS initiated the payment year 2018 MA RADV audits and expects to begin issuing payment year 2018 audit findings in mid-calendar year 2026. In addition, CMS will not apply an adjustment factor, known as an FFS Adjuster, in RADV audits to account for potential differences in diagnostic coding between the MA program and Medicare FFS program. We are continuing to assess the potential impact this final rule may have on our business and operations.

On March 31, 2023, CMS issued its final 2024 Medicare Advantage Rate Announcement, which implements a three-year phase-in of certain changes to the methodology CMS will use to perform risk adjustment for plan years 2024 through 2026. Under the new risk adjustment model that was implemented in 2024, CMS has changed the manner by which over 2,000 diagnosis codes, across a range of disease and condition categories, are considered for purposes of patient risk scoring, with certain of these codes no longer impacting risk scoring. On April 1, 2024, CMS released the 2025 Medicare Advantage Rate Announcement, which continues the three-year phase in by blending 67% of the risk score calculated using the updated 2024 MA risk adjustment model with 33% of the risk score calculated using the 2020 MA risk adjustment model. While the codes subject to changes represent only a fraction of the total number of conditions considered for purposes of risk adjustment, this change and any future changes to CMS’s risk adjustment methodology could impact the revenue we record from MA plans.

On January 26, 2026, CMS issued its Advance Notice identifying proposed methodological changes to risk calculation and capitation beginning in calendar year 2027, soliciting public comments in response to these proposals before finalizing MA’s payment rules for calendar year 2027. Although the Advance Notice identifies an effective growth rate of 4.97%, CMS’s own calculations estimate that the average increase in MA reimbursement will be 0.09% compared to calendar year 2026. Other changes are proposed that may heighten the standards required for patient risk adjustment to be captured in data reported to or evaluated by CMS when calculating MA reimbursement rates and may result in reduced reimbursement relative to the actual risk levels of patients and patient populations. This January 25, 2026 Advance Notice also sets forth potential changes to the measurement of MA plans’ star ratings, which may also result in reductions in capitated payments and total reimbursement to the MA organizations offering those plans, and their providers. The exact outcome of these proposals and their potential effects on our business are uncertain until CMS issues its 2027 Medicare Advantage Rate Announcement, which is expected in the second quarter of 2026.

There can be no assurance that a health plan will not be randomly selected or targeted for review by CMS or that the outcome of such a review will not result in a material adjustment in our revenue and profitability, even if the information we submitted to the plan is accurate and supportable.

The impact of recent healthcare legislation and other changes in the healthcare industry and in healthcare spending is currently unknown, but may adversely affect our business, financial condition and results of operations.

The impact of healthcare reform legislation and other changes in the healthcare industry and in healthcare spending is currently unknown, but may adversely affect our business, financial condition and results of operations. Our revenue is dependent on the healthcare industry and could be affected by changes in healthcare spending, reimbursement and policy. The healthcare industry is subject to changing political, regulatory and other influences. By way of example, the ACA, which was enacted in 2010, made major changes in how healthcare is delivered and reimbursed, and it increased access to health insurance benefits to the uninsured and underinsured populations of the United States.

Since its enactment, there have been judicial, executive and Congressional challenges to certain aspects of the ACA. On June 17, 2021, the U.S. Supreme Court dismissed the most recent judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA.

Other legislative changes have been proposed and adopted since the ACA was enacted. These changes include aggregate reductions to Medicare payments to providers, which began in 2013 and will remain in effect through the first six months of fiscal year 2032, with the exception of a temporary suspension from May 1, 2020 through March 31, 2022, unless additional Congressional action is taken. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. New laws may result in additional reductions in Medicare and other healthcare funding, which may materially adversely affect consumer demand and affordability for our products and

services and, accordingly, the results of our financial operations. Additional changes that may affect our business include the expansion of new programs such as Medicare payment for performance initiatives for physicians under the Medicare Access and CHIP Reauthorization Act of 2015 (“MACRA”), which first affected physician payment in 2019. At this time, it is unclear how the introduction of the Medicare quality payment program will impact overall physician reimbursement.

Such changes in the regulatory environment may also result in changes to our payer mix that may affect our operations and revenue. In addition, certain provisions of the ACA authorize voluntary demonstration projects, which include the development of bundling payments for acute, inpatient hospital services, physician services and post-acute services for episodes of hospital care. Further, the ACA may adversely affect payors by increasing medical costs generally, which could have an effect on the industry and potentially impact our business and revenue as payors seek to offset these increases by reducing costs in other areas.

In addition, new legislative proposals to reform healthcare and government insurance programs, along with the trend toward managed healthcare in the United States, could result in reduced demand and prices for our services. The full effects of the changes to the healthcare system included in the OBBA, which became law in July of 2025, are still being experienced and determined. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments and other third-party payers will pay for healthcare products and services, which could adversely affect our business, financial condition and results of operations.

The evolving regulation of value-based reimbursement models and regulation, licensure and oversight by state regulatory authorities as a risk-bearing entity may have a material adverse effect on our operations.

Regulation of downstream risk-sharing arrangements, including, but not limited to, global risk and other value-based arrangements, varies significantly from state to state. Some states require downstream entities and risk-bearing entities to obtain an insurance license, a certificate of authority, or an equivalent authorization, in order to participate in downstream risk-sharing arrangements with payors. In some states, statutes, regulations and/or formal guidance explicitly address whether and in what manner the state regulates the transfer of risk by a payor to a downstream entity. However, the majority of states do not explicitly address the issue, and in such states, regulators may nonetheless interpret statutes and regulations to regulate such activity. If downstream risk-sharing arrangements are not regulated directly in a particular state, the state regulatory agency may nonetheless require oversight by the licensed payor as the party to such a downstream risk-sharing arrangement. Such oversight is accomplished via contract and may include the imposition of reserve requirements, as well as reporting obligations. Further, state regulatory stances regarding downstream risk-sharing arrangements can change rapidly and codified provisions may not keep pace with evolving risk-sharing mechanisms and other new value-based reimbursement models. Certain of the states where we currently operate or may choose to operate in the future regulate the operations and financial condition of risk bearing organizations like us and our affiliated providers. These regulations can include capital requirements, licensing or certification, governance controls and other similar matters. As a result, new and existing laws, regulations or guidance could have a material adverse effect on our operations and could subject us to the risk of restructuring or terminating our arrangements with our affiliated professional entities or other physician partners, as well as the risk of regulatory enforcement, penalties and sanctions, if state and federal enforcement agencies disagree with our interpretation of these laws. In addition, Medcore HP, which we acquired in 2021, is a licensed health plan under California’s Knox Keene Act, which subjects the entity to certain capital requirements, licensing or certification, governance controls, utilization review and grievance procedures, among others. Non-compliance with the Knox-Keene Act may result in an enforcement action, fines and penalties, and, in egregious cases, limitations on or revocation of the Knox-Keene license. In August 2024, the Office of Enforcement for the California Department of Managed Health Care conducted an investigation of Medcore HP and imposed an administrative penalty of \$150,000 and a corrective action plan based on Medcore HP’s failure to meet minimum levels of tangible net equity and for untimely filing of certain annual reports and monthly financial statements. Although these penalties have not had a material impact on our business to date, as we continue to expand, these rules may require additional resources and capitalization and add complexity to our business.

Regulatory proposals directed at containing or lowering the cost of healthcare, including ACO REACH, and our participation, voluntary or otherwise, in such proposed models, could impact our business, financial condition, cash flows and operations.

The CMS Innovation Center continues to test an array of value-based alternative payment models. In 2023, the CMS Innovation Center launched the Accountable Care Organization Realizing Equity, Access, and Community Health (“ACO REACH”) Model (formerly known as the Global and Professional Direct Contracting Model) to replace the prior ACO models that provided for direct contracting between ACOs and CMS. The REACH model allowed participating

ACOs to negotiate directly with the government to manage traditional Medicare beneficiaries and share in the savings and risks generated from managing such beneficiaries. We have an ACO established in Arizona, Nevada, California and Oregon participating in the REACH model. The REACH model is scheduled to expire on December 31, 2026.

The REACH model is expected to be directly succeeded by the Long-term Enhanced ACO Design (“LEAD”) model for ACOs, which is scheduled to operate from January 1, 2027, through December 31, 2036. We expect to participate in the ACO LEAD program and other ACO programs that CMS and the CMS Innovation Center may announce in the future. The ACO LEAD model’s 10-year duration is expected to encourage predictable, long-term investment in healthcare delivery. CMS’s messaging around the ACO LEAD program indicates that it will address issues that ACOs have reported under the ACO REACH model, with the ACO LEAD model intended to improve ACO coordination with specialists, data-sharing between ACOs, care for patients dually eligible for Medicare and Medicaid, more favorable risk adjustments for complex patients, relaxed standards for ACOs that are new or rurally based, and rebasing of ACO benchmarks once per decade, instead of annual rebasing under ACO REACH. Other enhancements will be available under the ACO LEAD model, including the availability of medical nutrition therapy, buying down the premiums of beneficiaries’ Medicare Part D prescription drug premiums, and incentives for dietary interventions and availability of beneficial hemp-based products where they are legal. More details regarding ACO LEAD, including CMS’s selection of participating ACOs from those that apply in the spring of 2026, and the new model’s implementation before its January 1, 2027 start date, are expected throughout 2026, particularly if CMS accepts our application to participate in the ACO LEAD model. Additionally, other ACO models are expected from the CMS Innovation Center that may operate in conjunction with, or separate from, the ACO LEAD model. The exact details of other forthcoming and anticipated ACO models currently are unknown and how those models will affect our business cannot be fully anticipated at this time.

The exact impacts of the ACO LEAD Model and future ACO models in which we expect to participate are unknown and may not be known until CMS finalizes associated rules, publishes, and implements them. Nonetheless, we expect these care models, requirements for participation, and payment rules to affect our business in the future. Just as CMS changes and has changed payment metrics and conditions for the ACO REACH model on an annual basis, it is expected that the ACO LEAD model will be subject to similar changes, and across the wider range of factors addressed within the new model.

In addition, there likely will continue to be regulatory proposals directed at containing or lowering the cost of healthcare, as government healthcare programs and other third-party payors transition from FFS to value-based reimbursement models, which can include risk-sharing, bundled payment and other innovative approaches. It is possible that the federal or state governments will implement additional reductions, increases, or changes in reimbursement in the future under government programs that may adversely affect us or increase the cost of providing our services. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue or attain growth, any of which could have a material impact on our business.

Risks Related to Ownership of Our Common Stock

Our failure to meet the continued listing requirements of The Nasdaq Capital Market could result in a delisting of our securities.

We are required to meet the continued listing requirements of the Nasdaq Capital Market and if we fail to satisfy such continued listing requirements, Nasdaq may take steps to delist our securities. For example, on November 12, 2025, we received a deficiency letter (the “Letter”) from the Listing Qualifications Department (“the Staff”) of Nasdaq indicating that we did not maintain a minimum of \$2.5 million of stockholders’ equity under the Nasdaq Listing Rule 5550(b)(1) (the “Listing Rule”). The Letter also indicated that we do not currently meet either of the alternative standards relating to market value of listed securities or net income from continuing operations set forth in the Listing Rule.

The notification does not immediately affect the listing of our Class A common stock or warrants on Nasdaq. We submitted a plan to regain compliance, which Nasdaq accepted and has granted us an extension through May 20, 2026 to allow us to evidence compliance. If we are otherwise unable to regain compliance within the applicable time period, our securities could be subject to delisting. We would then be entitled to appeal the Staff’s determination to the Nasdaq Hearings Panel. We are evaluating and pursuing alternatives to regain compliance and intend to take the actions necessary to restore compliance within the permitted timeframe. However, there can be no assurance that we will be able to restore compliance.

Delisting from the Nasdaq Capital Market would cause us to pursue eligibility for trading of our securities on other markets or exchanges, or on the “pink sheets.” In such case, our stockholders’ ability to trade, or obtain quotations of the market value of our Class A common stock would be severely limited because of lower trading volumes and transaction delays. These factors could contribute to lower prices and larger spreads in the bid and ask prices of our Class A common stock. There can be no assurance that our securities, if delisted from the Nasdaq Capital Market in the future, would be listed on a national securities exchange, a national quotation service, the over-the-counter markets or the pink sheets. Delisting from the Nasdaq Capital Market, or even the issuance of a notice of potential delisting, would also result in negative publicity, make it more difficult for us to raise additional capital, adversely affect the market liquidity of our securities, decrease securities analysts’ coverage of us or diminish investor confidence. Moreover, there is no assurance that any actions that we take will be successful in restoring our compliance with the Listing Rule or will prevent future non-compliance therewith. There is also no assurance that we will maintain compliance with the other listing requirements of The Nasdaq Capital Market.

Failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, financial condition, results of operations, and stock price and may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock and your investment.

Section 404 of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) requires us to evaluate the effectiveness of our internal controls over financial reporting as of the end of each fiscal year, including a management report assessing the effectiveness of our internal controls over financial reporting. For as long as we are a “non-accelerated filer,” our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404. An independent assessment of the effectiveness of our internal controls could detect problems that our management’s assessment might not. Our ability to comply with the annual internal control reporting requirements will depend on the effectiveness of our financial reporting and data systems and controls across our company. We expect these systems and controls to require additional investment as we become increasingly more complex and our business grows. To effectively manage this complexity, we will need to continue to maintain and revise our operational, financial and management controls, and our reporting systems and procedures. Certain weaknesses or deficiencies or failures to implement required new or improved controls, or difficulties encountered in the implementation or operation of these controls, could harm our operating results and cause us to fail to meet our financial reporting obligations, or result in material misstatements in our financial statements, which could adversely affect our business and reduce our stock price.

In connection with the audits of our consolidated financial statements for the years ended December 31, 2018, 2019, 2020 and 2021, and, as previously reported, the restatement of our consolidated financial statements for the years ended December 31, 2020 and 2019, we previously identified material weaknesses in our internal control over financial reporting. In response to these material weaknesses, we implemented a comprehensive remediation plan as discussed under the heading “Remediation Activities” in Part II, Item 9A, “[Controls and Procedures](#).” Based on these remediation efforts, our management has concluded the material weaknesses have been remediated as of December 31, 2024. However, we cannot assure you that there will not be material weaknesses in our internal control over financial reporting in the future and that the measures we have taken to date, and actions we may take in the future, will be sufficient to prevent or avoid potential future material weaknesses. A material weakness in our internal control over financial reporting could result in an increased probability of fraud, financial statement restatements, the potential loss of customers, litigation from our stockholders, reduction in our ability to obtain financing, and require additional expenditures to remediate. Our failure to implement and maintain effective internal control over financial reporting could result in errors in our financial statements that could result in loss of investor confidence in the accuracy and completeness of our financial reports and a decline in our stock price, and we could be subject to sanctions or investigations by the SEC or other regulatory authorities.

We cannot predict the impact our dual-class structure may have on the stock price of our Class A common stock.

We cannot predict whether our dual-class structure will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. Certain investors, including large institutional investors, may prefer companies that do not have multiple share classes or may have investment guidelines that preclude them from investing in companies that have multiple share classes. In addition, certain index providers have previously implemented, and may in the future determine to implement, restrictions on including companies with multiple share classes in certain of their indices. For example, from July 2017 to April 2023, S&P Dow Jones excluded companies with multiple share classes from the S&P Composite 1500 (composed of the S&P 500, S&P MidCap 400 and S&P SmallCap 600). Indices have discretion to reassess and implement such policies with respect to multi-class differing voting right

structures. Under any such policies, our dual-class capital structure would make us ineligible for inclusion in any of these indices. As a result, the market price of our Class A common stock could be materially adversely affected.

Delaware law and our certificate of incorporation and bylaws contain certain provisions, including anti-takeover provisions that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable.

Our certificate of incorporation and bylaws, and the General Corporation Law of the State of Delaware (“DGCL”), contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of Class A common stock, and therefore depress the trading price of Class A common stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of our board of directors or taking other corporate actions, including effecting changes in our management. Among other things, the certificate of incorporation and the bylaws include provisions:

- providing for a classified board of directors with staggered, three-year terms;
- regarding the ability of the board of directors to issue shares of preferred stock, including “blank check” preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- prohibiting cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- regarding the limitation of the liability of, and the indemnification of, directors and officers;
- providing that certain transactions are not “corporate opportunities” and that, subject to certain exceptions, Foresight Sponsor Group, LLC, (the “Sponsor”) or its affiliates and any of their respective principals, members, directors, partners, stockholders, officers, employees or other representatives, or any director or stockholder who is not employed by us or our subsidiaries, are not subject to the doctrine of corporate opportunity and such persons do not have any fiduciary duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as us or any of our subsidiaries;
- regarding the ability of the board of directors to amend the bylaws, which may allow the board of directors to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the bylaws to facilitate an unsolicited takeover attempt; and
- regarding advance notice procedures with which stockholders must comply to nominate candidates to the board of directors or to propose matters to be acted upon at a stockholders’ meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in the board of directors and also may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to obtain control of our company.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our board of directors or management.

The Sponsor, its affiliates and representatives, non-employee directors and other non-employee stockholders of the Company are not limited in their ability to compete with us, and the corporate opportunity provisions in our certificate of incorporation could enable such persons to benefit from corporate opportunities that might otherwise be available to us, which presents potential conflicts of interest.

Our certificate of incorporation provides that subject to certain exceptions, the Sponsor and its affiliates and any of their respective principals, members, directors, partners, stockholders, officers, employees or other representatives, or any director or stockholder of the Company who is not employed by us or our subsidiaries, would not be restricted from

owning assets or engaging in businesses that compete directly or indirectly with us or any of our subsidiaries. In particular, subject to the limitations of applicable law and the certificate of incorporation, these persons may among other things:

- engage in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates have a reasonable expectancy interest or property right;
- purchase, sell or otherwise engage in transactions involving securities or indebtedness of us or our affiliates, provided that such transactions do not violate our insider trading policies; and
- otherwise compete with us.

One or more of these persons may become aware, from time to time, of certain business opportunities (such as acquisition opportunities) and may direct such opportunities to other businesses in which they have invested, in which case we may not become aware of or otherwise have the ability to pursue such opportunities. Further, such businesses may choose to compete with us for these opportunities, possibly causing these opportunities to not be available to us or causing them to be more expensive for us to pursue. As a result, our renunciation of our interest and expectancy in any business opportunity that may be from time to time be presented to such persons, could adversely impact our business or prospects if attractive business opportunities are procured by such parties for their own benefit rather than for ours.

The provision of our certificate of incorporation requiring exclusive forum in certain courts in the State of Delaware or the federal district courts of the United States for certain types of lawsuits may have the effect of discouraging lawsuits against our directors and officers.

Our certificate of incorporation requires, to the fullest extent permitted by law, that (i) any derivative action or proceeding brought on our company's behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or stockholders to our company or our stockholders, (iii) any action asserting a claim against our company arising pursuant to any provision of the DGCL or the certificate of incorporation or our bylaws or (iv) any action asserting a claim against our company governed by the internal affairs doctrine will have to be brought in a state court located within the State of Delaware (or if no state court of the State of Delaware has jurisdiction, the federal district court for the District of Delaware), in all cases subject to the courts having personal jurisdiction over the indispensable parties named as defendants. The foregoing provision will not apply to claims seeking to enforce any liability or duty created by the Exchange Act.

Additionally, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Although we believe these exclusive forum provisions benefit our company by providing increased consistency in the application of Delaware law and federal securities laws in the types of lawsuits to which each applies, the exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers or stockholders, which may discourage lawsuits with respect to such claims. Further, in the event a court finds either exclusive forum provision contained in our certificate of incorporation to be unenforceable or inapplicable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results and financial condition.

An active, liquid trading market for our Class A common stock may not be sustained.

There can be no assurance that we will be able to maintain an active trading market for our Class A common stock on Nasdaq or any other exchange in the future. If an active market for our Class A common stock is not maintained, or if we fail to satisfy the continued listing standards of Nasdaq for any reason and our Class A common stock is delisted, it may be difficult for our stockholders to sell their Class A common stock without depressing the market price for our Class A common stock, or at all. See "*Our failure to meet the continued listing requirements of The Nasdaq Capital Market could result in a delisting of our securities,*" below. An inactive trading market may also impair our ability to both raise capital by selling shares of capital stock, attract and motivate employees through equity incentive awards and acquire other companies, products, or technologies by using shares of capital stock as consideration.

There may be sales of a substantial amount of our Class A common stock in future by our stockholders, and these sales could cause the price of our Class A common stock to fall.

As of December 31, 2025, there were approximately 3.3 million shares of Class A common stock outstanding and an additional approximately 3.9 million shares of Class V common stock, which are exchangeable, together with P3 LLC units, for an equivalent number of shares of Class A common stock. Our issued and outstanding shares of Class A common stock are freely transferable, except for any shares held by our “affiliates,” as that term is defined in Rule 144 under the Securities Act. As of December 31, 2025, approximately 50.4% of the outstanding shares of Class A common stock (on an as-converted and as-exchanged basis) were held by entities affiliated with us and our executive officers and directors.

In addition, pursuant to certain registration rights agreements that we have entered into with certain of our stockholders, we are obligated to register the resale of shares of Class A common stock held by such stockholders and issuable upon the exercise or exchange of securities held by such stockholders. In addition, certain of these stockholders are entitled to demand the registration of such shares of Class A common stock subject to certain minimum requirements and also have certain “piggyback” registration rights with respect to registration statements we file.

Upon effectiveness of any registration statement we file for the resale of shares held by such stockholders, and upon the expiration of any applicable lock-up periods applicable to such stockholders, these stockholders may sell large amounts of our Class A common stock in the open market or in privately negotiated transactions, which could have the effect of increasing the volatility in the share price of our Class A common stock or putting significant downward pressure on the price of our Class A common stock.

Sales of substantial amounts of our Class A common stock in the public market, or the perception that such sales will occur, could adversely affect the market price of our Class A common stock and make it difficult for us to raise funds through securities offerings in the future.

Risks Related to Our Warrants

Our warrants may have an adverse effect on the market price of our Class A common stock.

Foresight issued 0.2 million warrants to purchase shares of our Class A common stock (the “Public Warrants”) as part of the units offered in its initial public offering and, simultaneously with the closing of its initial public offering, Foresight issued in a private placement an aggregate of 16,650 units, including (i) an aggregate of 5,550 private placement warrants, each exercisable to purchase one share of Class A common stock at \$575.00 per share, subject to adjustment (the “Private Placement Warrants”), and (ii) an aggregate of 16,650 shares of Class A common stock.

Since December 2022, in various private placement transactions and in connection with our issuance of our outstanding promissory notes (see Note 11 “Debt” to the consolidated financial statements included elsewhere in this Form 10-K), we have issued warrants and pre-funded warrants to purchase an aggregate of 8.2 million shares of Class A common stock.

To the extent such warrants are exercised, additional shares of our Class A common stock will be issued, which will result in dilution to our stockholders and increase the number of shares of Class A common stock eligible for resale in the public market. Sales of substantial numbers of such shares in the public market or the fact that such warrants may be exercised could adversely affect the market price of our Class A common stock.

We may redeem unexpired Public Warrants prior to their exercise at a time that is disadvantageous to our stockholders, thereby making the Public Warrants worthless to our stockholders.

We have the ability to redeem outstanding Public Warrants at any time after they become exercisable and prior to their expiration, at a price of \$0.50 per Public Warrant if, among other things, the last reported sales price of our Class A common stock equals or exceeds \$900.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within a 30 trading-day period ending on the third trading day prior to the date we send the notice of such redemption to the Public Warrant holders. If and when the Public Warrants become redeemable by us, we may exercise our redemption right even if we are unable to register or qualify the underlying securities for sale under all applicable state securities laws. Redemption of the outstanding Public Warrants could force our stockholders (i) to exercise their Public Warrants and pay the exercise price therefor at a time when it may be disadvantageous for them to do so, (ii) to sell their Public Warrants at the then-current market price when you might

otherwise wish to hold your Public Warrants or (iii) to accept the nominal redemption price which, at the time the outstanding Public Warrants are called for redemption, is likely to be substantially less than the market value of your Public Warrants.

In addition, we may redeem the Public Warrants commencing 90 days after they become exercisable and prior to their expiration, at a price of \$5.00 per Public Warrant if, among other things, the last reported sale price of our Class A common stock equals or exceeds \$500.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) on the trading day prior to the date on which we send the notice of redemption to the Public Warrant holders. In such a case, the holders will be able to exercise their Public Warrants for cash or on a cashless basis prior to redemption and receive that number of shares of Class A common stock determined based on the redemption date and the fair market value of our Class A common stock. The value received upon exercise of the Public Warrants (1) may be less than the value the holders would have received if they had exercised their Public Warrants at a later time where the underlying share price is higher and (2) may not compensate the holders for the value of the Public Warrants, including because the number of shares of Class A common stock received in connection with such an exercise is capped at 0.00722 shares of Class A common stock per whole Public Warrant (subject to adjustment) irrespective of the remaining life of the Public Warrants.

None of the Private Placement Warrants will be redeemable by us so long as they are held by the Sponsor or its permitted transferees.

Certain of our warrants are accounted for as liabilities and the changes in value of these warrants could have a material effect on our financial results.

On April 12, 2021, the Acting Chief Accountant and Acting Director of the Division of Corporation Finance of the SEC published a statement on the SEC's website indicating that the terms of the public and private warrants issued by many special purpose acquisition companies may need to be accounted for as liabilities, rather than as equity (the "SEC Warrant Accounting Statement"). As a result of the SEC Warrant Accounting Statement, Foresight, along with many other current and former special purpose acquisition companies, concluded that certain warrants should be presented as liabilities with subsequent fair value remeasurement and engaged a valuation firm to determine the fair market value of its warrants. Accordingly, Foresight reevaluated the accounting treatment of the Public Warrants to purchase 216.4 thousand shares of Class A common stock and Private Placement Warrants to purchase 5.6 thousand shares of Class A common stock, and determined to classify all of the warrants as derivative liabilities measured at fair value, with changes in fair value each period reported in earnings.

As a result, included on our consolidated balance sheet as of December 31, 2025 contained elsewhere in this Form 10-K are derivative liabilities related to embedded features contained within the warrants. Accounting Standards Codification 815, Derivatives and Hedging, provides for the remeasurement of the fair value of such derivatives at each balance sheet date, with a resulting non-cash gain or loss related to the change in the fair value being recognized in earnings in the statements of operations. As a result of the recurring fair value measurement, our financial statements and results of operations may fluctuate quarterly, based on factors, which are outside of our control. Due to the recurring fair value measurement, we expect that we will recognize non-cash gains or losses on our warrants each reporting period and that the amount of such gains or losses could be material.

Risks Related to the Tax Receivable Agreement

Our sole material asset is our interest in P3 LLC, and, accordingly, we depend on distributions from P3 LLC to pay our taxes and expenses, including payments under the Tax Receivable Agreement. P3 LLC's ability to make such distributions may be subject to various limitations and restrictions.

We are a holding company and have no material assets other than our ownership in P3 LLC. As such, we have no independent means of generating revenue or cash flow, and our ability to pay taxes and operating expenses or declare and pay dividends in the future, if any, will be dependent upon the financial results and cash flows of P3 LLC and its subsidiaries, and distributions we receive from P3 LLC. There can be no assurance that P3 LLC and its subsidiaries will generate sufficient cash flow to distribute funds to us, or that applicable state law and contractual restrictions, including negative covenants in any debt agreements of P3 LLC or its subsidiaries, will permit such distributions. The credit agreement governing P3 LLC's credit facilities restrict its ability to make distributions to the Company, and future debt instruments or other agreements may restrict the ability of P3 LLC to make distributions to the Company or of P3 LLC's subsidiaries to make distributions to P3 LLC.

P3 LLC is treated as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, taxable income will be allocated to holders of P3 LLC Units, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of P3 LLC. Under the terms of the P3 LLC A&R LLC Agreement, P3 LLC will be obligated, subject to various limitations and restrictions, including with respect to any debt agreements, to make tax distributions to holders of P3 LLC Units, including us. In addition to tax expenses, we will also incur expenses related to our operations, including payments under the Tax Receivable Agreement, which could be substantial. We intend, as its sole manager, to cause P3 LLC to make cash distributions to the owners of P3 LLC Units in an amount sufficient to (i) fund all of such owners' tax obligations in respect of taxable income allocated to such owners and (ii) cover our operating expenses, including payments under the Tax Receivable Agreement. However, P3 LLC's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions under contracts or agreements to which P3 LLC is then a party, including debt agreements, or any applicable law, or that would have the effect of rendering P3 LLC insolvent. If P3 LLC does not have sufficient funds to pay tax or other liabilities or to fund its operations, it may have to borrow funds, which could materially adversely affect its liquidity and financial condition and subject it to various restrictions imposed by any such lenders. To the extent that we are unable to make timely payments under the Tax Receivable Agreement for any reason, the unpaid amounts will be deferred and will accrue interest until paid. Our failure to make any payment required under the Tax Receivable Agreement (including any accrued and unpaid interest) within 90 calendar days of the date on which the payment is required to be made will constitute a material breach of a material obligation under the Tax Receivable Agreement, which will terminate the Tax Receivable Agreement and accelerate future payments thereunder, unless the applicable payment is not made because (i) P3 LLC is prohibited from making such payment under the terms of the Tax Receivable Agreement or the terms governing certain of its indebtedness or (ii) P3 LLC does not have, and despite using commercially reasonable efforts cannot obtain, sufficient funds to make such payment. In addition, if P3 LLC does not have sufficient funds to make distributions, its ability to declare and pay cash dividends will also be restricted or impaired.

Under the P3 LLC A&R LLC Agreement, P3 LLC will, from time to time, make distributions in cash to its equityholders (including us) pro rata, in amounts at least sufficient to cover the taxes on their allocable share of taxable income of P3 LLC. As a result of (i) potential differences in the amount of net taxable income allocable to us and to P3 LLC's other equityholders, (ii) the lower tax rates currently applicable to corporations as opposed to individuals, and (iii) the favorable tax benefits that we anticipate from any purchase of P3 LLC Units in connection with the Business Combinations and future redemptions or exchanges by the holders of P3 LLC Units for Class A common stock or cash pursuant to the P3 LLC A&R LLC Agreement, tax distributions payable to us may be in amounts that exceed our actual tax liabilities with respect to the relevant taxable year, including our obligations under the Tax Receivable Agreement. Our board of directors will determine the appropriate uses for any excess cash so accumulated, which may include, among other uses, the payment of other expenses or dividends on our stock, although we will have no obligation to distribute such cash (or other available cash) to our stockholders. Except as otherwise determined by us as the sole manager of P3 LLC, no adjustments to the exchange ratio for P3 LLC Units and corresponding shares of our Class A common stock will be made as a result of any cash distribution by us or any retention of cash by us. To the extent we do not distribute such excess cash as dividends on our Class A common stock, we may take other actions with respect to such excess cash, for example, holding such excess cash or lending it (or a portion thereof) to P3 LLC, which may result in shares of our Class A common stock increasing in value relative to the value of P3 LLC Units. The holders of P3 LLC Units may benefit from any value attributable to such cash balances if they acquire shares of our Class A common stock in exchange for their P3 LLC Units, notwithstanding that such holders may previously have participated as holders of P3 LLC Units in distributions by P3 LLC that resulted in such excess cash balances.

We will be required to make payments under the Tax Receivable Agreement for certain tax benefits we may claim, and the amounts of such payments could be significant.

We are party to the Tax Receivable Agreement with certain holders of P3 LLC Units (the "P3 Equityholders") and P3 LLC. The Tax Receivable Agreement generally provides for the payment by us to the P3 Equityholders of 85% of the income tax benefits, if any, that we actually realize (or are deemed to realize in certain circumstances) in periods after the closing as a result of: (i) increases in our proportionate share of the tax basis of P3 LLC's assets resulting from Business Combinations, future redemptions or exchanges by the P3 Equityholders of P3 LLC Units for our Class A common stock or cash and certain distributions (or deemed distributions) by P3 LLC; and (ii) certain other tax benefits resulting from payments we make under the Tax Receivable Agreement. We will retain the benefit of the remaining 15% of these cash savings. The amount of the cash payments that we may be required to make under the Tax Receivable Agreement could be significant and is dependent upon significant future events and assumptions, including the timing of the exchanges of P3 LLC units, the price of our Class A common stock at the time of each exchange, the extent to which such exchanges are taxable transactions and the amount of the exchanging P3 Equityholder's tax basis in its P3 LLC units at the time of the

relevant exchange. The amount of such cash payments is also based on assumptions as to the amount and timing of taxable income we generate in the future, the U.S. federal income tax rate then applicable and the portion of our payments under the Tax Receivable Agreement that constitute interest or give rise to depreciable or amortizable tax basis. Moreover, payments under the Tax Receivable Agreement will be based on the tax reporting positions that we determine, which tax reporting positions are subject to challenge by taxing authorities. We will be dependent on distributions from P3 LLC to make payments under the Tax Receivable Agreement, and we cannot guarantee that such distributions will be made in sufficient amounts or at the times needed to enable us to make our required payments under the Tax Receivable Agreement, or at all. Any payments made by us to the P3 Equityholders under the Tax Receivable Agreement will generally reduce the amount of overall cash flow that might have otherwise been available to us. The payments under the Tax Receivable Agreement are also not conditioned upon the P3 Equityholders maintaining a continued ownership interest in P3 LLC or us.

In certain cases, payments under the Tax Receivable Agreement may be accelerated and/or significantly exceed the actual benefits, if any, we realize in respect of the tax attributes subject to the Tax Receivable Agreement.

The Tax Receivable Agreement provides that if we breach any of our material obligations under the Tax Receivable Agreement, if we undergo a change of control or if, at any time, we elect an early termination of the Tax Receivable Agreement, then the Tax Receivable Agreement will terminate and our obligations, or our successor's obligations, to make payments under the Tax Receivable Agreement would accelerate and become immediately due and payable. The amount due and payable in those circumstances is determined based on certain assumptions, including an assumption that we would have sufficient taxable income to fully utilize all potential future tax benefits that are subject to the Tax Receivable Agreement. We may need to incur debt to finance payments under the Tax Receivable Agreement to the extent our cash resources are insufficient to meet our obligations under the Tax Receivable Agreement as a result of timing discrepancies or otherwise.

As a result of the foregoing, (i) we could be required to make cash payments to the P3 Equityholders that are greater than the specified percentage of the actual benefits we ultimately realize in respect of the tax benefits that are subject to the Tax Receivable Agreement, and (ii) we would be required to make a cash payment equal to the present value of the anticipated future tax benefits that are the subject of the Tax Receivable Agreement, which payment may be made significantly in advance of the actual realization, if any, of such future tax benefits. In these situations, our obligations under the Tax Receivable Agreement could have a substantial negative impact on our liquidity and could have the effect of delaying, deferring or preventing certain mergers, asset sales, other forms of business combination, or other changes of control due to the additional transaction costs a potential acquirer may attribute to satisfying such obligations. There can be no assurance that we will be able to finance our obligations under the Tax Receivable Agreement.

We will not be reimbursed for any payments made to P3 Equityholders under the Tax Receivable Agreement in the event that any tax benefits are disallowed.

We will not be reimbursed for any cash payments previously made to the P3 Equityholders pursuant to the Tax Receivable Agreement if any tax benefits initially claimed by us are subsequently challenged by a taxing authority and are ultimately disallowed. Instead, any excess cash payments made by us to a P3 Equityholder will be netted against any future cash payments that we might otherwise be required to make under the terms of the Tax Receivable Agreement. However, a challenge to any tax benefits initially claimed by us may not arise for a number of years following the initial time of such payment or, even if challenged early, such excess cash payment may be greater than the amount of future cash payments that we might otherwise be required to make under the terms of the Tax Receivable Agreement and, as a result, there might not be future cash payments from which to net against. The applicable U.S. federal income tax rules are complex and factual in nature, and there can be no assurance that the Internal Revenue Service or a court will agree with our tax reporting positions. As a result, it is possible that we could make cash payments under the Tax Receivable Agreement that are substantially greater than our actual cash tax savings.

Certain of the P3 Equityholders may receive payments under the Tax Receivable Agreement, and their interests may conflict with yours.

The P3 Equityholders may receive payments from us under the Tax Receivable Agreement upon any redemption or exchange of their P3 LLC units, including the issuance of shares of our Class A common stock upon any such redemption or exchange. As a result, the interests of the P3 Equityholders may conflict with the interests of holders of our Class A common stock. For example, the P3 Equityholders may have different tax positions from us which could influence their decisions regarding whether and when to dispose of assets, whether and when to incur new or refinance existing

indebtedness, especially in light of the existence of the Tax Receivable Agreement, and whether and when we should terminate the Tax Receivable Agreement and accelerate our obligations thereunder. In addition, the structuring of future transactions may take into consideration tax or other considerations of P3 Equityholders even in situations where no similar considerations are relevant to us.

General Risk Factors

We may be subject to securities litigation, which is expensive and could divert management attention.

The market price of our securities has experienced and may experience volatility and, in the past, companies that have experienced volatility in the market price of their securities have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert management's attention from other business concerns, which could seriously harm our business.

Because we have no current plans to pay cash dividends on our Class A common stock for the foreseeable future, you may not receive any return on investment unless you sell your Class A common stock for a price greater than that which you paid for it.

We may retain future earnings, if any, for future operations, expansion and debt repayment and have no current plans to pay any cash dividends for the foreseeable future. Any decision to declare and pay dividends will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our board of directors may deem relevant. In addition, our ability to declare dividends may be limited by restrictive covenants contained in any existing or future indebtedness. As a result, you may not receive any return on an investment in our Class A common stock unless you sell your Class A common stock for a price greater than that which you paid for it.

The market price and trading volume of our Class A common stock and Public Warrants may be volatile and could decline significantly.

The trading price of our securities may fluctuate substantially and may be lower than the price at which you purchase such securities. There can be no assurance that the market price of Class A common stock and Public Warrants will not fluctuate widely or decline significantly in the future in response to a number of factors, including those described in this "Risk Factors" section, many of which are beyond our control and may not be related to our operating performance, and which may limit or prevent investors from readily selling their Class A common stock or Public Warrants and may otherwise negatively affect the liquidity of the Class A common stock or Public Warrants. These fluctuations could cause you to lose all or part of your investment.

Factors affecting the trading price of our securities may include:

- actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us;
- the public's reaction to our press releases, other public announcements and filings with the SEC;
- changes in the market's expectations about our operating results;
- success of competitors;
- our operating results failing to meet the expectation of securities analysts or investors in a particular period;
- changes in financial estimates and recommendations by securities analysts concerning us or the health population management industry in general;
- short sales of our stock or trading phenomena such as "short squeezes;"
- operating and stock price performance of other companies that investors deem comparable to us;
- our ability to market new and enhanced products on a timely basis;

- changes in laws and regulations affecting our business;
- our ability to meet compliance requirements;
- commencement of, or involvement in, litigation involving us;
- changes in our capital structure, such as future issuances of securities or the incurrence of additional debt;
- the volume of shares of our Class A common stock available for public sale;
- any major change in our board of directors or management;
- sales of substantial amounts of Class A common stock by our directors, executive officers or significant stockholders or the perception that such sales have or could occur; and
- general economic and political conditions such as recessions, interest rates, fuel prices, international currency fluctuations, public health crises, and acts of war or terrorism.

A loss of investor confidence in the market for retail stocks or the stocks of other companies which investors perceive to be similar to us could depress our stock price regardless of our business, prospects, financial condition or results of operations. A decline in the market price of our securities also could adversely affect our ability to issue additional securities and our ability to obtain additional financing in the future.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, the price and trading volume of our securities could decline.

The trading market for our securities depends in part on the research and reports that securities or industry analysts publish about us or our business. We do not control these analysts, and the analysts who publish information about us may have relatively little experience with us or our industry, which could affect their ability to accurately forecast our results and could make it more likely that we fail to meet their estimates. If few or no securities or industry analysts cover us, the trading price for our securities would be negatively impacted. If one or more of the analysts who covers us downgrades our securities, publishes incorrect or unfavorable research about us, ceases coverage of us, or fails to publish reports on us regularly, demand for and visibility of our securities could decrease, which could cause the price or trading volumes of our securities to decline.

We will continue to incur significantly increased costs and devote substantial management time as a result of operating as a public company.

As a public company, we incur significant legal, accounting and other expenses. We are subject to the reporting requirements of the Exchange Act and are required to comply with the applicable requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as rules and regulations of the SEC and Nasdaq, including the establishment and maintenance of effective disclosure and financial controls, corporate governance requirements and required filings of annual, quarterly and current reports with respect to our business and results of operations. New or changing laws, regulations and standards are subject to varying interpretations, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies, which could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. As a result, our efforts to comply with evolving laws, regulations and standards of a U.S. public company are likely to continue to result in increased general and administrative expenses. In addition, we expect that our management and other personnel will need to continue to divert attention from operational and other business matters to devote substantial time to these public company requirements. In particular, we have incurred and expect to continue to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act. We have hired additional legal and accounting personnel and may in the future need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge and may need to establish an internal audit function.

Being a public company has also made it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. This could also

make it more difficult for us to attract and retain qualified people to serve on our board of directors, board committees or as executive officers.

Our results of operations and financial condition are subject to management's accounting judgments and estimates, as well as changes in accounting policies.

The preparation of our financial statements requires us to make estimates and assumptions affecting the reported amounts of our assets, liabilities, revenues and expenses. If these estimates or assumptions are incorrect, it could have a material adverse effect on our results of operations or financial condition. Generally accepted accounting principles in the U.S. are subject to interpretation by the Financial Accounting Standards Board, the American Institute of Certified Public Accountants, the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and could affect the reporting of transactions completed before the announcement of a change.

Scrutiny of, and evolving expectations regarding, sustainability and environmental, social, and governance ("ESG") matters could increase our costs, harm our reputation and adversely impact our financial results.

We, as with other companies, are facing scrutiny related to our sustainability and ESG practices and disclosures from certain investors, capital providers, shareholder advocacy groups, other market participants, government entities, customers, and other stakeholder groups. For example, certain institutional and individual investors have requested various ESG-related information and disclosures as they increasingly incorporate ESG criteria in making investment and voting decisions. With this focus, public reporting regarding sustainability and ESG practices is becoming broadly expected and standardized, which could lead to scrutiny of our ESG practices or lack thereof. While there are some other governments and actors taking different approaches, such scrutiny may result in increased costs, increased risk of litigation or reputational damage relating to our ESG practices or performance, changes in demands for certain products, enhanced compliance or disclosure obligations, or other adverse impacts on our business, financial condition or results of operations.

While we may at times engage in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others), such initiatives may be costly and may not have the desired effect. For example, expectations around companies' management of ESG matters continue to evolve rapidly, in many instances due to factors that are out of our control. In addition, we may commit to certain initiatives or goals, and we may not ultimately be able to achieve such commitments or goals due to cost, technological constraints, or other factors that are within or outside of our control. Moreover, actions or statements that we may take based on expectations, assumptions, or third-party information that we currently believe to be reasonable may subsequently be determined to be erroneous or be subject to misinterpretation. Even if this is not the case, our current actions may subsequently be determined to be insufficient by various stakeholders. If our ESG practices and reporting do not meet investor, consumer, employee, regulator, or other stakeholder expectations, which continue to evolve, our brand, reputation and customer retention may be negatively impacted, and we may be subject to investor or regulator engagement regarding such matters. Certain market participants, including major institutional investors, use third-party benchmarks, ratings or scores to measure our ESG practices in making investment and voting decisions. Unfavorable ratings or scores of us or our industry may lead to negative investor sentiment, the exclusion of our stock from ESG-oriented investment funds, and the diversion of investment to other companies or industries, which could have a negative impact on our stock price and our access to and cost of capital. As ESG best practices, reporting standards and disclosure requirements continue to develop, we may incur increasing costs related to ESG monitoring and reporting. In addition, we operate in various jurisdictions where new ESG and sustainability-related rules and regulations have been adopted and may continue to be introduced. For example, we may be subject to the requirements of the State of California's Climate Corporate Data Accountability Act and Climate Related Financial Risk Act, if they survive their current federal court challenge. Operating in more than one jurisdiction is likely to make our compliance with ESG and sustainability-related rules more complex and expensive, and potentially expose us to greater levels of legal risks associated with our compliance. We are currently assessing the potential impacts of such adopted or proposed rules and regulations, as well as other sustainability and climate-related disclosure obligations and evolving legal and regulatory requirements, to which we may be subject. Our failure to comply with any applicable rules or regulations could lead to penalties and adversely impact our reputation, customer attraction and retention, access to capital and employee retention. Such ESG matters may also impact our suppliers and customers, which may augment or cause additional impacts on our business, financial condition or results of operations.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Cybersecurity Risk Management and Strategy

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information.

We design and assess our program based on the HITRUST Common Security Framework. This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use the HITRUST Common Security Framework as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is integrated into our overall risk management program, and shares common methodologies, reporting channels and governance processes that apply across the risk management program to other legal, compliance, strategic, operational, and financial risk areas.

Key elements of our cybersecurity risk management program include but are not limited to:

- risk assessments designed to help identify material risks from cybersecurity threats to our critical systems and information;
- a security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security processes;
- cybersecurity awareness training of our employees, including incident response personnel, and senior management;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for key service providers based on our assessment of their criticality to our operations and respective risk profile.

We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations, or financial condition. We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. See the section titled “*Risk Factors—Risks Related to Our Business and Industry—Our business and operations would suffer in the event of information technology system failures, security breaches, cyberattacks or other deficiencies in cybersecurity.*”

Cybersecurity Governance

Our Board considers cybersecurity risk as part of its risk oversight function and has delegated to the Audit Committee (the “Committee”) oversight of cybersecurity risks, including oversight of management’s implementation of our cybersecurity risk management program.

The Committee receives periodic reports from management on our cybersecurity risks. In addition, management updates the Committee, where it deems appropriate, regarding cybersecurity incidents it considers to be significant or potentially significant.

The Committee reports to the full Board regarding its activities, including those related to cybersecurity. The full Board also receives briefings from management on our cyber risk management program. Board members receive presentations on cybersecurity topics from our Senior Vice President of Technology and Director of Information Systems Security or other internal security staff or external experts as part of the Board’s continuing education on topics that impact public companies.

Our management team, including our Senior Vice President of Technology, Director of Information Systems Security, and Director of Information Systems Governance Risk and Compliance, is responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our management team's experience spans all aspects of information technology including cybersecurity, IT operations (infrastructure engineering and architecture design), and IT governance audit compliance across industries such as energy, healthcare, pharmaceuticals, and finance. Our Senior Vice President of Technology's experience includes over 30 years in technology leadership and management, with 25 years within the healthcare sector, specializing in cybersecurity programs, and establishing technology compliance programs with industry standards such as Sarbanes-Oxley, HIPAA, HITRUST, and NIST. Our Director of Information Systems Security's experience includes over 20 years in IT, with 12 years within the healthcare sector, managing risk assessments and leading security programs using the HITRUST framework to ensure compliance with HIPAA, NIST, ISO27001, and GDPR. Our Director of Information Systems Governance Risk and Compliance's experiences includes over 25 years in IT audit and security governance, establishing and leading IT GRC programs, directing IT security initiatives, and maintaining relevant certifications including CDPSE, CRISC, CISM, and GRC/P/A.

Our management team takes steps to stay informed about and monitor efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in our IT environment.

Item 2. Properties.

As of December 31, 2025, our principal executive office is located in Henderson, NV, where we occupy facilities totaling approximately 35,000 square feet, primarily under a lease that expires in July 2030. We use this facility principally for corporate activities. We also lease offices in Tucson, AZ; Las Vegas, NV; Salem, OR; and Stockton, CA. We believe that our facilities are adequate to meet our needs for the immediate future, and that, should it be needed, suitable additional space will be available to accommodate any such expansion of our operations.

Item 3. Legal Proceedings.

The Company is a party to various claims, legal and regulatory proceedings, lawsuits and administrative actions arising in the ordinary course of business. The Company carries general and professional liability insurance coverage to mitigate the Company's risk of potential loss in such cases. An accrual is established when a specific contingency is probable and estimable. The Company also faces contingencies that are reasonably possible to occur that cannot currently be estimated. The Company believes that disposition of these matters will not have a material adverse effect on the Company's consolidated financial position, net loss, or cash flows. It is the Company's policy to expense costs associated with loss contingencies, including any related legal fees, as they are incurred.

Civil Investigative Demand

In June 2024, we received a civil investigative demand ("CID") from the DOJ pursuant to the False Claims Act in the course of the government's investigation concerning our arrangements with insurance agents and brokers. The CID requests documentation and information relating to the marketing of our broker programs and our arrangements with, and remuneration paid to, MA brokers, agents and agencies, as well as our arrangements with third parties relating to these programs. We are cooperating with the investigation and providing the requested information. No assurance can be given as to the timing or outcome of the government's investigation. *See Item 1A. "Risk Factors — We conduct business in a heavily regulated industry and if we fail to adhere to all of the complex government laws and regulations that apply to our business, we could incur fines or penalties or be required to make changes to our operations or experience adverse publicity, any or all of which could have a material adverse effect on our business, results of operations, financial condition, cash flows, and reputation," for more information.*

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our Class A common stock and warrants trade on the Nasdaq Capital Market under the symbols “PIII” and “PIIIW,” respectively. There is no trading market for shares of our Class V common stock.

Holders of our Common Stock

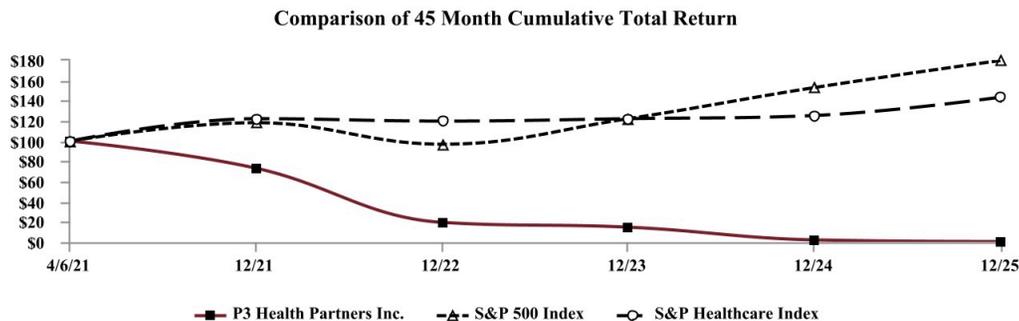
As of March 23, 2026, there were 28 holders of record of our Class A common stock and 33 holders of Class V common stock. The actual number of holders of our Class A common stock is greater than the number of record holders and includes holders whose Class A common stock are held in street name by brokers and other nominees.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and future earnings, if any, for the operation and expansion of our business and do not anticipate declaring or paying any dividends in the foreseeable future. Any future determination related to our dividend policy will be made at the discretion of our board of directors after considering our financial condition, results of operations, capital requirements, business prospects and other factors the board of directors deems relevant, and subject to the restrictions contained in any financing instruments. The terms of our existing Term Loan Facility (as defined below) preclude us from paying cash dividends without consent. Our ability to declare dividends may also be limited by restrictive covenants pursuant to any other future debt or equity financing agreements.

Stock Performance Graph

The following graph and related information provide a comparison of the cumulative total return for our Class A common stock, the S&P 500 Index and the S&P 500 Healthcare Index between April 6, 2021 (the date our common stock commenced trading on Nasdaq) through December 31, 2025. All values assume an initial investment of \$100 and reinvestment of any dividends. The comparisons are based on historical data and are not indicative of, nor intended to forecast, the future performance of our Class A common stock.



The performance graph above and related information shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act, and shall not be incorporated by reference into any registration statement or other document filed by us with the SEC, whether made before or after the date of this Form 10-K, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference to such filing.

Recent Sales of Unregistered Securities

There were no unregistered sales of our equity securities during the fiscal year ended December 31, 2025, that were not otherwise disclosed in a Current Report on Form 8-K.

Purchases of Equity Securities by the Issuer and Affiliated Purchaser

None.

Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis is intended to provide the reader with an understanding of our business, including an overview of our results of operations and liquidity and should be read in conjunction with the consolidated financial statements and related notes to the consolidated financial statements included elsewhere in this Form 10-K. This discussion contains forward-looking statements and involves numerous risks and uncertainties. Our actual results may differ materially from those anticipated in any forward-looking statements as a result of many factors, including those set forth under “[Cautionary Statement Regarding Forward-Looking Statements](#),” “[Item 1A. Risk Factors](#),” “[Item 3. Legal Proceedings](#),” and elsewhere in this Form 10-K. Our historical results are not necessarily indicative of the results that may be expected for any periods in the future.

Overview

P3 is a patient-centered and physician-led population health management company. We strive to offer superior care to all those in need. We believe that the misaligned incentives in the FFS healthcare payment model and the fragmentation between physicians and care teams has led to sub-optimal clinical outcomes, limited access, high spending and unnecessary variability in the quality of care. We believe that a platform such as ours, which helps to realign incentives and focuses on treating the full patient, is uniquely positioned to address these healthcare challenges.

We have leveraged the expertise of our management team’s substantial experience in population health management, to build our “P3 Care Model.” The key attributes that differentiate P3 include: 1) patient-focused model, 2) physician-led model, and 3) our broad delegated model. Our model operates by entering into arrangements with payors providing for monthly payments to manage the total healthcare needs of members attributed to our primary care physicians. In tandem, we enter into arrangements directly with existing physician groups or independent physicians in the community to join our VBC network. In our model, physicians are able to retain their independence and entrepreneurial spirit, while gaining access to the tools, teams and technologies that are key to success in a VBC model, all while sharing in the savings from successfully improving the quality of patient care and reducing costs.

We operate in the \$1,118 billion Medicare market, which covers approximately 68 million eligible lives as of July 2025. Our core focus is the MA market, which covers approximately 34 million Medicare eligible lives in 2025. Medicare beneficiaries may enroll in an MA plan, under which payors contract with the CMS to provide a defined range of healthcare services that are comparable to Medicare FFS (which is also referred to as “traditional Medicare”).

We predominantly enter into capitated contracts with the nation’s largest health plans to provide holistic, comprehensive healthcare to MA members. Under the typical capitation arrangement, we are entitled to PMPM fees from payors to provide a defined range of healthcare services for MA health plan members attributed to our PCPs. These PMPM fees comprise our capitated revenue and are determined as a percent of the premium (“POP”) payors receive from CMS for these members. Our contracted recurring revenue model offers us highly predictable revenue and rewards us for providing high-quality care rather than driving a high volume of services. In this capitated arrangement, our goals are well-aligned with payors and patients alike—the more we improve health outcomes, the more profitable we will be over time.

Under this capitated contract structure, we are generally responsible for all members’ medical costs across the care continuum, including, but not limited to emergency room and hospital visits, post-acute care admissions, prescription drugs, specialist physician spend, and primary care spend. Keeping members healthy is our primary objective. When they need medical care, delivery of the right care in the right setting can greatly impact outcomes. When our members need care outside of our network of PCPs, we utilize a number of tools including network management, utilization management, and claims processing to ensure that the appropriate quality care is provided.

Our company was formed in 2017 and our first at-risk contract became effective on January 1, 2018. We have demonstrated an ability to rapidly scale, primarily entering markets with our affiliate physician model, and expanding to a PCP network of approximately 2,400 physicians, in 23 markets (counties) across four states in over eight full years of operations as of December 31, 2025. Our platform has enabled us to grow our revenue by an average of 26% annually from December 31, 2020 to December 31, 2025. As of December 31, 2025, our PCP network served approximately 115,100 at-risk members. We believe we have significant growth opportunities available to us across existing and new markets, with less than 1% of the 544,000 PCPs in the U.S. currently included in our physician network.

Reverse Stock Split

On April 11, 2025, the Company filed a Certificate of Amendment to its Amended and Restated Certificate of Incorporation (the "Charter Amendment") with the Secretary of State of Delaware to effect a 1-for-50 reverse stock split (the "Reverse Stock Split") of the Company's outstanding Class A common stock, \$0.0001 par value per share, and Class V common stock, \$0.0001 par value per share, as of that date.

The Reverse Stock Split resulted in 163,159,548 shares of Class A common stock being converted to 3,263,093 shares of Class A common stock and 195,956,984 shares of Class V common stock being converted to 3,919,124 shares of Class V common stock. The Board of Directors of the Company approved the Charter Amendment to meet the share bid price requirements of the Nasdaq Capital Market. The Company's stockholders approved the Charter Amendment at a special meeting held on March 31, 2025.

No fractional shares were issued as a result of the Reverse Stock Split. Each stockholder was entitled to receive a cash payment equal to the fraction of a share to which such stockholder would otherwise have been entitled multiplied by the closing price per share of the Class A common stock as reported by The Nasdaq Capital Market (as adjusted to give effect to the Reverse Stock Split) on the effective date of the Reverse Stock Split. Proportional adjustments were made to the number of shares of Class A common stock underlying the Company's outstanding equity awards and warrants, as well as the exercise or conversion price, as applicable, and to the number of shares issuable under the Company's equity incentive plans and other existing agreements. All options and restricted stock awards of the Company outstanding immediately prior to the Reverse Stock Split have been adjusted in accordance with the terms of the plans, agreements or arrangements governing such options and restricted stock awards.

Each stockholder's percentage ownership interest in the Company and proportional voting power remained unchanged by the Reverse Stock Split, except for minor changes and adjustments that resulted from the treatment of fractional shares. The rights and privileges of the holders of shares of the Company's common stock were substantially unaffected. Unless otherwise noted, all references in the consolidated financial statements and notes to consolidated financial statements to the number of shares, per share data, restricted stock and stock option data have been retroactively adjusted to give effect to the Reverse Stock Split.

P3 Commonwealth Innovation MSO, LLC

In November 2025, the Company, through its subsidiary, P3 Health Partners REACH ACO, LLC ("P3 ACO"), entered into an agreement with Commonwealth Primary Care ACO, LLC ("CPC ACO") which resulted in the formation of P3 Commonwealth Innovation MSO, LLC (the "MSO"). The MSO was created to engage in the management, administration, and coordination of activities on behalf of accountable care organizations intended to improve the performance and quality of the parties' respective ACO programs. To this end, the MSO entered into a Management Services Agreement ("MSA") with the ACOs that is effective January 1, 2026 that will govern the MSO's oversight of clinical integration, provider management, data analytics, financial management, strategic planning, shared services, compliance operations, and related administrative and operational support for the benefit of the ACOs.

The management fee to be paid by each ACO to the MSO for its services under the MSA is equal to the amount of liabilities incurred by such ACO in connection with its participation in any accountable care organization governmental program assumed and satisfied by the MSO during the term of the MSA plus a margin on such assumed liabilities. Beginning in 2026 and for each year thereafter, the MSO will also be entitled to receive from each ACO a portion of each ACO's net shared savings as determined under the MSA. The MSA may be terminated after three years without cause.

Distributions from the MSO of available net cash flow will be in accordance with the members' respective percentage interests, with P3 ACO holding an 80% membership interest and CPC ACO holding a 20% membership interest. P3 also controls the board of the MSO.

Following the three-year anniversary of the MSO's formation, or upon termination of the MSA for cause, P3 ACO has the right to cause the MSO to redeem CPC ACO's membership interests in the MSO. If P3 ACO does not exercise its redemption right within 90 days following the date such right is exercisable, CPC ACO has the right to cause the MSO to redeem its membership interests in the MSO.

Key Factors Affecting our Performance

Growing Medicare Advantage Membership on Our Platform

Membership and revenue are tied to the number of members attributed to our physician network by our payors. We believe we have multiple avenues to serve additional members, including through:

- Growth in membership under our existing contracts and existing markets:
 - Patients who are attributed to our physician network who (a) age into Medicare and elect to enroll in MA or (b) elect to convert from Medicare FFS to MA.
- Adding new contracts (either payor contracts or physician contracts) in existing markets.
- Adding new contracts (either payor contracts or physician contracts) in adjacent and new markets.

Growing Existing Contract Membership

As new patients age-in to Medicare and enroll in MA through our payors, they become attributed to our network of physicians with little incremental cost to us.

In addition to age-ins, Medicare eligible patients can change their enrollment selections during select periods throughout the year. Our sales and marketing teams actively work with local community partners to connect with Medicare eligible patients and make them aware of their healthcare choices and the services that we offer with our VBC model, including greater access to their physicians and customized care plans catered to their needs. The ultimate effect of our marketing efforts is increased awareness of P3 and additional patients choosing us as their primary care provider. We believe that our marketing efforts also help to grow our payor partners' membership base as we grow our own patient base and help educate patients about their choices on Medicare, further aligning our model with that of healthcare payors.

Growing Membership in Adjacent and New Markets

Our affiliate model allows us to quickly and efficiently enter into new and adjacent markets in two ways: (1) partnering with payors and (2) partnering with providers. Because our model honors the existing patient-provider relationship, we are able to deploy our care model around existing physicians in a given market. By utilizing the local healthcare infrastructure, we can quickly build a network of PCPs to serve the healthcare needs of contracted members.

We maintain an active pipeline of new partnership opportunities for both providers and payors. These potential opportunities are developed through significant inbound interest and the deep relationships our team has developed with their substantial experience in the VBC space and our proactive assessment of expansion markets. When choosing a market to enter, we make our decision on a county-by-county basis across the United States. We look at various factors including: (i) population size, (ii) payor participants and concentration, (iii) health system participants and concentration, and (iv) competitive landscape.

When entering a new market, we supplement the existing physician network with local market leadership teams and support infrastructure to drive the improvement in medical cost and quality. When entering an adjacent market, we are able to leverage the investments we previously made to have a faster impact on our expanded footprint.

Growing Membership in Existing Markets

Once established in a market, we have an opportunity to efficiently expand both our provider and payor contracts. Given the benefits PCPs experience from joining our P3 Care Model, which offers providers the teams, tools and technologies to better support their patient base, we often experience growth in our affiliate network after entering a market. Because of the benefits, we have also historically experienced high retention with our affiliate providers. For the year ended December 31, 2025, we experienced a physician retention rate of over 88% in our affiliate provider network. By expanding our affiliate provider network and adding new physicians to the P3 network, we can quickly increase the number of contracted at-risk members under our existing health plan arrangements.

Additionally, by expanding the number of contracted payors, we can leverage our existing infrastructure to quickly increase our share of patients within our physician network. However, we have and intend to continue to conduct periodic strategic reviews of our provider and payor contracts, as a result of which we may elect to periodically exit underperforming provider and payor contracts from our network.

Growing Capitated Revenue Per Member

Medicare pays capitation using a risk adjusted model, which compensates payors based on the health status, or acuity, of each individual member. Payors with higher acuity members receive a higher payment and those with lower acuity members receive a lower payment. Moreover, some of our capitated revenue also includes adjustments, which may increase or decrease revenue, for performance incentives or penalties based on the achievement of certain clinical quality metrics as contracted with payors. Given the prevalence of FFS arrangements, our patients often have historically not participated in a VBC model, and therefore their health conditions are poorly documented. Through the P3 Care Model, we determine and assess the health needs of our patients and create an individualized care plan consistent with those needs. We capture and document health conditions as a part of this process. We expect that our PMPM revenue will continue to improve the longer members participate in our care model as we better understand and assess their health status (acuity) and coordinate their medical care.

Effectively Managing Member Medical Expense

Our medical expense is our largest expense category, representing 88% of our total operating expense for the year ended December 31, 2025. We manage our medical costs by improving our members' access to healthcare. Our care model focuses on maintaining health and leveraging the primary care setting as a means of avoiding costly downstream healthcare costs, such as emergency department visits and acute hospital inpatient admissions.

Achieving Operating Efficiencies

As a result of our affiliate model and ability to leverage our existing local and national infrastructure, we aim to generate operating efficiencies at both the market and enterprise level. Our local corporate, general and administrative expense, which includes our local leadership, care management teams and other operating costs to support our markets, is expected to decrease over time as a percentage of revenue as we add members to our existing contracts, grow membership with new payor and physician contracts, and our revenue subsequently increases. Our corporate general and administrative expenses at the enterprise level include resources and technology to support payor contracting, quality, data management, delegated services, finance and legal functions. While we expect our absolute investment in our enterprise resources to increase over time, we expect our investment will decrease as a percentage of revenue when we are able to leverage our infrastructure across a broader group of at-risk members. We expect our corporate, general and administrative expenses to increase in absolute dollars in the future as we continue to invest to support growth of our business, as well as due to the costs required to operate as a public company, including insurance coverage, investments in internal audit, investor relations and financial reporting functions, fees paid to the Nasdaq Stock Market, and increased legal and audit fees.

Impact of Seasonality

Our operational and financial results reflect some variability depending upon the time of year in which they are measured. This variability is most notable in the following areas:

At-Risk Member Growth. While new members are attributed to our platform throughout the year, we experience the largest portion of our at-risk member growth during the first quarter. Contracts with new payors typically begin on January 1, at which time new members become attributed to our network of physicians. Additionally, new members are attributed to our network on January 1, when plan enrollment selections made during the prior Annual Enrollment Period from October 15 through December 7 of the prior year take effect.

Revenue Per Member. Our revenue is based on percentage of premium we have negotiated with our payors as well as our ability to accurately and appropriately document the acuity of a member's health status. We experience some seasonality with respect to our per member revenue as it will generally decline over the course of the year. In January of each year, CMS revises the risk adjustment factor for each patient based upon health conditions documented in the prior year, leading to an overall increase in per-patient revenue. As the year progresses, our per-patient revenue declines as new patients join us typically with less complete or accurate documentation (and therefore lower risk-adjustment scores) and patients with more severe acuity profiles (and, therefore, higher per member revenue rates) expire.

Medical Costs. Medical expense is driven by utilization of healthcare services by our attributed membership. Medical expense will vary seasonally depending on a number of factors, including the weather and the number of business days. Certain illnesses, such as the influenza virus, are far more prevalent during colder months of the year, which will result in an increase in medical expenses during these time periods. We would therefore expect to see higher levels of per-member medical expense in the first and fourth quarters. Business days can also create year-over-year comparability issues if one year has a different number of business days compared to another.

Non-GAAP Financial Measures and Key Performance Metrics

We use certain financial measures, which are not calculated in accordance with accounting principles generally accepted in the U.S. (“GAAP”), as well as key performance metrics, to supplement our consolidated financial statements. The measures set forth below should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP, and non-GAAP financial measures and key performance metrics as used by us may not be comparable to similarly titled measures used by other companies. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. The presentation of non-GAAP financial measures and key performance metrics provides additional information to investors regarding our results of operations that our management believes is useful for identifying trends, analyzing and benchmarking the performance of our business.

Non-GAAP Financial Measures

Adjusted EBITDA

The key non-GAAP metric we utilize to measure our profitability and performance is Adjusted EBITDA. We present Adjusted EBITDA because we believe it helps investors understand underlying trends in our business and facilitates an understanding of our operating performance from period to period because it facilitates a comparison of our recurring core business operating results.

By definition, EBITDA consists of net income (loss) before interest, income taxes, depreciation, and amortization. We define Adjusted EBITDA as EBITDA, further adjusted to exclude the effect of certain supplemental adjustments, such as mark-to-market warrant gain/loss, premium deficiency reserves, equity-based compensation expense, and certain other items that we believe are not indicative of our core operating performance. Our definition of Adjusted EBITDA may not be the same as the definitions used in any of our debt agreements.

Adjusted EBITDA is not a measure of performance or liquidity calculated in accordance with GAAP. It is unaudited and should not be considered an alternative to, or more meaningful than, net income (loss) as an indicator of our operating performance. Uses of cash flows that are not reflected in Adjusted EBITDA include capital expenditures, interest payments, debt principal repayments, and other expenses defined above, which can be significant. As a result, Adjusted EBITDA should not be considered as a measure of our liquidity.

Because of these limitations, Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA on a supplemental basis. You should review the reconciliation of net loss to Adjusted EBITDA set forth below and not rely on any single financial measure to evaluate our business.

The following table sets forth a reconciliation of our net loss, the most directly comparable GAAP metric, to Adjusted EBITDA loss:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Net loss	\$ (323,086)	\$ (310,378)
Interest expense, net	55,034	22,173
Depreciation and amortization	84,163	86,058
Income tax provision (benefit)	2,025	4,387
Mark-to-market of stock warrants	(7,850)	(22,114)
Premium deficiency reserve	18,749	53,698
Equity-based compensation	5,581	5,752
Other ⁽¹⁾	4,108	(6,775)
Adjusted EBITDA loss	<u>\$ (161,276)</u>	<u>\$ (167,199)</u>

(1) Other during the year ended December 31, 2025 consisted of (i) interest income, (ii) loss on disposal of certain property and equipment, (iii) severance expense in connection with reorganization of workforce and (iv) legal settlements and valuation allowance on our notes receivable. 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.

Medical Margin

Medical margin is a non-GAAP financial metric. We present medical margin because we believe it helps investors understand underlying trends in our business and facilitates an understanding of our operating performance from period to period by facilitating a comparison of our recurring core business operating results.

Medical margin represents the amount earned from capitated revenue after medical claims expenses are deducted. 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.

Medical margin should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using medical margin on a supplemental basis. You should review the reconciliation of gross profit to medical margin set forth below and not rely on any single financial measure to evaluate our business.

The following table presents our medical margin:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Capitated revenue	\$ 1,428,979	\$ 1,483,602
Less: medical claims expense	(1,405,451)	(1,398,143)
Medical margin	<u>\$ 23,528</u>	<u>\$ 85,459</u>

The following table sets forth a reconciliation of our gross profit, the most directly comparable GAAP metric, to medical margin:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Gross profit ⁽¹⁾	\$ (60,160)	\$ (58,917)
Other revenue	(30,101)	(16,853)
Other medical expense	113,789	161,229
Medical margin	<u>\$ 23,528</u>	<u>\$ 85,459</u>

⁽¹⁾ Gross profit is defined as total revenues less medical services expense and other medical expenses.

Key Performance Metrics

We monitor the following operating metrics to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions.

Gross Profit

Gross profit represents the amount earned from total operating revenue less the sum of: (i) medical claims expenses and (ii) other medical expenses including physician compensation expense related to surplus sharing and bonuses and other direct medical expenses incurred to improve care for our members. We believe this metric provides insight into the economics of the P3 Care Model, as it includes all medical claims expense associated with our members' care as well as partner compensation and additional medical costs we incur as part of our aligned partnership model. Other medical expenses are largely variable and proportionate to the level of surplus in each respective market, among other cost factors.

The following table presents our gross profit:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Total operating revenue	\$ 1,459,080	\$ 1,500,455
Less: medical claims expense	\$ (1,405,451)	\$ (1,398,143)
Less: other medical expense	\$ (113,789)	\$ (161,229)
Gross profit	<u>\$ (60,160)</u>	<u>\$ (58,917)</u>

At-Risk Membership

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 the reporting period. We had 116,100 and 126,000 average at-risk members for the years ended December 31, 2025 and 2024, respectively.

Affiliate Primary Care Physicians

Affiliate primary care physicians represent the approximate number of primary care physicians included in our affiliate network, with whom members may be attributed under our capitation arrangements, as of the end of the reporting period. We had 2,400 and 3,100 primary care physicians as of December 31, 2025 and 2024, respectively.

Platform Support Costs

Our platform support costs, which include regionally-based support personnel and other operating costs to support our markets, are expected to decrease over time as a percentage of revenue as our physician partners add members and our revenue grows. Our operating expenses at the enterprise level include resources and technology to support payor

contracting, clinical program development, quality, data management, finance, and legal functions. We exclude costs related to the operations of our owned medical clinics and wellness centers.

The table below represents costs to support our markets and enterprise functions, which are included in corporate, general and administrative expenses:

	Year Ended December 31,	
	2025	2024
	(dollars in thousands)	
Platform support costs	\$ 86,067	\$ 92,202
% of total operating revenue	5.9 %	6.1 %

Key Components of Results of Operations

Revenue

Capitated revenue. We contract with health plans using an at-risk model. Under the at-risk model, we are responsible for the cost of all covered health care services provided to members assigned by the health plans to the Company in exchange for a fixed payment, which generally is a POP based on health plans' premiums received from CMS. Through this capitation arrangement, we stand ready to provide assigned MA members all their medical care via our directly employed and affiliated physician/specialist network.

The premiums that health plans receive are determined via a competitive bidding process with CMS and are based on the costs of care in local markets and the average utilization of services by enrolled patients. Medicare pays capitation using a "risk adjustment model," which compensates providers based on the health status (acuity) of each individual patient. MA plans with higher acuity patients receive higher premiums. Conversely, MA plans with lower acuity patients receive lesser premiums. Under the risk adjustment model, capitation is paid on an interim basis based on enrollee data submitted for the preceding year and is adjusted in subsequent periods after final data is compiled. As premiums are adjusted via this risk adjustment model (using a Risk Adjustment Factor, "RAF"), our PMPM payments change commensurately with how our contracted Medicare Advantage plans' premiums change with CMS.

The transaction price for these contracts is variable as it primarily includes PMPM fees, which can fluctuate throughout the course of the year based on the acuity of each individual enrollee. In certain contracts, PMPM fees also include adjustments for items such as performance incentives or penalties based on the achievement of certain clinical quality metrics as contracted with payors. Capitated revenue is recognized based on a PMPM transaction price to transfer the service for a distinct increment of the series and is recognized net of projected acuity adjustments and performance incentives or penalties. We recognize revenue in the month in which attributed members are entitled to receive healthcare benefits during the contract term. The capitation amount is subject to possible retroactive premium risk adjustments based on the member's individual acuity.

Other revenue. Other revenue is comprised primarily of encounter-related fees to treat patients outside of our at-risk arrangements at company owned clinics. Other revenue also includes ancillary fees earned under contracts with certain payors for the provision of certain care coordination and other care management services. These services are provided to patients covered by these payors regardless of whether those patients receive their care from our directly employed or affiliated medical groups.

Operating Expense

Medical expense. Medical expenses primarily include costs of all covered services provided to members by non-P3 employed providers. This also includes an estimate of the cost of services that have been incurred, but not yet reported ("IBNR"). IBNR is recorded as claims payable on the accompanying consolidated balance sheets. Estimates for incurred claims are based on historical enrollment and cost trends while also taking into consideration operational changes. Future and actual results typically differ from estimates. Differences could result from an overall change in medical expenses per member, changes in member mix or simply due to the addition of new members. IBNR estimates are made on an accrual basis and adjusted in future periods as required. To the extent we revise our estimates of incurred but not reported claims for prior periods up or down, there would be a correspondingly favorable or unfavorable effect on our current period results that may or may not reflect changes in long term trends in our performance.

Premium deficiency reserve. Premium deficiency reserves (“PDR”) are recognized when it is probable that expected future health care costs and maintenance costs under a group of existing contracts will exceed anticipated future premiums and stop-loss insurance recoveries on those contracts. PDR represents the advance recognition of a probable future loss in the current period’s financial statements.

Corporate, general and administrative expense. Corporate, general and administrative expenses include employee-related expenses, including salaries and related costs and equity-based compensation for our executive, technology infrastructure, operations, clinical and quality support, finance, legal, and human resources departments. In addition, general and administrative expenses include all corporate technology and occupancy costs.

Sales and marketing expense. Sales and marketing expenses consist of costs related to patient and provider marketing and community outreach. These expenses capture all costs for both our local and enterprise sales and marketing efforts.

Depreciation and amortization expense. Depreciation expense is associated with our property and equipment, including leasehold improvements, computer equipment and software, furniture and fixtures, medical equipment, and internally developed software. Amortization expense is associated with definite lived intangible assets, including trademarks and tradenames, customer contracts, provider network agreements, and payor contracts.

Other Income (Expense)

Interest expense, net. Interest expense primarily consists of interest on our Term Loan Facility (as defined below) and unsecured promissory notes and amortization of debt issuance costs and original issue discount.

Mark-to-market of stock warrants. Mark-to-market of stock warrants consists of the change in the fair value on the revaluation of warrant liabilities associated with our public and private placement Class A common stock warrants.

Other. Other consists of gains and losses resulting from other transactions.

Income Taxes

P3 LLC is treated as a partnership for U.S. federal and most applicable state and local income tax jurisdictions. As a partnership, P3 LLC is generally not subject to taxes, other than entity level state income taxes, such as the Oregon corporate activity tax, a quasi-gross receipts tax that is levied on our Oregon sourced revenue. Any taxable income or loss generated by P3 LLC is passed through to and included within the taxable income or loss of its members, including us, on a pro rata basis. We are subject to U.S. federal income taxes, in addition to state and local income taxes with respect to our allocable share of any taxable income or loss generated by P3 LLC.

Non-controlling Interests

We consolidate the financial results of P3 LLC and report non-controlling interest on our consolidated statements of operations, representing the portion of net income or loss attributable to the non-controlling interests. The weighted average ownership percentages during the period are used to calculate the net income or loss attributable to P3 Health Partners Inc. and the non-controlling interests.

Results of Operations

The following tables set forth our consolidated statements of operations data for the periods indicated. Amounts may not sum due to rounding.

	Year Ended December 31, 2025	% of Revenue	Year Ended December 31, 2024	% of Revenue
(dollars in thousands)				
Operating revenue:				
Capitated revenue	\$ 1,428,979	98 %	\$ 1,483,602	99 %
Other revenue	30,101	2	16,853	1
Total operating revenue	<u>1,459,080</u>	<u>100</u>	<u>1,500,455</u>	<u>100</u>
Operating expense:				
Medical expense	1,519,240	104	1,559,372	104
Premium deficiency reserve	18,749	1	53,698	4
Corporate, general and administrative expense	106,311	7	112,596	8
Sales and marketing expense	918	0	1,331	0
Depreciation and amortization	84,163	6	86,058	6
Impairment of assets held for sale	—	—	8,058	1
Total operating expense	<u>1,729,381</u>	<u>119</u>	<u>1,821,113</u>	<u>121</u>
Operating loss	<u>(270,301)</u>	<u>(19)</u>	<u>(320,658)</u>	<u>(21)</u>
Other (expense) income:				
Interest expense, net	(55,034)	(4)	(22,173)	(1)
Mark-to-market of stock warrants	7,850	1	22,114	1
Gain (loss) on asset sale, net	(162)	—	13,269	1
Other	(3,414)	(0)	1,457	0
Total other (provision) benefit	<u>(50,760)</u>	<u>(3)</u>	<u>14,667</u>	<u>1</u>
Loss before income taxes	<u>(321,061)</u>	<u>(22)</u>	<u>(305,991)</u>	<u>(20)</u>
Income tax provision (benefit)	<u>(2,025)</u>	<u>(0)</u>	<u>(4,387)</u>	<u>(0)</u>
Net loss	<u>(323,086)</u>	<u>(22)</u>	<u>(310,378)</u>	<u>(21)</u>
Net loss attributable to redeemable non-controlling interest	<u>(175,138)</u>	<u>(12)</u>	<u>(174,529)</u>	<u>(12)</u>
Net loss attributable to controlling interest	<u>\$ (147,948)</u>	<u>(10)%</u>	<u>\$ (135,849)</u>	<u>(9)%</u>

Comparison of the Year Ended December 31, 2025 to the Year Ended December 31, 2024

Revenue

	Year Ended December 31,		Change	
	2025	2024	Amount	%
(dollars in thousands)				
Capitated revenue	\$ 1,428,979	\$ 1,483,602	\$ (54,623)	(4)%
Other revenue	30,101	16,853	13,248	79 %
Total operating revenue	<u>\$ 1,459,080</u>	<u>\$ 1,500,455</u>	<u>\$ (41,375)</u>	<u>(3)%</u>

The decrease in capitated revenue was primarily driven by a (7)% decrease in the total average number of at-risk members from 126,000 at December 31, 2024 to 116,100 at December 31, 2025, which was primarily driven by the strategic termination of underperforming payor contracts and affiliate providers in the current year. Capitated revenue was approximately 98% and 99% of total operating revenue for the years ended December 31, 2025 and 2024, respectively.

Other revenue was approximately 2% and 1% of total operating revenue for the years ended December 31, 2025 and 2024, respectively. The increase in other revenue was primarily driven by an increase in revenue from incentive-sharing arrangements related to Part D program incentive initiatives.

Medical Expense

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(dollars in thousands)			
Medical expense	\$ 1,519,240	\$ 1,559,372	\$ (40,132)	(3)%

The decrease in medical expense was driven by a decrease in the total number of at-risk members year-over-year, as described above, driven by the strategic termination of underperforming payor contracts and affiliate providers in the current year.

Premium Deficiency Reserve

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(dollars in thousands)			
Premium deficiency reserve	\$ 18,749	\$ 53,698	\$ (34,949)	(65)%

Premium deficiency reserve was an expense of \$18.7 million for the year ended December 31, 2025, compared to \$53.7 million for the year ended December 31, 2024. The change was due to management's assessment of the profitability of contracts, wherein increased medical expense is expected to increase our future losses.

Corporate, General and Administrative Expense

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(dollars in thousands)			
Corporate, general and administrative expense	\$ 106,311	\$ 112,596	\$ (6,285)	(6)%

The decrease in corporate, general and administrative expense was primarily driven by a decrease of \$10.6 million in salary and related expense resulting primarily from a reduction in headcount of 11% and a decrease of \$1.4 million in non-income based taxes. The decrease was partially offset by a \$6.2 million gain recognized in the year ended December 31, 2024 upon the settlement and write-off of contingent consideration related to an acquisition completed in a prior year.

Professional expenses increased by \$2.5 million, primarily driven by higher consulting expenses during a transition period involving overlapping third-party support, partially offset by lower accounting and legal expenses.

Other Income (Expense)

	Year Ended December 31,		Change	
	2025	2024	Amount	%
	(dollars in thousands)			
Other (expense) income:				
Interest expense, net	\$ (55,034)	\$ (22,173)	\$ (32,861)	148 %
Mark-to-market of stock warrants	7,850	22,114	(14,264)	(65)%
Gain (loss) on asset sale, net	(162)	13,269	(13,431)	(101)%
Other	(3,414)	1,457	(4,871)	(334)%
Total other income (expense)	\$ (50,760)	\$ 14,667	\$ (65,427)	(446)%

The increase in interest expense, net was primarily due to the increase in principal amounts outstanding for the Company's unsecured promissory notes.

The Company recorded a gain of \$7.9 million related to its liability-classified stock warrants during the year ended December 31, 2025, compared to a gain of \$22.1 million for the year ended December 31, 2024.

The gain on asset sale, net reflects the sale of the Florida Assets (defined below).

Other income (expense) for the year ended December 31, 2025 consisted primarily of losses on the disposal of assets of \$3.4 million. Other income for the year ended December 31, 2024 consisted primarily of interest income on our notes receivable of \$1.7 million.

Liquidity and Capital Resources

P3 Health Partners Inc. is a holding company and has no material assets other than its ownership of equity interests in P3 LLC. As such, we have no independent means of generating revenue or cash flow, and our ability to pay taxes, make payments under the Tax Receivable Agreement (“TRA”), and to pay dividends will depend on the financial results and cash flows of P3 LLC and the distributions received from P3 LLC. Deterioration in the financial condition, earnings or cash flow of P3 LLC for any reason could limit or impair P3 LLC’s ability to pay such distributions. Additionally, to the extent that we need funds and P3 LLC is restricted from making such distributions under applicable law or regulation or under the terms of any financing arrangements, or P3 LLC is otherwise unable to provide such funds, it could materially adversely affect our liquidity and financial condition. It is anticipated that the distributions we will receive from P3 LLC may, in certain periods, exceed the actual tax liabilities and obligations to make payments under the TRA.

Cash Sources

To date, we have financed our operations principally through the cash we obtained as a result of the Business Combinations, private placements of our equity securities, payments from our payors, issuances of promissory notes, borrowings under the Term Loan Facility, and the sale of the Florida Assets (defined below). We generate cash from our operations, generally from our contracts with payors. As of December 31, 2025, we had \$25.0 million of unrestricted cash and cash equivalents available to fund future operations.

We have experienced losses since our inception and net losses of \$323.1 million and \$310.4 million for the years ended December 31, 2025 and 2024, respectively. Our future capital requirements will depend on many factors, including the pace of our growth, ability to manage medical costs, the maturity of our members, and our ability to raise capital and refinance our indebtedness as it matures. We may need to raise additional capital through a combination of debt and/or equity financing and to the extent we are unsuccessful at doing so, we may need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect our business, financial condition, results of operations, and prospects.

Asset Sale

On November 30, 2024, we and certain of our subsidiaries (the “Sellers”) entered into an asset purchase agreement with certain entities affiliated with an entity in which Chicago Pacific Founders (“CPF”), our principal stockholder, has an ownership interest (the “Buyers”), which was amended on December 30, 2024, effective as of December 5, 2024 (as amended, the “Florida Asset Purchase Agreement”). Pursuant to the Florida Asset Purchase Agreement, the Sellers sold to the Buyers all of the assets, clinical and non-clinical, exclusively or primarily used by our MA-related business operated out of Eagle Park, Florida (the “Florida Assets”) on a cash-free, debt-free basis for a purchase price of approximately \$15.0 million less a \$0.3 million working capital adjustment, subject to further adjustment, and an adjustment for certain payment obligations totaling \$0.2 million. The asset sale closed on November 30, 2024 simultaneously with the execution of the Florida Asset Purchase Agreement. We recognized a \$13.3 million net gain on asset sale on the consolidated statement of operations for the year ended December 31, 2024.

On May 1, 2025, our subsidiary, P3 Health Partners-Florida, LLC (“P3 Florida”), entered into an asset purchase agreement with Invictus Equity Group, LLC (“Invictus”) for the purchase of the remaining assets previously held for sale. Pursuant to the asset purchase agreement, P3 Florida sold to Invictus the assets, clinical and non-clinical, exclusively or primarily used by our MA-related businesses operated out of Apollo Beach and Clearwater, Florida, for a purchase price of approximately \$0.1 million.

May 2024 Private Placement

On May 24, 2024, pursuant to a securities purchase agreement, dated May 22, 2024, with the purchasers named therein, which included certain affiliated entities of CPF and institutional investors, we issued approximately 1.3 million units at a price of approximately \$31.35 per unit. Each unit consisted of one share of Class A common stock and a warrant to purchase one share of Class A common stock at an exercise price of \$25.10. Certain institutional investors elected to receive pre-funded warrants to purchase Class A common stock in lieu of a portion of their Class A common stock. In total, we sold (i) an aggregate of 0.8 million shares of Class A common stock, (ii) common warrants to purchase an aggregate of 1.3 million shares of Class A common stock, and (iii) pre-funded warrants to purchase an aggregate of 0.5 million shares of Class A common stock for aggregate proceeds of \$39.8 million, net of \$2.4 million in offering costs (collectively, the “May 2024 Private Placement”). See Note 15 “Capitalization” to our consolidated financial statements included elsewhere in this Form 10-K for additional information about the May 2024 Private Placement.

Shelf Registration

On November 9, 2023, we filed a shelf Registration Statement on Form S-3 with a capacity of \$250 million (the “Shelf Registration”), which was declared effective by the SEC on November 20, 2023, and entered into an Open Market Sales Agreement (“Sales Agreement”) pursuant to which we may issue and sell, from time to time, through the sales agent, shares of our Class A common stock with an aggregate value of up to \$75 million. The sales agent will make commercially reasonable efforts, following our instructions, to sell shares over time, adhering to specified limits. Sales will be conducted through at-the-market offerings as defined by Rule 415(a)(4) under the Securities Act. The aggregate value of shares of Class A common stock that may be offered, issued, and sold under the Sales Agreement is included in the aggregate value of securities that may be offered, issued, and sold by us under the Shelf Registration. Upon termination of the Sales Agreement, any unused portion will be available for sale in other offerings pursuant to the Shelf Registration. As of December 31, 2025, we have sold approximately 540 shares of our Class A common stock under the Sales Agreement for net proceeds of approximately \$33,000.

Letter Agreement with CPF

On April 6, 2023, in connection with entry into the Purchase Agreement for the March 2023 Private Placement, we entered into a letter agreement (as amended from time to time, the “CPF Letter Agreement”) with Chicago Pacific Founders GP, L.P. (“CPF GP I”), Chicago Pacific Founders GP III, L.P., (“CPF GP III”) (on behalf of the funds of which CPF GP I is the general partner, certain funds of which CPF GP III is the general partner) and/or certain of their affiliated entities and funds (collectively, the “CPF Parties”). Pursuant to the CPF Letter Agreement, (i) for as long as the CPF Parties own 40% of the Company’s outstanding Common Stock, CPF will be entitled to designate one additional independent member of the Company’s board of directors, who must be independent and satisfy all applicable requirements regarding service as a director of the Company under applicable law and SEC and stock exchange rules, (ii) for as long as the CPF Parties own 40% of the Company’s outstanding Common Stock, CPF will be entitled to certain information rights and protective provisions, and (iii) subject to the terms of the CPF Letter Agreement, the CPF Parties agreed to a standstill restriction from the date of the closing of the March 2023 Private Placement to June 30, 2024 that limits the ownership of the CPF Parties to 49.99% of the Company’s Class A Common Stock and Class V Common Stock.

In connection with the May 2024 Private Placement, we entered into an amended and restated CPF Letter Agreement pursuant to which the CPF Parties agreed to extend the ownership restriction standstill to July 31, 2025. On December 12, 2024, in connection with the issuance of warrants to VGS 3 (defined below), we entered into a second amended and restated CPF Letter Agreement pursuant to which the CPF Parties extended the ownership restriction standstill to January 1, 2026. As of the date of this Form 10-K, CPF has not exercised its right to designate an additional independent director under the terms of the CPF Letter Agreement.

Term Loan

In November 2020, we entered into a Term Loan and Security Agreement with CRG Servicing, LLC (as amended, the “Term Loan Agreement”) providing for funding of up to \$100.0 million (the “Term Loan Facility”). The Term Loan Facility’s initial maturity date was September 30, 2025. As of December 31, 2025, we had \$82.9 million of borrowings outstanding under the Term Loan Facility, and remaining availability under the Term Loan Facility ended upon termination of the commitment period on February 28, 2022. Interest is payable at 12.0% per annum on a quarterly cycle (in arrears), which began on March 31, 2021. In March 2021, we elected to pay interest at 8.0% with the remaining interest at 4.0% being added to principal as paid in-kind (“PIK”) for a period of three years (or 12 payments).

We are required to remain in compliance with financial covenants such as minimum liquidity of \$5.0 million and annual minimum revenue levels. In addition, the Term Loan Agreement restricts our ability and the ability of our subsidiaries to, among other things, incur indebtedness and liens. On an annual basis, we must post a minimum amount of annual revenue equal to \$585.0 million in 2024 and \$650.0 million in 2025. The maturity date may be accelerated as a remedy under certain default provisions in the Term Loan Agreement, or in the event a mandatory prepayment event occurs.

In connection with the issuance of the VGS Promissory Note (defined below) and entry into the 2022 Subordination Agreement (defined below), on December 13, 2022, we entered into an amendment to the Term Loan Agreement to permit the issuance of the VGS Promissory Note and the entry into the 2022 Subordination Agreement.

In connection with the issuance of the VGS 2 Promissory Note (defined below) and entry into the 2024 Subordination Agreement (defined below), on March 22, 2024, we entered into the Fourth Amendment to the Term Loan Agreement to permit the issuance of the VGS 2 Promissory Note and the entry into the 2024 Subordination Agreement.

In connection with the sale of the Florida Assets, on November 30, 2024, we entered into the Fifth Amendment to the Term Loan Agreement, which permits the sale of the Florida Assets (the “Permitted Florida Disposition”), provided that the mandatory prepayment covenant did not apply to the proceeds of the Permitted Florida Disposition, and removed the ability to elect to pay a portion of the interest in-kind.

In connection with the issuance of the VGS 3 Promissory Note (defined below) and entry into the VGS 3 Subordination Agreement (defined below), on December 12, 2024, we entered into the Sixth Amendment to the Term Loan Agreement to permit the issuance of the VGS 3 Promissory Note and the entry into the VGS 3 Subordination Agreement.

In connection with the issuance of the VGS 4 Promissory Note (defined below) and entry into the VGS 4 Subordination Agreement (defined below), on February 13, 2025, we entered into the Seventh Amendment to the Term Loan Agreement to permit the issuance of the VGS 4 Promissory Note and the entry into the VGS 4 Subordination Agreement.

On May 2, 2025, we entered into the Eighth Amendment to the Term Loan Agreement (the “Eighth Amendment”), by and among P3 LLC, as borrower, the subsidiary guarantors party thereto, the lenders from time to time party thereto and CRG, as administrative agent and collateral agent. The Eighth Amendment amended the Term Loan Agreement to permit the issuance of a surety bond in connection with the Company’s participation in the Accountable Care Organization – Realizing Equity, Access, and Community Health (“ACO REACH”) program and added P3 Health Partners REACH ACO LLC as a subsidiary guarantor. The Eighth Amendment did not modify the principal amount outstanding, maturity date, interest rate, or payment terms under the Term Loan Agreement.

In connection with the VGS 5 transactions described below, on May 29, 2025, we entered into the Ninth Amendment to the Term Loan Agreement (the “Ninth Amendment”), by and among P3 LLC, as borrower, the subsidiary guarantors party thereto, the lenders from time to time party thereto and CRG, as administrative agent and collateral agent. The Ninth Amendment permits the issuance of the VGS 5 Promissory Note and the entry into the VGS 5 Subordination Agreement.

On August 27, 2025, we entered into the Tenth Amendment to the Term Loan Agreement (the “Tenth Amendment”), by and among P3 LLC, as borrower, the subsidiary guarantors party thereto, the lenders from time to time party thereto and CRG, as administrative agent and collateral agent. The Tenth Amendment

- amends the payment structure of the Term Loan Agreement by extending the interest-only period to June 30, 2026, extending the final maturity date to September 30, 2027, and changing the principal payments to a fixed \$5,000,000 per payment date;
- changes the interest rate from 12% to 12% through September 30, 2025 and 15% thereafter;
- includes two separate PIK periods, replacing the previous single PIK period: the first PIK Period measures from closing of the Term Loan Agreement through September 30, 2024 and includes the option to pay 8% cash plus 4% PIK (added to the principal); and the second PIK Period measures from September 30, 2025 through September 30, 2027 and includes the option to pay 12% cash plus 3% PIK; and
- updates board observation rights for lender representatives.

VGS Promissory Note and VGS 1 2024 Loan

On December 13, 2022, we entered into a financing transaction with VBC Growth SPV LLC (“VGS”) which included the issuance of an unsecured promissory note (the “VGS Promissory Note”) to VGS and the entry into a warrant agreement and the 2022 Subordination Agreement (defined below). The VGS Promissory Note provided for funding of up to \$40.0 million. We paid VGS an up-front fee of 1.5%. Interest was payable at 14.0% per annum on a quarterly cycle (in arrears) beginning March 31, 2023. We had the option to pay interest of 6.0% in kind and 8.0% in cash, subject to certain limitations. The VGS Promissory Note had a maturity date of May 19, 2026.

On December 12, 2024, we entered into a promissory note (the “VGS 1 2024 Loan”) with VGS providing for funding of up to approximately \$38.1 million, the proceeds from which were used to repay in full all principal, interest and other amounts owing under the VGS Promissory Note. In connection with the replacement of the VGS Promissory Note with the VGS 1 2024 Loan, VGS waived the 9.0% back-end facility fee that otherwise would have been payable under the VGS Promissory Note. The VGS 1 2024 Loan has a maturity date of June 30, 2028 and an interest rate that is lower than the VGS Promissory Note by 50 basis points, among other things. The VGS 1 2024 Loan did not include the issuance of warrants. All other terms of the VGS 1 2024 Loan are the same as the terms of the VGS Promissory Note.

The VGS 1 2024 Loan may be prepaid, at our option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee; provided that prepayments must be in increments of at least 5% of the total loan amount. The VGS 1 2024 Loan provides for mandatory prepayments with the proceeds of certain asset sales, and the Lender has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 1 2024 Loan).

The VGS 1 2024 Loan restricts our ability to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

In connection with the issuance of the VGS 1 2024 Loan, we also entered into a subordination agreement, dated as of December 12, 2024 (the “VGS 1 2024 Subordination Agreement”) with VGS which subordinates VGS’s right of payment under the VGS 1 2024 Loan to the right of payment and security interests of the lenders under the Term Loan Facility. Under the terms of the VGS 1 2024 Subordination Agreement, we are effectively required to pay all interest under the VGS 1 2024 Loan in-kind.

VGS 2 Promissory Note

On March 22, 2024, we entered into a financing transaction with VBC Growth SPV 2, LLC (“VGS 2”), consisting of the issuance by P3 LLC of an unsecured promissory note (the “VGS 2 Promissory Note”) to VGS 2. The VGS 2 Promissory Note provided for funding of up to \$25.0 million. The VGS 2 Promissory Note matures on September 30, 2027. As of December 31, 2025, we had \$38.7 million of borrowings outstanding under the VGS 2 Promissory Note, \$0.4 million of which consists of an up-front fee of 1.5% of the aggregate principal amount of the loan paid to VGS 2 in-kind. Interest is payable at 17.5% per annum on a quarterly cycle (in arrears) beginning June 30, 2024. We may elect to pay either (1) 8.0% cash interest and 9.5% PIK interest, or (2) 17.5% PIK interest, provided that payment of cash interest will be permitted only to the extent permitted by the Term Loan Agreement and the 2024 Subordination Agreement, and if not so permitted, such interest shall accrue as PIK interest.

The VGS 2 Promissory Note may be prepaid, at our option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee; provided that prepayments must be in increments of at least \$1.25 million. The VGS 2 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 2 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 2 Promissory Note).

The VGS 2 Promissory Note restricts P3 LLC’s ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

In connection with the issuance of the VGS 2 Promissory Note, we also entered into a subordination agreement, dated as of March 22, 2024 (the “2024 Subordination Agreement”) with VGS 2 which subordinates VGS 2’s right of payment under the VGS 2 Promissory Note to the right of payment and security interests of the lenders under the Term

Loan Facility. Under the terms of the 2024 Subordination Agreement, we will be required to pay all interest under the VGS 2 Promissory Note in-kind.

In addition, we will pay VGS 2 a back-end fee at the time the VGS 2 Promissory Note is redeemed as follows: (i) if paid after June 30, 2024 and on or before September 30, 2024, 4.5%; (ii) if paid after September 30, 2024 and on or before December 31, 2024, 6.75% and (iii) if paid after December 31, 2024, 9.0%.

In connection with the sale of the Florida Assets, on November 30, 2024, we entered into a first amendment to the VGS Promissory Note and VGS 2 Promissory Note to permit the Permitted Florida Disposition and provide that the Company was not obligated to use the proceeds of the Permitted Florida Disposition to prepay the loans under the VGS Promissory Note and the VGS 2 Promissory Note.

VGS 3 Promissory Note

On December 12, 2024, we entered into a financing transaction with VBC Growth SPV 3 LLC (“VGS 3”), consisting of the issuance by P3 LLC of an unsecured promissory note (the “VGS 3 Promissory Note”) to VGS 3 and the entry into a warrant agreement and the VGS 3 Subordination Agreement (defined below). The VGS 3 Promissory Note provided for funding of up to \$25.0 million. The VGS 3 Promissory Note matures on June 30, 2028. As of December 31, 2025, we had \$35.4 million of borrowing outstanding under the VGS 3 Promissory Note, \$0.4 million of which consists of an up-front fee of 1.5% of the aggregate principal amount of the loan paid to VGS 3 in-kind. Interest is payable at 19.5% per annum on a quarterly cycle (in arrears) beginning March 31, 2025. We may elect to pay either (1) 8.0% cash interest and 11.5% PIK interest, or (2) 19.5% PIK interest, provided that payment of cash interest will be permitted only to the extent permitted by the Term Loan Agreement and the VGS 3 Subordination Agreement, and if not so permitted, such interest shall accrue as PIK interest.

The VGS 3 Promissory Note may be prepaid, at our option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee; provided that prepayments must be in increments of at least \$1.25 million. The VGS 3 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 3 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 3 Promissory Note).

The VGS 3 Promissory Note restricts P3 LLC’s ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

In connection with the issuance of the VGS 3 Promissory Note, we also entered into a subordination agreement, dated as of December 12, 2024 (the “VGS 3 Subordination Agreement”) with VGS 3 which subordinates VGS 3’s right of payment under the VGS 3 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. Under the terms of the VGS 3 Subordination Agreement, we will be required to pay all interest under the VGS 3 Promissory Note in-kind.

In addition, we will pay VGS 3 a back-end fee at the time the VGS 3 Promissory Note is redeemed as follows: (i) if paid after January 31, 2025 and on or before April 30, 2025, 4.5%; (ii) if paid after April 30, 2025 and on or before July 31, 2025, 6.75% and (iii) if paid after July 31, 2025, 9.0%.

VGS 4 Promissory Note

On February 13, 2025, we entered into a financing transaction with VBC Growth SPV 4 LLC (“VGS 4”), consisting of the issuance by P3 LLC of an unsecured promissory note (the “VGS 4 Promissory Note”) to VGS 4 and the entry into a warrant agreement and the VGS 4 Subordination Agreement (defined below). The VGS 4 Promissory Note provides for funding of up to \$30.0 million, available for us to draw in (i) a first tranche of \$15.0 million, which was drawn on February 18, 2025, and (ii) a second tranche of up to \$15.0 million which was drawn on March 14, 2025. In addition, we paid VGS 4 an up-front fee of 1.5% of \$30.0 million, the maximum draw amount, in-kind. The VGS 4 Promissory Note matures on August 13, 2028. As of December 31, 2025, we had \$41.1 million of borrowing outstanding under the VGS 4 Promissory Note. Interest on the VGS 4 Promissory Note is payable at 19.5% per annum on a quarterly cycle (in arrears) beginning March 31, 2025. We may elect to pay interest 11.5% in-kind and 8.0% in cash, but if the terms of the VGS 4 Subordination Agreement (as defined below) do not permit us to pay interest in cash, interest will be paid entirely in-kind.

The VGS 4 Promissory Note may be prepaid, at our option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee described below; provided that prepayments must be in increments of at least \$1.5 million. The VGS 4 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 4 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 4 Promissory Note).

The VGS 4 Promissory Note restricts our ability to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

In addition, we will pay VGS 4 a back-end fee at the time the loans issued under the VGS 4 Promissory Note are repaid as follows: (i) if repaid prior to March 31, 2025, 2.25% of the aggregate principal amount of the loans advanced to us on or prior to such date; (ii) if repaid from April 1, 2025 through June 30, 2025, 4.5% of the aggregate principal amount of the loans advanced to us on or prior to such date; (iii) if repaid from July 1, 2025 through September 30, 2025, 6.75% of the aggregate principal amount of the loans advanced to us on or prior to such date; and (iv) if repaid on October 1, 2025 or later, 9.0% of the aggregate principal amount of the loans advanced to us on or prior to such date.

In connection with the issuance of the VGS 4 Promissory Note, we also entered into a subordination agreement, dated as of February 13, 2025 (the “VGS 4 Subordination Agreement”), with VGS 4 which subordinates VGS 4’s right of payment under the VGS 4 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. Under the terms of the VGS 4 Subordination Agreement, we will be effectively required to pay all interest under the VGS 4 Promissory Note in-kind.

VGS 5 Promissory Note

On May 29, 2025, we entered into a financing transaction with VBC Growth SPV 5, LLC (“VGS 5”), consisting of the issuance by P3 LLC of an unsecured promissory note (the “VGS 5 Promissory Note”) to VGS 5 and the entry into a warrant agreement and the VGS 5 Subordination Agreement (defined below). The VGS 5 Promissory Note provides for funding of up to \$70.0 million, available for us to draw in three tranches, as follows: (i) a first tranche of \$15.0 million which was drawn on May 29, 2025, (ii) a second tranche of up to \$15.0 million available at the Company’s sole option in a single draw, on or prior to June 22, 2025, and (iii) a third tranche of \$40.0 million available upon mutual agreement of P3 LLC and VGS 5 in one or more draws no later than December 31, 2025. The VGS 5 Promissory Note matures on August 13, 2028. As of December 31, 2025, we had \$55.1 million of borrowing outstanding under the VGS 5 Promissory Note. Interest on the VGS 5 Promissory Note is payable at 19.5% per annum on a quarterly cycle (in arrears) beginning June 30, 2025. We may elect to pay interest 11.5% in-kind and 8.0% in cash, but if the terms of the VGS 5 Subordination Agreement do not permit us to pay interest in cash, interest will be paid entirely in-kind.

On June 21, 2025, we delivered a request to VGS 5 for \$15.0 million in funding related to the second tranche, and VGS 5 funded \$8.5 million in July 2025 and the additional \$6.5 million funded on August 12, 2025. On October 3, 2025, we delivered a request to VGS 5 for \$13.0 million in funding related to the third tranche, which was funded on October 7, 2025.

The VGS 5 Promissory Note may be prepaid, at our option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee described below; provided that prepayments must be in increments of at least \$3.5 million. The VGS 5 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 5 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 5 Promissory Note).

The VGS 5 Promissory Note restricts P3 LLC’s ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

In addition, we will pay VGS 5 a back-end fee at the time the VGS 5 Promissory Note is redeemed as follows: (i) if paid prior to June 30, 2025, 2.25%; (ii) if repaid from July 1, 2025 through September 30, 2025, 4.50%; (iii) if paid after October 1, 2025 through December 31, 2025, 6.75% and (iv) if paid after December 31, 2025, 9.00%.

In connection with the issuance of the VGS 5 Promissory Note, we entered into a subordination agreement, dated as of May 29, 2025 (the “VGS 5 Subordination Agreement”), with VGS 5 which subordinates VGS 5’s right of payment

under the VGS 5 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. Under the terms of the VGS 5 Subordination Agreement, we will be effectively required to pay all interest under the VGS 5 Promissory Note in-kind.

We were not in compliance with the covenants in the Term Loan Facility, VGS Promissory Note, VGS 2 Promissory Note, VGS 3 Promissory Note, VGS 4 Promissory Note, and VGS 5 Promissory Note (collectively, the “Loan Documents”) related to issuance of the 2025 financial statements with an audit opinion free of a “going concern” explanatory paragraph. The lenders under the Loan Documents have granted us a waiver of the covenant under the Term Loan Facility related to the existence of a “going concern” explanatory paragraph in the audit opinion for our audited financial statements for the fiscal year ended December 31, 2025. We were in material compliance with all other covenants under the Loan Documents as of December 31, 2025; however, there can be no assurance that we will be able to maintain compliance with these covenants in the future or that the lenders under the Loan Documents, or the lenders of any future indebtedness we may incur will grant any such waiver or forbearance in the future.

Repurchase Promissory Note

In June 2019, we issued a share repurchase promissory note to a former equity investor for \$15.0 million, which was subsequently amended in November 2020 (as amended, the “Repurchase Promissory Note”). The Repurchase Promissory Note automatically matures and is due and payable on the earlier of June 30, 2026, a change in control transaction, or an underwritten primary public offering, each as defined in the agreement. The Repurchase Promissory Note accrues PIK interest of 11.0% per year. The principal balance, accrued interest, and an exit fee of \$0.6 million are due at maturity.

Cash Uses

Our primary uses of cash include payments for medical expenses, administrative expenses, cost associated with our care model, and debt service. Final reconciliation and receipts of amounts due from payors are typically settled in arrears.

Pursuant to our election under Section 754 of the Internal Revenue Code (the “Code”), we expect to obtain an increase in our share of the tax basis in the net assets of P3 LLC when its units are redeemed or exchanged. We intend to treat any redemptions and exchanges of P3 LLC units as direct purchases of the units for U.S. federal income tax purposes. These increases in tax basis may reduce the amounts that we would otherwise pay in the future to various tax authorities. They may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent the tax basis is allocated to those capital assets.

In connection with the Business Combinations, we entered into a TRA that provides for the payment by us of 85% of the amount of any tax benefits that we actually realize, or in some cases are deemed to realize, as a result of (i) increases in our share of the tax basis in the net assets of P3 LLC resulting from any redemptions or exchanges of P3 LLC, (ii) tax basis increases attributable to payments made under the TRA, and (iii) deductions attributable to imputed interest pursuant to the TRA (the “TRA Payments”). We expect to benefit from the remaining 15% of any tax benefits that we may actually realize.

The estimation of a liability under the TRA is, by its nature, imprecise and subject to significant assumptions regarding a number of factors, including (but not limited to) the amount and timing of taxable income generated by the Company each year as well as the tax rate then applicable. The TRA liability is estimated to be \$12.4 million as of December 31, 2025. Due to the Company’s history of losses, the Company has not recorded tax benefits associated with the increase in tax basis as a result of the Business Combinations. As a result, the Company determined that payments to TRA holders are not probable and no TRA liability has been recorded as of December 31, 2025.

As non-controlling interest holders exercise their right to exchange their units in P3 LLC, a TRA liability may be recorded based on 85% of the estimated future tax benefits that the Company may realize as a result of increases in the tax basis of P3 LLC. The amount of the increase in the tax basis, the related estimated tax benefits, and the related TRA liability to be recorded will depend on the price of the Company’s Class A common stock at the time of the relevant redemption or exchange.

The following table summarizes current and long-term material cash requirements as of December 31, 2025:

	Material Cash Requirements				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(in thousands)				
Unpaid claims ⁽¹⁾	\$ 287,790	\$ 287,790	\$ —	\$ —	\$ —
Long-term debt, principal ⁽²⁾	243,307	25,000	218,307	—	—
Long-term debt, interest ⁽³⁾	183,394	29,628	153,766	—	—
Long-term debt, back-end/exit fees	34,467	1,500	32,967	—	—
Operating lease liabilities ⁽⁴⁾	18,940	3,932	7,199	5,495	2,314
Total	\$ 767,898	\$ 347,850	\$ 412,239	\$ 5,495	\$ 2,314

(1) Represents unpaid claims due to third parties for health care services provided to members, including estimates for incurred but not reported claims. Estimates for incurred claims are based on historical enrollment and cost trends while also taking into consideration operational changes. Future and actual results typically differ from estimates. Differences could result from an overall change in medical expense per members, changes in member mix or simply due to addition of new members.

(2) Represents principal payments only. We will pay interest on outstanding indebtedness based on the rates and terms summarized in Note 11 “Debt” in our consolidated financial statements.

(3) Represents interest expected to be incurred on our long-term debt, inclusive of both cash and paid in-kind interest, based on amounts outstanding as of December 31, 2025 as summarized in Note 11 “Debt” in our consolidated financial statements.

(4) Represents minimum operating lease payments, excluding potential lease renewals. See Note 14 “Commitments and Contingencies” in our consolidated financial statements.

Liquidity and Going Concern

As discussed above, we have experienced losses since our inception, and as of December 31, 2025, we had an accumulated deficit of \$651.1 million. For the year ended December 31, 2025, we incurred net losses of \$323.1 million and used \$91.2 million of cash for operating activities. As of December 31, 2025, we had \$25.0 million of unrestricted cash and cash equivalents, \$336.7 million of outstanding indebtedness, of which \$45.0 million is classified as current on our balance sheet, and \$287.8 million of unpaid claims. We expect to continue to incur operating losses and generate negative cash flows from operations for the foreseeable future. Based on our currently available cash resources, including aggregate proceeds of \$18 million we received from a related party financing transaction in January and February 2026, and assuming no other financing transactions, we believe we will require additional funding in 2026. This belief is based on assumptions that may change as a result of many factors currently unknown to us.

We continue to explore raising additional capital through a combination of debt financing and equity issuances and sales of assets. If we raise funds by issuing debt securities or preferred stock, or by incurring loans, these forms of financing would have rights, preferences, and privileges senior to those of holders of our common stock and may involve restrictive covenants which could place significant restrictions on our operations. If we raise capital through the issuance of additional equity, such sales and issuance would dilute the ownership interests of the existing holders of our Class A common stock. There is no assurance that sources of financing will be available on a timely basis, or on satisfactory terms, or at all. If we are unable to raise additional capital or generate cash flows necessary to fund our operations or refinance our indebtedness, we will need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect our business, financial condition, results of operations, and prospects.

As a result of these factors, we have concluded that there is substantial doubt about our ability to continue as a going concern within one year after the date the consolidated financial statements included elsewhere in this Form 10-K are issued. In evaluating our ability to continue as a going concern and meet our obligations, we considered our current projections of future cash flows, current financial condition, sources of liquidity, and debt obligations for at least one year from the date of issuance of this Form 10-K. This evaluation of our cash resources available over the next year from the date of issuance of the consolidated financial statements included elsewhere in this Form 10-K does not take into consideration the potential mitigating effect of our ongoing efforts to raise capital. Future capital raising events cannot be considered probable, as these events depends on factors outside of our control.

The audited consolidated financial statements included elsewhere in this Form 10-K have been prepared assuming we will continue as a going concern and do not include any adjustments that might result from the outcome of these uncertainties.

Our independent registered public accounting firm, in its report on the Company's consolidated financial statements for the year ended December 31, 2025, has also expressed substantial doubt about our ability to continue as a going concern. As a result, we were not in compliance with covenants in the Term Loan Facility and the subordinated unsecured promissory notes that required the issuance of the 2025 financial statements with an audit opinion free of a "going concern" explanatory paragraph subject to certain exceptions. The lenders under the Term Loan Facility and subordinated unsecured promissory notes have granted us a waiver of the covenant related to the existence of a "going concern" explanatory paragraph in the audit opinion for our audited financial statements for the fiscal year ended December 31, 2025.

Cash Flows

The following table summarizes our cash flows:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Net cash used in operating activities	\$ (91,238)	\$ (110,128)
Net cash provided by investing activities	129	14,525
Net cash provided by financing activities	72,814	98,771
Net change in cash and restricted cash	<u>\$ (18,295)</u>	<u>\$ 3,168</u>

Operating Activities

Net cash used in operating activities was \$91.2 million for the year ended December 31, 2025, compared to net cash used in operating activities of \$110.1 million for the year ended December 31, 2024. Significant changes impacting net cash used in operating activities during the year ended December 31, 2025 as compared to the year ended December 31, 2024 were primarily due to (i) increase of claims payable and IBNR of \$47.0 million, (ii) decrease of \$28.7 million in health plan receivables, and (iii) changes in working capital.

Investing Activities

Net cash used in investing activities was \$0.1 million for the year ended December 31, 2025. Net cash provided by investing activities was \$14.5 million for the year ended December 31, 2024, consisting of proceeds from the sale of the Florida Assets.

Financing Activities

Net cash provided by financing activities was \$72.8 million for the year ended December 31, 2025, primarily consisting of proceeds from the VGS 4 Promissory Note and the VGS 5 Promissory Note. Net cash provided by financing activities was \$98.8 million for the year ended December 31, 2024, primarily consisting of proceeds from the May 2024 Private Placement, net of offering costs, and borrowings on the VGS 2 Promissory Note, VGS 3 Promissory Note, and VGS 1 2024 Loan, partially offset by the repayment of the VGS Promissory Note.

Critical Accounting Estimates

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires management to use judgment in the application of accounting policies, including making estimates and assumptions that could affect assets and liabilities, revenue and expenses and related disclosures of contingent assets and liabilities. Management bases its estimates on the best information available at the time, its experiences and various other assumptions believed to be reasonable under the circumstances. Actual results could differ from those estimates. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected. Below is a discussion of the critical accounting estimates that are particularly important to the portrayal of our financial condition and results of operations and require the application of significant judgment by management.

Medical Expense and Claims Payable

The cost of healthcare services is recognized in the period services are provided. Medical expense includes costs of all covered services provided to members assigned by the health plans under P3's at-risk model. Medical expense includes the cost for third-party healthcare service providers, the cost for overseeing the quality of care and programs, and from time to time, remediation of certain claims that might result from periodic reviews conducted by various regulatory agencies. This also includes an estimate of the cost of services that have been incurred, but not yet reported ("IBNR").

We estimate our IBNR by applying standard actuarial methodologies, which utilize historical data, including the period between the date services are rendered and the date claims received (and paid), denied claims activity, expected medical cost inflation, seasonality patterns, and changes in membership mix. Such estimates are subject to impact from changes in both the regulatory and economic environments. Our claims payable represents management's best estimate of its liability for unpaid medical costs. We have included incurred but not reported claims of \$287.8 million and \$255.1 million on our consolidated balance sheets as of December 31, 2025 and 2024, respectively.

Our consolidated financial statements could be materially impacted if actual claims expense is different from our estimates. If our liability for incurred and not reported claims at December 31, 2025 were to differ by plus or minus 5%, the impact on medical claims expense would be approximately \$14.4 million.

Premium Deficiency Reserves

A PDR is recorded when there is a probable future loss on unearned capitated premiums after estimated expected claim costs and claim adjustment expenses. Losses under prepaid health care services contracts shall be recognized when it is probable that expected future health care costs and maintenance costs under a group of existing contracts will exceed anticipated future premiums and stop-loss insurance recoveries on those contracts. To determine the need to recognize a loss, contracts shall be grouped in a manner consistent with the provider's method of establishing premium rates, for example, by community rating practices, geographical area, or statutory requirements, to determine whether a loss has been incurred. In our at-risk arrangements, the more we improve health outcomes and lower the overall cost of care, the more profitable we will be over time.

We assess the profitability of our at-risk arrangements to identify contracts where current operating results or forecasts indicate probable future losses. Management estimates the Company's PDR by utilizing estimates of membership growth rates, changes in membership mix, estimated PMPM payments under contracts, historical claims data, seasonality patterns, our ability to lower the overall cost of care and incremental medical costs, such as those related to COVID-19 admissions. Such estimates are subject to impact from changes in both the regulatory and economic environments. The Company's PDR represents management's best estimate of its probable future losses. We have included premium deficiency reserve liabilities of \$86.1 million and \$67.4 million on our accompanying consolidated balance sheets as of December 31, 2025 and 2024, respectively.

Recent Accounting Pronouncements

See Note 4 "Recent Accounting Pronouncements" to our consolidated financial statements included elsewhere in this Form 10-K for a description of recent accounting standards issued and the anticipated effects on our consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Not required for Smaller Reporting Companies.

Item 8. Financial Statements and Supplementary Data.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Shareholders and Board of Directors
P3 Health Partners Inc.
Henderson, Nevada

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of P3 Health Partners Inc. (the “Company”) as of December 31, 2025 and 2024, the related consolidated statements of operations, stockholders’ (deficit) equity and mezzanine equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Uncertainty

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has suffered recurring losses from operations and has working capital deficiencies that raise substantial doubt about its ability to continue as a going concern. Management’s plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Estimate of the Premium Deficiency Reserve

As described in Note 3 to the consolidated financial statements, the Company’s consolidated premium deficiency reserve (“PDR”) balance was approximately \$86.1 million at December 31, 2025. PDR is established when it is probable that expected future health care costs and maintenance costs under a group of existing contracts will exceed future premium and stop-loss insurance recoveries on those contracts. The Company assesses if a PDR is needed through review of current

results and forecasts. For purposes of determining premium deficiency losses, contracts are grouped consistent with the Company's method of acquiring, servicing, and measuring the profitability of such contracts based on the expected medical loss ratio ("MLR").

We identified the estimate of PDR as a critical audit matter. The principal consideration for this determination was the significant judgment used in developing the expected MLR and the healthcare claims trend assumption. Auditing this element involved subjective auditor judgment due to the nature and extent of audit effort required to address these matters, including the extent of specialized skills or knowledge needed.

The primary procedures we performed to address this critical audit matter included:

- Assessing the reasonableness of the expected MLR by comparing it to historical performance of the Company and its peers to determine if contradictory evidence existed.
- Utilizing personnel with specialized knowledge and skills in actuarial methods to assess the reasonableness of the healthcare claims trend assumption in the expected MLR.

Valuation of Incurred but Not Reported Claims

As described in Notes 3 and 9 to the consolidated financial statements, the Company's consolidated claims payable balance was approximately \$287.8 million at December 31, 2025. The Company's claims payables primarily consist of the Company's estimate for claims that have been incurred, but not yet reported ("IBNR"). Management estimates the Company's IBNR liability estimate using standard actuarial methodologies, which utilize historical data, including the period between the date services are rendered and the date claims are received and paid, the completion factors, per member per month healthcare cost trend factors, denied claims activity, expected medical cost inflation, seasonality patterns, changes in membership mix, and a provision for adverse deviation ("PAD").

We identified the valuation of the IBNR liability as a critical audit matter. The principal considerations for this determination were the significant judgments involved in: (i) evaluating the actuarial methodologies used, (ii) estimating the completion factors and per member per month healthcare cost trend factors, and (iii) determining the appropriate level of PAD. Auditing these elements involved subjective auditor judgments due to the nature and extent of audit effort required to address these matters, including the extent of specialized skills or knowledge needed.

The primary procedures we performed to address this critical audit matter included:

- Testing the completeness and accuracy of the underlying reports used in estimating the IBNR liability and confirming member information with health plans.
- Utilizing personnel with specialized knowledge and skills in actuarial methods to assist in: (i) evaluating the appropriateness and consistency of the actuarial methodologies used, (ii) evaluating the reasonableness of the completion factors, per member per month healthcare cost trend factors, and the PAD used by the Company's management and its actuarial specialist by comparing our independently determined IBNR estimate to management's recorded IBNR liability, and (iii) evaluating the reasonableness of management's prior period estimates using subsequent claims development.

/s/ BDO USA, P.C.

We have served as the Company's auditor since 2021.

Las Vegas, Nevada

March 26, 2026

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

	December 31,	
	2025	2024
ASSETS		
CURRENT ASSETS:		
Cash	\$ 25,012	\$ 38,816
Restricted cash	795	5,286
Health plan receivable, net of allowance for credit losses of \$281 and \$150 as of December 31, 2025 and 2024, respectively	92,458	121,266
Clinic fees, insurance and other receivables	3,379	3,947
Prepaid expenses and other current assets	11,439	14,422
Assets held for sale	—	403
TOTAL CURRENT ASSETS	133,083	184,140
Property and equipment, net	3,374	5,734
Intangible assets, net	492,423	574,350
Other long-term assets	27,761	19,196
TOTAL ASSETS ⁽¹⁾	\$ 656,641	\$ 783,420
LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' (DEFICIT) EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 11,715	\$ 8,442
Accrued expenses and other current liabilities	42,391	29,416
Accrued payroll	1,950	2,722
Health plan settlements payable	69,830	55,565
Claims payable	287,790	255,089
Premium deficiency reserve	86,116	67,368
Accrued interest	429	2,305
Current portion of long-term debt	45,036	75,155
Liabilities held for sale	—	353
TOTAL CURRENT LIABILITIES	545,257	496,415
Operating lease liability	11,475	11,339
Warrant liabilities	2,462	10,312
Long-term debt, net	228,374	108,907
Other Long-Term Liabilities	9,308	6,918
TOTAL LIABILITIES ⁽¹⁾	796,876	633,891
COMMITMENTS AND CONTINGENCIES (Note 14)		
MEZZANINE EQUITY:		
Redeemable non-controlling interest	14,997	73,593
STOCKHOLDERS' (DEFICIT) EQUITY:		
Class A common stock, \$0.0001 par value; 800,000 shares authorized; 3,286 and 3,257 shares issued and outstanding as of December 31, 2025 and 2024, respectively	—	—
Class V common stock, \$0.0001 par value; 205,000 shares authorized; 3,919 and 3,919 shares issued and outstanding as of December 31, 2025 and 2024, respectively	—	—
Additional paid in capital	495,909	579,129
Accumulated deficit	(651,141)	(503,193)
TOTAL STOCKHOLDERS' (DEFICIT) EQUITY	(155,232)	75,936
TOTAL LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' (DEFICIT) EQUITY	\$ 656,641	\$ 783,420

(1) The Company's consolidated balance sheets include the assets and liabilities of its consolidated variable interest entities ("VIEs"). As discussed in Note 21 "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 \$8.2 million and \$9.3 million as of December 31, 2025 and 2024, 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 \$6.6 million and \$14.9 million as of December 31, 2025 and 2024, respectively. These VIE assets and liabilities do not include \$46.8 million and \$40.3 million of net amounts due to affiliates as of December 31, 2025 and 2024, respectively, as these are eliminated in consolidation and not presented within the consolidated balance sheets.

All periods presented have been retroactively adjusted to reflect the 1-for-50 reverse stock split effected on April 11, 2025.

See accompanying notes to consolidated financial statements.

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

	Year Ended December 31,	
	2025	2024
OPERATING REVENUE:		
Capitated revenue	\$ 1,428,979	\$ 1,483,602
Other revenue	30,101	16,853
TOTAL OPERATING REVENUE	1,459,080	1,500,455
OPERATING EXPENSE:		
Medical expense	1,519,240	1,559,372
Premium deficiency reserve	18,749	53,698
Corporate, general and administrative expense	106,311	112,596
Sales and marketing expense	918	1,331
Depreciation and amortization	84,163	86,058
Impairment of assets held for sale	—	8,058
TOTAL OPERATING EXPENSE	1,729,381	1,821,113
OPERATING LOSS	(270,301)	(320,658)
OTHER INCOME (EXPENSE):		
Interest expense, net	(55,034)	(22,173)
Mark-to-market of stock warrants	7,850	22,114
Gain (loss) on asset sale, net	(162)	13,269
Other	(3,414)	1,457
TOTAL OTHER INCOME (EXPENSE)	(50,760)	14,667
LOSS BEFORE INCOME TAXES	(321,061)	(305,991)
INCOME TAX PROVISION	(2,025)	(4,387)
NET LOSS	(323,086)	(310,378)
LESS: NET LOSS ATTRIBUTABLE TO REDEEMABLE NON-CONTROLLING INTEREST	(175,138)	(174,529)
NET LOSS ATTRIBUTABLE TO CONTROLLING INTEREST	\$ (147,948)	\$ (135,849)
NET LOSS PER SHARE (Note 17):		
Basic	\$ (45.26)	\$ (46.78)
Diluted	\$ (45.26)	\$ (54.06)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING (Note 17):		
Basic	3,269	2,904
Diluted	3,269	2,940

All periods presented have been retroactively adjusted to reflect the 1-for-50 reverse stock split effected on April 11, 2025.

See accompanying notes to consolidated financial statements.

P3 HEALTH PARTNERS INC. and SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' (DEFICIT) EQUITY AND MEZZANINE EQUITY
(in thousands)

	Redeemable Non-controlling Interest	Class A Common Stock		Class V Common Stock		Additional Paid in Capital	Accumulated Deficit	Total Stockholders' (Deficit) Equity
		Shares	Amount	Shares	Amount			
STOCKHOLDERS' EQUITY, December 31, 2023	\$ 291,532	2,331	\$ —	3,932	\$ —	\$ 509,474	\$ (367,344)	\$ 142,130
Issuance of Class A common stock upon settlement of restricted stock units, net of shares withheld for tax	—	81	—	—	—	(103)	—	(103)
Equity-based compensation	—	—	—	—	—	5,752	—	5,752
Fair value adjustment to redeemable non-controlling interest	(20,579)	—	—	—	—	20,579	—	20,579
Remeasurement adjustment to redeemable non-controlling interest resulting from ownership changes	(22,831)	—	—	—	—	22,831	—	22,831
Private placement, net of offering costs	—	832	—	—	—	8,469	—	8,469
Class A common stock warrants issued	—	—	—	—	—	12,127	—	12,127
Net loss	(174,529)	—	—	—	—	—	(135,849)	(135,849)
STOCKHOLDERS' EQUITY, December 31, 2024	73,593	3,257	—	3,919	—	579,129	(503,193)	75,936
Issuance of Class A common stock upon settlement of restricted stock units, net of shares withheld for tax	—	29	—	—	—	—	—	—
Equity-based compensation	—	—	—	—	—	5,581	—	5,581
Fair value adjustment to redeemable non-controlling interest	119,398	—	—	—	—	(119,398)	—	(119,398)
Remeasurement adjustment to redeemable non-controlling interest resulting from ownership changes	(3,856)	—	—	—	—	3,856	—	3,856
Class A common stock warrants issued	—	—	—	—	—	26,741	—	26,741
Net loss	(175,138)	—	—	—	—	—	(147,948)	(147,948)
Non-controlling interest recognized upon consolidation	1,000	—	—	—	—	—	—	—
STOCKHOLDERS' DEFICIT, December 31, 2025	\$ 14,997	3,286	\$ —	3,919	\$ —	\$ 495,909	\$ (651,141)	\$ (155,232)

All periods presented have been retroactively adjusted to reflect the 1-for-50 reverse stock split effected on April 11, 2025. See Note 3 "Significant Accounting Policies" for further information.

See accompanying notes to consolidated financial statements.

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

	Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (323,086)	\$ (310,378)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	84,163	86,058
Paid in-kind interest expense	29,718	7,895
Premium deficiency reserve	18,749	53,698
Amortization of original issue discount and debt issuance costs	13,556	87
Mark-to-market adjustment of stock warrants	(7,850)	(22,114)
Equity-based compensation	5,581	5,752
Provision for bad debts	2,996	—
Loss (gain) on asset sale	162	(13,269)
Impairment of assets held for sale	—	8,058
Gain on write off of contingent consideration	—	(4,907)
Deferred income taxes	2,868	(1,090)
Changes in operating assets and liabilities:		
Health plan receivable	28,677	(2,769)
Clinic fees, insurance, and other receivable	(2,297)	(990)
Prepaid expenses and other current assets	2,983	(10,834)
Other long-term assets	(3,525)	(43)
Accounts payable, accrued expenses, and other current liabilities	11,108	(8,101)
Accrued payroll	(772)	(784)
Health plan settlements payable	14,265	20,573
Claims payable	32,701	77,080
Accrued interest	(1,876)	—
Other long-term liabilities	—	5,897
Operating lease liability	641	53
Net cash used in operating activities	(91,238)	(110,128)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	79	—
Proceeds from asset sale	50	14,525
Net cash provided by investing activities	129	14,525
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt, net of original issue discount	73,000	88,057
Payment of debt issuance costs	(186)	(103)
Proceeds from liability-classified warrants and private placement offering, net of offering costs paid	—	40,496
Proceeds from at-the-market sales, net of offering costs paid	—	33
Deferred offering costs paid	—	(507)
Payment of tax withholdings upon settlement of restricted stock unit awards	—	(103)
Repayment of short-term and long-term debt	(1,137)	(30,973)
Proceeds from short-term debt	1,137	1,871
Net cash provided by financing activities	72,814	98,771
Net change in cash and restricted cash	(18,295)	3,168
Cash and restricted cash, beginning of year	44,102	40,934
Cash and restricted cash, end of year	\$ 25,807	\$ 44,102

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

	Year Ended December 31,	
	2025	2024
Supplemental disclosures of cash flow information:		
Cash paid for interest	\$ 13,636	\$ 14,191
Cash paid for income taxes	\$ 1,439	\$ 5,477
Supplemental disclosures of non-cash investing and financing information:		
Operating lease liabilities arising from obtaining new right-of-use assets	\$ 361	\$ 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
Remeasurement adjustment to redeemable noncontrolling interest resulting from ownership changes	\$ (3,856)	\$ (22,831)
Fair value adjustment to redeemable noncontrolling interest	\$ 119,398	\$ (20,579)
Warrants issued in connection with new debt	\$ 26,741	\$ 12,127
Reconciliation of cash and restricted cash:		
Cash	\$ 25,012	\$ 38,816
Restricted cash	795	5,286
Total cash and restricted cash	\$ 25,807	\$ 44,102

See accompanying notes to consolidated financial statements.

P3 HEALTH PARTNERS INC. and SUBSIDIARIES
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Note 1: Organization

P3 Health Partners Inc. (“P3”) is a patient-centered and physician-led population health management company and, for accounting purposes, the successor to P3 Health Group Holdings, LLC and its subsidiaries (collectively, “P3 LLC,” and together with P3, the “Company”) after the consummation of a series of business combinations in December 2021 with Foresight Acquisition Corp. (the “Business Combinations”). As the sole manager of P3 LLC, P3 operates and controls all of the business and affairs of P3 LLC and P3’s only assets are equity interests in P3 LLC.

P3 LLC was founded on April 12, 2017 and began commercial operations on April 20, 2017 to provide population health management services on an at-risk basis to insurance plans offering medical coverage to Medicare beneficiaries under Medicare Advantage programs. Medicare Advantage (“MA”) programs are insurance products created solely for Medicare beneficiaries. Insurance plans contract directly with the Centers for Medicare and Medicaid Services (“CMS”) to offer Medicare beneficiaries benefits that replace traditional Medicare fee-for-service (“FFS”) coverage.

The Company’s contracts with health plans are based on an at-risk shared savings model. Under this model, the Company is financially responsible for the cost of all contractually-covered services provided to members assigned to the Company by health plans in exchange for a fixed monthly “capitation” payment, which is generally a percentage of the payment health plans receive from CMS. Under this arrangement, Medicare beneficiaries generally receive all their healthcare coverage through the Company’s network of employed and affiliated physicians and specialists.

The services provided to health plans’ members vary by contract. These may include utilization management, care management, disease education, and maintenance of a quality improvement and quality management program for members assigned to the Company. The Company is also responsible for the credentialing of its providers, processing and payment of claims, and the establishment of a provider network for certain health plans.

In addition to the Company’s contracts with health plans, the Company provides primary healthcare services through its employed physician clinic locations. These primary care clinics are reimbursed for services provided under FFS contracts with various payers and through capitated – per member, per month (“PMPM”) arrangements.

Note 2: Going Concern and Liquidity

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company has experienced losses since its inception and had net losses of \$323.1 million and \$310.4 million for the years ended December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the Company had \$25.0 million and \$38.8 million, respectively, in cash, unrestricted cash and cash equivalents available to fund future operations. The Company has a working capital deficit of \$412.2 million and a capital deficiency of \$155.2 million as of December 31, 2025. The Company’s capital requirements will depend on many factors, including the pace of the Company’s growth, ability to manage medical costs, the maturity of its members, and its ability to raise capital. The Company continues to explore raising additional capital through a combination of debt financing and equity issuances. When the Company pursues additional debt and/or equity financing, there can be no assurance that such financing will be available on terms commercially acceptable to the Company or at all. If the Company is unable to raise additional capital or generate cash flows necessary to fund its operations or refinance its indebtedness, it will need to curtail planned activities, discontinue certain operations, or sell certain assets, which could materially and adversely affect its business, financial condition, results of operations, and prospects. As a result of these matters, substantial doubt exists about the Company’s ability to continue as a going concern within one year after the date the financial statements are issued. The accompanying consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

Note 3: Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and include the accounts of the Company. All intercompany transactions and balances have been eliminated.

The Company periodically evaluates entities for consolidation either through ownership of a majority voting interest, or through means other than voting interest, in accordance with the Variable Interest Entity (“VIE”) accounting model. This evaluation includes a qualitative review of the design of the entity, its organizational structure, including decision making ability and financial agreements. The Company consolidates a VIE when it has a variable interest that provides it with a controlling financial interest in the VIE, referred to as the primary beneficiary of the VIE.

As the sole managing member of P3 LLC, P3 has the right to direct the most significant activities of P3 LLC and the obligation to absorb losses and receive benefits. The rights of the non-managing members of P3 LLC are limited and protective in nature and do not give substantive participation rights over the sole managing member. Accordingly, P3 identifies itself as the primary beneficiary of P3 LLC and began consolidating P3 LLC as of December 3, 2021, the closing date of the Business Combinations (the “Closing Date”), resulting in a redeemable non-controlling interest related to the common units of P3 LLC (“Common Units”) held by members other than P3. Additionally, as more fully described in Note 21 “Variable Interest Entities,” P3 LLC is the primary beneficiary of the following physician practices (collectively, the “Network VIEs”):

- Kahan, Wakefield, Abdou, PLLC
- Bacchus and Kahan, P.C. (f/k/a Bacchus, Wakefield, Kahan PC)
- P3 Health Partners Professional Services, PC
- P3 Medical Group, P.C.
- P3 Health Partners California, P.C. (f/k/a Omni IPA Medical Group, Inc.)

As of November 2025, P3 LLC is the primary beneficiary of P3 Commonwealth Innovation MSO, LLC; refer to Note 21 “Variable Interest Entities” for further discussion.

Out of period adjustments

During 2025, the Company recorded immaterial out-of-period adjustments primarily related to unrecorded debt issuance costs payable upon maturity of certain of its debt instruments. The adjustments increased interest expense by \$4.7 million for the year ended December 31, 2025. The Company assessed the materiality of the adjustments on the previously issued interim and annual financial statements in accordance with SEC Staff Accounting Bulletin No. 99 and concluded that the misstatements were not material to any of the previously issued consolidated financial statements nor the current financial period.

Reclassifications

Certain amounts reported previously have been reclassified to conform to the current year presentation with no effect on total assets, total liabilities, total stockholders' equity, or total cash flows from operating activities as previously reported.

Comprehensive Loss

Comprehensive loss includes net loss to common stockholders as well as other changes in equity that result from transactions and economic events other than those with stockholders. There was no difference between comprehensive loss and net loss to common stockholders for the periods presented.

Use of Estimates

The preparation of these consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that could affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, the Company evaluates its estimates, including, but not limited to, those related to allowance for credit losses, revenue recognition, the liability for unpaid claims, equity-based compensation, premium deficiency reserves (“PDR”), fair value and impairment recognition of long-lived assets (including intangibles), fair value of liability classified instruments, and judgments related to deferred income taxes. The Company bases its estimates on the best information available at the time, its experiences, and various other assumptions believed to be reasonable under the circumstances. Actual results could materially differ from those estimates.

Commitments and Contingencies

An accrual is established for commitments and contingencies when management, after considering the facts and circumstances of each matter as then known to management, has determined a specific contingency is probable and estimable. The Company also faces contingencies that are reasonably possible to occur that cannot currently be estimated. When only a range of amounts is reasonably estimable and no amount within the range is more likely than another, the low end of the range is recorded. The Company expenses costs associated with loss contingencies, including any related legal fees, as they are incurred. Due to the inherent uncertainties surrounding gain contingencies, the Company does not recognize potential gains until realized.

Net Loss per Share

Basic net loss per share attributable to common stockholders is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share attributable to common stockholders adjusts basic earnings per share for the potentially dilutive impact of warrants, stock options, restricted stock units, restricted stock awards, and Common Units convertible into shares of Class A common stock during the period by applying the treasury stock method or if-converted method, as applicable.

Cash and Restricted Cash

Cash includes all cash and liquid investments with an initial maturity of three months or less. Cash deposits held in accounts at each financial institution are insured up to \$250,000 by the Federal Deposit Insurance Corporation (“FDIC”). The Company maintains its cash in bank deposit accounts that, at times, may exceed FDIC insured limits. Management does not expect any losses to occur on such accounts.

As of December 31, 2025 and 2024, the Company had cash and cash equivalents of \$25.0 million and \$38.8 million, respectively, deposited at banking institutions which are subject to the FDIC insured limit.

Restricted cash is held for a specific purpose (such as payment of healthcare claims) and is thus not available to the Company for immediate or general business use. As of December 31, 2025 and 2024, the Company had restricted cash of \$0.8 million and \$5.3 million, respectively.

Revenue Recognition

The Company categorizes revenue based on various factors, such as the nature of contracts, as follows:

Revenue Type	Year Ended December 31, 2025	% of Total	Year Ended December 31, 2024	% of Total
(dollars in thousands)				
Capitated revenue	\$ 1,428,979	97.9 %	\$ 1,483,602	98.9 %
Other revenue:				
Clinical fees & insurance revenue	3,056	0.2	5,934	0.4
Care coordination / management fees	10,823	0.7	10,563	0.7
Incentive fees and other revenue	16,222	1.1	356	0.0
Total other revenue	30,101	2.0	16,853	1.1
Total revenue	\$ 1,459,080	100.0 %	\$ 1,500,455	100.0 %

During the years ended December 31, 2025 and 2024, four and four health plan customers each accounted for 10% or more of total revenue and collectively comprised 75% and 59% of the Company’s total revenue, respectively.

Capitated Revenue

The Company contracts with health plans using an at-risk model. Under the at-risk model, the Company is responsible for the cost of all covered services provided to members assigned by the health plans to the Company in exchange for a fixed premium payment, which generally is a percentage of the health plans’ premiums (“POP”) paid by

CMS. Through this capitation arrangement, the Company stands ready to provide assigned Medicare Advantage beneficiaries all their medical care via the Company's directly employed and affiliated physician/provider network. Since the Company controls and provides medical care to its assigned members, the Company acts as a principal in these capitation arrangements. As of December 31, 2025, the Company had at-risk contracts in effect with 24 health plans across four states. As of December 31, 2024, the Company had at-risk contracts in effect with 23 health plans across five states.

The capitated revenue the Company receives is determined via a competitive bidding process with CMS and is based on the costs of care in local markets and the average utilization of services by patients enrolled. Medicare pays capitation using a "risk adjustment model," which compensates providers based on the health status (acuity) of each individual patient, also known as hierarchical condition categories ("HCC"). Medicare Advantage plans with higher acuity patients receive higher premiums. Conversely, Medicare Advantage plans with lower acuity patients receive lesser premiums. Under the risk adjustment model, capitation is paid on an interim basis based on enrollee data submitted for the preceding year and is adjusted in subsequent periods after final data is compiled (using a Risk Adjustment Factor or "RAF"). The Company generally estimates transaction prices using the most likely methodology. Amounts are only included in the transaction price to the extent any significant uncertainty of reversal on cumulative revenue will not occur and is resolved. In certain contracts, PMPM fees also include adjustments for items such as performance incentives or penalties based on the achievement of certain clinical quality metrics as contracted with payors.

Capitated revenue is recognized based on a PMPM transaction price to transfer the service for a distinct increment of the series (e.g., month), net of projected acuity adjustments and performance incentives or penalties. The Company recognizes revenue in the month in which eligible members are entitled to receive healthcare benefits during the contract term. The capitation amount is subject to possible retroactive premium risk adjustments based on the member's individual acuity. Premium risk adjustments recorded in 2025 and 2024, which increased capitation revenue, were \$36.7 million and \$33.5 million, respectively. As the period between the time of service and time of payment is typically one year or less, the Company elected the practical expedient not to adjust for the effects of a significant financing component.

The Company's contracts with health plans may include core functions and services for managing assigned patients' medical care, the combination of which is offered as a single solution. Capitation contracts have a single performance obligation that is a stand ready obligation to perform healthcare services to the population of enrolled members and constitutes a series for the provision of managed healthcare services for the term of the contract, which is deemed to be one month since the mix of patients-customers can change month over month. The Company does not offer nor price each individual function as a standalone service to health plans.

Monthly, each plan is contractually obligated to reserve for payment of medical claims equal to a defined POP attributable to members assigned to the Company. In turn, the Company administers medical claims for contractually covered services for assigned health plan members from that health plan's reserve. On a quarterly or monthly basis, health plans conduct a settlement of the reserve to determine any surplus or deficit amount. The reconciliation and distribution of the reserve occur within 120 days following the end of each quarter. An annual settlement reconciliation and distribution occur within the period specified by the individual health plan's contract (which can be up to 21 months following each year-end).

Revenue recognized from the balance of deferred revenue as of December 31, 2023 was \$12.7 million for the year ended December 31, 2024. There was no deferred revenue as of December 31, 2024; thus, the Company did not recognize any revenue from the balance of deferred revenue for the year ended December 31, 2025.

Five and three health plan customers accounted for 10% or more of total health plan receivable as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, Management has deemed the Company's settlement receivables to be fully collectible from those health plans where the Company is not delegated for claims processing. Accordingly, a constraint on the variable consideration associated with settlement receivables was not recorded.

Other Revenue – Care Coordination Fees and Management Fees

The Company's delegated health plans may also pay a Care Coordination Fee ("CCF") or management fee to the Company. CCFs and management fees are intended to fund the costs of delegated services provided to certain health plans. CCFs are specifically identified and separated in each monthly capitation payment the Company receives from these parties. None of the Company's other health plans bifurcate CCFs nor are any of them contractually required to do so.

Based on similarities of the terms of the care coordination and administrative services, the Company uses a portfolio approach to record revenue from CCFs and management fees.

Other Revenue

Clinical fees and insurance revenue relates to net patient fees received from various payors and direct patients under contracts in which the Company's sole performance obligation is to provide healthcare services through the operation of medical clinics. The Company recognizes clinical fees and insurance revenue in the period in which services are provided. Under FFS payment arrangements, revenue is recognized on the date of service using a portfolio approach. The Company's performance obligations are typically satisfied in the same day services are provided. All the Company's contracts with its customers under these arrangements include a single performance obligation.

The Company's contractual relationships with patients, in most cases, also involve third-party payors (Medicare, Medicaid, managed care health plans and commercial insurance companies, including plans offered through state-sponsored health insurance exchanges). Transaction prices for services provided are dependent upon specific rules in place with third party payors—specifically, Medicare/Medicaid and pre-negotiated rates with managed care health plans and commercial insurance companies. Contractual arrangements with third parties typically include payments at amounts which are less than standard charges. These charges generally have predetermined rates for diagnostic service codes or discounted FFS rates. The Company perpetually reviews its contractual estimation processes to consider and incorporate updates to laws, regulations, and frequent changes in the managed care system. Contractual terms are negotiated and updated accordingly upon renewal.

Clinical fees and insurance revenue is based upon the estimated amounts the Company expects to receive from patients and third-party payors. Estimates of explicit price concessions under managed care and commercial insurance plans are tied to payment terms specified in related contractual agreements. Retroactively calculated explicit price concessions tied to reimbursement agreements with third-party payers are recognized on an estimated basis in the period related services are rendered and adjusted in future periods as final payments are received. Revenue related to uninsured patients, uninsured co-payments, and deductibles (for patients with healthcare coverage) may also be discounted. The Company records implicit price concessions (based on historical collection experience) related to uninsured accounts to recognize self-pay revenue at their most likely amounts to be collected.

The Company deems FFS revenue to be variable consideration and its estimates of associated transaction prices will not result in a significant revenue reversal in the future.

The Company has elected the practical expedient not to adjust the transaction price for any financing components as those were deemed to be insignificant and to expense all incremental customer contract acquisition costs as incurred as such costs are not material and would be amortized over a period less than one year.

The Company earns revenue from incentive-sharing arrangements related to Part D program incentive initiatives. Under these arrangements, a third-party administrator facilitates the collection and distribution of incentive proceeds, and the Company receives a portion of those proceeds based on covered utilization activity. The Company's share of incentive proceeds represents consideration for its participation in these programs and is recognized as revenue. The Company deems such revenue to be variable consideration and fully constrains the transaction price until cash is received.

Health Plan Receivables/Payables

Receivables or payables primarily consist of amounts the Company expects to receive or pay under at-risk capitation contracts with various health plans. These contracts involve a payment model where contracted health plans receive a fixed capitation amount per patient, per service year, regardless of service usage, from CMS. Whereas a portion of the payment is then allocated to the Company if capitation payments surpass the health plan's incurred medical expenses. A receivable is recorded for contracts in a surplus, while payable is recognized for contracts in a deficit position. Final amounts due to/from health plans are based upon settlement reports from the health plans, which outline covered lives, capitation rates, and medical costs. As such, these amounts are updated as the Company receives revised information from the health plans. Receivables are recorded at the anticipated collection amount as reported by the health plans. The total health plan receivable, net of allowance for credit losses, for December 31, 2025 and 2024 are \$92.5 million and \$121.3 million, respectively. The total health plan payable for December 31, 2025 and 2024 are \$69.8 million and \$55.6 million, respectively.

Patient Fees Receivable

Substantially all client fees and insurance receivables are due under FFS contracts with third party payors, such as commercial insurance companies, government-sponsored healthcare programs, or directly from patients. The Company has agreements with third-party payors that provide for payments at amounts different from the established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Patient fees receivable, where a third-party payor is responsible for the amount due, are recorded at the invoiced amount, net of any expected contractual adjustments and implicit price concessions, and do not bear interest. Contractual adjustments arising under reimbursement arrangements with third-party payors are accrued on an estimated basis in the period the related services are rendered and are adjusted in future periods as final settlements are determined. The Company continuously monitors activities from payors (including patients) and records an implicit price concession as a reduction of revenue based on specific contracts and actual historical collection patterns to reflect the estimated amounts the Company expects to collect. Patient fees receivable of \$1.3 million and \$2.8 million are included in clinic fees, insurance and other receivable in the Company's consolidated balance sheets as of December 31, 2025 and 2024, respectively, and are recorded net of contractual allowances.

Property and Equipment

Property and equipment is carried at acquisition cost, net of accumulated depreciation. Costs for repairs and maintenance of property and equipment, after such property and equipment has been placed in service, are expensed as incurred. Costs and related accumulated depreciation are eliminated when property and equipment is sold or otherwise disposed. Sales and disposals may result in asset-specific gains or losses. Any such gains or losses are included as a component of operations. The Company records depreciation using the straight-line method over the estimated useful lives of the respective assets. The following table summarizes the estimated useful lives of the Company's property and equipment:

Classification	Depreciation Cycle
Leasehold improvements (cycle: lease term)	1 to 10 years
Furniture and fixtures	3 to 7 years
Vehicles	5 years
Computer equipment	3 years
Medical equipment	3 to 7 years
Software	3 years

The Company capitalizes certain costs incurred in connection with developing its own proprietary technology to serve core functions of its business operations such as revenue and medical cost analysis, care management and various facets that promote impactful utilization. The Company did not capitalize any software costs during the year ended December 31, 2025. During the year ended December 31, 2024, the Company capitalized \$0.3 million to property and equipment for software costs (specifically to work in progress). In 2025, no capitalized costs were placed into service. \$3.5 million capitalized costs were placed into service in 2024. All costs associated with internally developed technology following deployment, or that otherwise do not meet capitalization criteria, are expensed as incurred.

Assets Held for Sale

The Company classifies assets and related liabilities as held for sale when: (i) management has committed to a plan to sell the net assets, (ii) the net assets are available for immediate sale, (iii) there is an active program to locate a buyer, (iv) the sale and transfer of the net assets is probable within one year, (v) the net assets are being actively marketed for sale at price that is reasonable in relation to its current fair value, and (vi) it is unlikely that significant changes will be made to the plan to sell the net assets. Assets and liabilities held for sale are presented separately on our consolidated balance sheets at the lower of cost or fair value, less costs to sell. Depreciation and amortization expense for long-lived assets are not recorded while these assets are classified as held for sale. For each period that assets are classified as being held for sale, they are tested for recoverability.

Fair Value Measurements

The Company uses valuation approaches that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels (see Note 5 “Fair Value Measurements and Hierarchy” for further discussion):

Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate their carrying amounts may not be recoverable. Recoverability of an asset or asset group is measured by comparing its carrying amount to the future undiscounted net cash flows the asset or asset group is expected to generate. If such assets are considered impaired (e.g., future undiscounted cash flows are less than net book value), an impairment charge is recognized, measured by the difference between the carrying value and the estimated fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell.

Intangible Assets

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives. In determining the estimated useful lives of definite-lived intangibles, the Company considers the nature, competitive position, life cycle position and historical and expected future operating cash flows of each acquired asset, as well as its commitment to support these assets through continued investment and legal infringement protection.

The Company reviews intangible assets for impairment whenever events or changes in circumstances indicate that the related carrying amounts may not be recoverable. Determining whether an impairment loss occurred requires comparing the carrying amount to the sum of undiscounted cash flows expected to be generated by the asset. Such events and circumstances include the occurrence of an adverse change in the market involving the business employing the assets or a situation in which it is more likely than not that the Company will dispose of such assets. If the comparison indicates that there is impairment, the impairment loss to be recognized as a non-cash charge to earnings is measured by the amount by which the carrying amount of the asset exceeds its fair value and the impaired asset is written down to its fair value or, if fair value is not readily determinable, to an estimated fair value based on discounted expected future cash flows.

Leases

The Company determines whether a contract is or contains a lease at the inception of the contract. For leases with terms greater than 12 months, the Company records the related operating or finance right-of-use asset and lease liability at the present value of lease payments over the lease term. The Company is generally not able to readily determine the implicit rate in the lease and therefore uses the determined incremental borrowing rate at lease commencement to compute the present value of lease payments. The incremental borrowing rate represents an estimate of the market interest rate the Company would incur at lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term of a lease. Renewal options are not included in the measurement of the right-of-use assets and lease liabilities unless the Company is reasonably certain to exercise the optional renewal periods. Some leases also include early termination options, which can be exercised under specific conditions. Additionally, certain leases contain incentives, such as construction allowances from landlords, which reduce the right-of-use asset related to the lease.

Certain of the Company's leases contain rent escalations over the lease term. The Company recognizes expense for operating leases on a straight-line basis over the lease term. The Company's lease agreements contain variable payments for common area maintenance and utilities. The Company has elected the practical expedient to combine lease and non-lease components for all asset categories; therefore, the lease payments used to measure the lease liability for these leases include fixed minimum rentals along with fixed non-lease component charges. Variable lease payments are excluded from the measurement of right-of-use assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. The Company does not have significant residual value guarantees or restrictive covenants in its lease portfolio.

Equity-Based Compensation

Equity-based compensation cost is measured at the grant date for all equity-based awards based on the fair value of the awards. For equity awards that vest subject to the satisfaction of service-based conditions, compensation cost is recognized on a straight-line basis over the requisite service period, which varies by award. For equity awards that vest subject to the satisfaction of performance-based conditions, the Company evaluates the probability of achieving each performance-based condition at each reporting date and recognizes compensation cost when it is deemed probable that the performance-based condition will be met on an accelerated basis over the requisite service period, which varies by award. Equity-based compensation is recorded within corporate, general and administrative expense in the accompanying consolidated statements of operations. The Company accounts for forfeitures as they occur.

The Company uses the Black-Scholes-Merton option-pricing model to determine the fair value of the Company's stock option awards. The risk-free interest rate estimate was based on constant maturity, which is the theoretical value of a U.S. Treasury that is based on recent values of auctioned U.S. Treasuries with remaining terms similar to the expected term of the stock option awards. The expected dividend yield was based on the Company's expectation of not paying dividends in the foreseeable future. The expected term was calculated using the "simplified" method; whereby, the expected term equals the arithmetic average of the vesting term and the original contractual term of the stock option due to P3's lack of sufficient historical data. The expected volatility was estimated using an average of the historical volatilities of a peer group comprised of publicly traded companies in the same industry. The Company assesses the impact of material nonpublic information on its share price or expected volatility, as applicable, at the time of grant.

The Company's restricted stock and restricted stock unit awards are measured based on the fair market value of the underlying shares of Class A common stock on the date of grant.

Warrant Liability

The Company has public and private placement warrants of Class A common stock classified as liabilities as well as warrants of Class A common stock issued to a lender classified as equity. The Company classifies as equity any equity-linked contracts that (1) require physical settlement or net-share settlement or (2) give the Company a choice of net-cash settlement or settlement in the Company's own shares (physical settlement or net-share settlement). Warrants classified as equity are initially measured at fair value. Subsequent changes in fair value are not recognized as long as the warrants continue to be classified as equity.

The Company classifies as assets or liabilities any equity-linked contracts that (1) require net-cash settlement (including a requirement to net-cash settle the contract if an event occurs and if that event is outside the Company's control) or (2) give the counterparty a choice of net-cash settlement or settlement in shares (physical settlement or net-share settlement). For equity-linked contracts that are classified as liabilities, the Company records the fair value of the equity-linked contracts at each balance sheet date and records the change in the statements of operations as a gain (loss) from change in fair value of warrant liability. The Company's public warrant liability is valued using observable market prices for those public warrants. The Company's private placement warrants are valued using a binomial lattice pricing model when the warrants are subject to the make-whole table, or otherwise are valued using a Black-Scholes-Merton pricing model. The Company's warrants issued to a capital provider are valued using a Black-Scholes-Merton pricing model based on observable market prices for public shares and warrants. The assumptions used in preparing these models include estimates such as volatility, contractual terms, discount rates, dividend yield, expiration dates and risk-free rates.

The Company accounts for warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms. The assessment considers whether the warrants are freestanding financial instruments, meet the definition of a liability, and whether the warrants meet all of the requirements for equity classification, including whether the warrants are indexed to the Company's own ordinary shares, among other conditions

for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

Premium Deficiency Reserve

PDR liabilities are established when it is probable that expected future health care costs and maintenance costs under a group of existing contracts will exceed anticipated future premiums and stop-loss insurance recoveries on those contracts. The Company assesses if a PDR liability is needed through review of current results and forecasts. For purposes of determining premium deficiency reserve, contracts are grouped consistent with our method of acquiring, servicing, and measuring the profitability of such contracts based on the expected medical loss ratio, which considers the health care claims trend. The Company grouped its Medicare Advantage health plan contracts together as a single group as it operates in one line of business. The Company further concluded that the costs to administer these contracts are based on centralized and shared service functions. As of December 31, 2025 and 2024, the PDR liability was \$86.1 million and \$67.4 million, respectively, which represented an estimate of probable contract losses expected to be generated by the Company's health plans.

Medical Expense and Claims Payable

The cost of healthcare services is recognized in the period services are provided. This also includes an estimate of the cost of services that have been incurred, but not yet reported ("IBNR"). Medical expense also includes costs for overseeing the quality of care and programs, which focus on patient wellness. Additionally, medical expense can include, from time to time, remediation of certain claims that might result from periodic reviews conducted by various regulatory agencies.

Management estimates the Company's IBNR by applying standard actuarial methodologies, which utilize historical data, including the period between the date services are rendered and the date claims are received and paid, the completion factors, per member per month healthcare cost trend factors, denied claims activity, expected medical cost inflation, seasonality patterns, changes in membership mix, and a provision for adverse deviation. IBNR estimates are subject to the impact from changes in both the regulatory and economic environments. Such estimates are made on an accrual basis and adjusted in future periods as required. Future and actual results typically differ from estimates. Differences could result from an overall change in medical expenses per member, changes in member mix or simply due to the addition of new members. Any adjustments to prior period estimates are included in the current period. During the year ended December 31, 2025, the Company recorded an adjustment of approximately \$18.3 million to its IBNR estimate as of December 31, 2024.

The Company's claims payable represents management's best estimate of its liability for unpaid medical costs as of December 31, 2025 and 2024.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse.

Deferred tax assets are evaluated for future realization and reduced by a valuation allowance to the extent the Company believes it is more likely than not that they will not be realized. The Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, carryback potential if permitted under tax law, and results of recent operations.

The Company records uncertain tax positions on the basis of a two-step process in which (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority. The Company considers many factors when evaluating its uncertain tax positions during the course of the year through a review of policies and procedures, reviews of customary and regular tax filings, and discussions with third party experts. This review can involve significant judgment and may require periodic adjustments. The resolution of these uncertain tax positions in a manner inconsistent with management's expectations could have a material impact on the

Company's consolidated financial statements. The Company recognizes interest and penalties related to uncertain tax positions as a component of its provision for income taxes. Accrued interest and penalties are included with the related tax liability.

See Note 12 "Income Taxes" for further information.

Advertising Expense

The Company uses advertising primarily to promote the health plans with which it conducts business as well as its physician clinics throughout the geographic areas it serves. Advertising costs are charged directly to operations as incurred. Advertising expense totaled \$0.9 million and \$1.3 million for the years ended December 31, 2025 and 2024, respectively.

Reverse Stock Split

On April 11, 2025, the Company effected a 1-for-50 reverse stock split of its Class A common stock and Class V common stock, \$0.0001 par value. All common stock amounts and references have been retroactively adjusted for all figures presented to reflect this split unless specifically stated otherwise. See Note 15 "Capitalization" included in this Form 10-K for additional information related to the reverse stock split.

Note 4: Recent Accounting Pronouncements

Recently Adopted Accounting Pronouncements

ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09")

Accounting Standard Update ("ASU") 2023-09 enhances the transparency and decision usefulness of income tax disclosures, in response to investors' feedback, indicating the need for improved information to assess an entity's operations, tax risks, and planning opportunities, particularly in understanding exposure to jurisdictional tax changes and their impact on cash flows. The amendments address these concerns by improving income tax disclosures, primarily related to the rate reconciliation and income taxes paid information. The amendments in this update are effective for annual periods beginning after December 15, 2024 and should be applied prospectively. Retrospective application is permitted. The Company adopted this ASU for the year ended December 31, 2025 on a prospective basis. The adoption did not have a material impact on the Company's financial statement disclosures.

Recent Accounting Pronouncements Not Yet Adopted

ASU 2025-05, Financial Instruments - Credit Losses (Topic 326)-Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05")

ASU 2025-05 provides all entities with a practical expedient when estimating expected credit losses on accounts receivable and contract assets. Under this election, entities may assume that current conditions as of the balance sheet date do not change for the remaining life of accounts receivable and contract assets when developing forecasts as part of estimating expected credit losses. ASU 2025-05 is effective for the Company's Annual Report on Form 10-K for the year ending December 31, 2026 and interim period reporting beginning in 2026 on a prospective basis. The Company expects adoption of this standard to have an immaterial impact on its consolidated financial statements.

ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03")

ASU 2024-03 enhances transparency and decision-usefulness of expense disclosures in response to investors' requests for more detailed, disaggregated expense information, enabling a clearer understanding of a public business entity's performance and cost structure. The amendments improve disclosure requirements in financial statement notes for specific expense categories, including inventory purchases, employee compensation, depreciation, amortization, and depletion, as well as qualitative descriptions of other expenses. The amendments are effective for fiscal years beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted.

and can be applied prospectively or retrospectively at the option of the Company. The Company is evaluating the effect ASU 2024-03 will have on its consolidated financial statements and related disclosures.

ASU 2023-06, Disclosure Improvements: Codification Amendments In Response to the SEC’s Disclosure Update and Simplification Initiative (“ASU 2023-06”)

ASU 2023-06 clarifies or improves disclosure and presentation requirements on a variety of topics and aligns the requirements in the Codification with the SEC’s regulations. The effective date for each amendment will be the date on which the SEC’s removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The amendments in this update should be applied prospectively. If by June 30, 2027, the SEC has not removed the applicable requirement from Regulation S-X or Regulation S-K, the pending content of the related amendment will be removed from the Codification and will not become effective for any entity. The Company is evaluating the effect ASU 2023-06 will have on its consolidated financial statements and related disclosures.

Note 5: Fair Value Measurements and Hierarchy

Information about the Company’s financial liabilities measured at fair value on a recurring basis is presented below:

	Level 1	Level 2	Level 3	Total
	(in thousands)			
Warrant liability as of December 31, 2025	\$ 106	\$ —	\$ 2,356	\$ 2,462
Warrant liability as of December 31, 2024	\$ 127	\$ —	\$ 10,185	\$ 10,312

The key Level 3 weighted average inputs into the option pricing model related to the private placement warrants to purchase Class A common stock were as follows:

	December 31,	
	2025	2024
Volatility	102.1 %	91.7 %
Risk-free interest rate	3.7 %	4.4 %
Exercise price	\$ 25.74	\$ 25.00
Expected term	5.3 years	6.2 years

The exercise price for the years ended December 31, 2025 and 2024 presented in the table above have been retroactively adjusted to reflect the 1-for-50 reverse stock split effected on April 11, 2025. See Note 3 “Significant Accounting Policies” for further information.

Generally, an increase in the market price of the Company’s shares of common stock, an increase in the volatility of the Company’s shares of common stock, and an increase in the remaining term of the warrants would each result in a directionally similar change in the estimated fair value of the Company’s warrant liabilities. Such changes would increase the associated liability while decreases in these assumptions would decrease the associated liability. An increase in the risk-free interest rate would result in a decrease in the estimated fair value measurement and thus a decrease in the associated liability. The Company has not declared, and does not plan to declare, dividends on its common stock and, as such, there is no change in the estimated fair value of the warrant liabilities due to the dividend assumption.

The following table sets forth a summary of changes in the fair value of the Company's private placement warrants to purchase Class A common stock, which are considered to be Level 3 fair value measurements:

	December 31,	
	2025	2024
	(in thousands)	
Beginning balance	\$ 10,185	\$ 29
Issuance of common warrants	—	31,341
Mark-to-market adjustment of stock warrants	(7,829)	(21,185)
Ending balance	<u>\$ 2,356</u>	<u>\$ 10,185</u>

The Company recorded gains of \$7.9 million and \$22.1 million from changes in the fair value of stock warrants for the years ended December 31, 2025 and 2024, respectively.

The book value of cash; clinic fees, insurance receivables, and other receivables; accounts payable; and accrued expenses and other current liabilities approximate fair value because of the short maturity and high liquidity of these instruments. The book value of long-term debt approximates fair value, which was calculated using Level 2 inputs, as of December 31, 2025.

During the year ended December 31, 2024, the Company recorded a gain of \$6.2 million reflecting the write-off and settlement of contingent consideration related to the Company's 2021 acquisition of Medcore HP, a Level 3 fair value measurement, upon resolution with the sellers of the assumed claims payable and risk adjustment factor. The gain is included in corporate, general, and administrative expense in the consolidated statement of operations.

Note 6: Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	December 31,	
	2025	2024
	(in thousands)	
Letters of credit and surety bonds	\$ 7,024	\$ 12,386
Prepaid expenses	4,010	1,606
Security deposit	405	430
Prepaid expenses and other current assets	<u>\$ 11,439</u>	<u>\$ 14,422</u>

Note 7: Property and Equipment

The Company's property and equipment balances consisted of the following:

	December 31,	
	2025	2024
	(in thousands)	
Leasehold improvements	\$ 2,324	\$ 2,332
Furniture & fixtures	932	1,106
Computer equipment & software	7,002	7,060
Medical equipment	986	1,082
Software (development in process)	—	343
Vehicles	395	659
Other	31	—
	11,670	12,582
Less: accumulated depreciation	(8,296)	(6,848)
Property and equipment, net	\$ 3,374	\$ 5,734

Total depreciation of property and equipment recognized on the consolidated statements of operations was \$2.2 million and \$2.4 million for the years ended December 31, 2025 and 2024, respectively.

The Company closed on the sale of the remaining Florida assets on May 1, 2025. As of December 31, 2024, the Company determined that the carrying value of the assets was less than the fair value and a loss on impairment of assets held for sale was recognized on the consolidated statement of operations for the year ended December 31, 2024. The fair value was determined based on a quoted market price less costs to sell. Net assets classified as held for sale for the Company's remaining Florida operations are summarized as follows as of December 31, 2024 (in thousands):

Assets:	
Property and equipment, net	\$ 571
Intangible assets, net	7,576
Other long-term assets	314
Accumulated impairment	(8,058)
Total assets	\$ 403
Liabilities:	
Accrued expenses and other current liabilities	\$ 56
Operating lease liability	297
Total liabilities	\$ 353
Net assets	\$ 50

Note 8: Intangible Assets

Intangible assets, net consisted of the following:

	December 31,					
	2025			2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(in thousands)					
Indefinite lived intangible assets:						
Medical licenses	\$ 700	\$ —	\$ 700	\$ 700	\$ —	\$ 700
Definite lived intangible assets:						
Customer relationships	671,819	(273,361)	398,458	671,819	(206,951)	464,868
Trademarks	148,635	(61,005)	87,630	148,635	(46,427)	102,208
Payor contracts	4,700	(1,880)	2,820	4,700	(1,410)	3,290
Provider network	4,734	(1,919)	2,815	4,734	(1,450)	3,284
Total	<u>\$ 830,588</u>	<u>\$ (338,165)</u>	<u>\$ 492,423</u>	<u>\$ 830,588</u>	<u>\$ (256,238)</u>	<u>\$ 574,350</u>

Amortization of intangible assets was \$81.9 million and \$83.7 million during the years ended December 31, 2025 and 2024, respectively. Estimated future amortization of intangible assets is \$82.0 million for each of the years 2026 through 2031.

Note 9: Claims Payable

Activity in the liability for claims payable was as follows:

	December 31,	
	2025	2024
	(in thousands)	
Claims unpaid, beginning of period	\$ 255,089	\$ 178,009
Incurred, related to:		
Current period	1,303,370	1,341,031
Prior period(s)	13,739	(1,588)
Total incurred	<u>1,317,109</u>	<u>1,339,443</u>
Paid, related to:		
Current period	1,045,153	1,093,866
Prior period(s)	239,255	168,497
Total paid	<u>1,284,408</u>	<u>1,262,363</u>
Claims unpaid, end of period	<u>\$ 287,790</u>	<u>\$ 255,089</u>

Note 10: Retirement Plan

The Company maintains a retirement savings 401(k) Plan (the "401(k) Plan") for full-time employees. Participants may elect to contribute to the 401(k) Plan, through payroll deductions, subject to Internal Revenue Service limitations. At its discretion, the Company can make a matching contribution to the 401(k) Plan. The Company recognized expense related to its contributions to the 401(k) Plan of \$0.9 million and \$1.1 million during the years ended December 31, 2025 and 2024, respectively.

Note 11: Debt

Long-term Debt

Long-term debt consisted of the following:

	December 31,	
	2025	2024
	(in thousands)	
Repurchase promissory note, interest paid at 11.0%, due June 2026	\$ 34,189	\$ 30,091
Term loan facility, interest paid at 15.0%, due September 2027	82,885	75,155
VGS 1 promissory note, interest paid at 13.5%, due June 2028	49,374	38,328
VGS 2 promissory note, interest paid at 17.5%, due September 2027	38,667	28,972
VGS 3 promissory note, interest paid at 19.5%, due June 2028	35,435	25,499
VGS 4 promissory note, interest paid at 19.5%, due August 2028	41,110	—
VGS 5 promissory note, interest paid at 19.5%, due August 2028	55,070	—
Long-term debt, gross	336,730	198,045
Less: unamortized debt issuance costs and original issue discount	(63,320)	(13,983)
	273,410	184,062
Less: current portion of long-term debt	(45,036)	(75,155)
Long-term debt, net	\$ 228,374	\$ 108,907

Repurchase Promissory Note

In June 2019, the Company issued a share repurchase promissory note to a former equity investor for \$15.0 million, which was subsequently amended in November 2020 (as amended, the “Repurchase Promissory Note”). The Repurchase Promissory Note automatically matures and is due and payable on the earlier of June 30, 2026, a change in control transaction, or an underwritten primary public offering, each as defined in the agreement. The Repurchase Promissory Note accrues paid-in-kind (“PIK”) interest of 11.0% per year. The principal balance, inclusive of PIK interest, and an exit fee of \$0.6 million are due at maturity.

Term Loan Facility

In November 2020, the Company entered into a Term Loan Agreement and Security Agreement with a commercial lender (as amended, the “Term Loan Agreement”), which provided funding up to \$100.0 million (the “Term Loan Facility”). The Company’s access to additional borrowings under the Term Loan Facility ended upon termination of the commitment period on February 28, 2022. The Term Loan Agreement was amended on December 13, 2022 to provide for certain modifications and to permit the issuance of the VGS Promissory Note (defined below) and related transactions. The Term Loan Agreement was amended on March 22, 2024 to provide for certain modifications and to permit the issuance of the VGS 2 Promissory Note (defined below) and related transactions. The Term Loan Agreement was amended on November 30, 2024 to permit the Company’s sale of the Florida Assets (the “Permitted Florida Disposition”), provide that the mandatory prepayment covenant does not apply to the proceeds of the Permitted Florida Disposition, and remove the ability to elect to pay a portion of the interest in-kind. The Term Loan Agreement was amended on December 12, 2024 to provide for certain modifications and to permit the issuance of the VGS 3 Promissory Note (defined below) and related transactions. The Security Agreement provides the lenders collateral in 100% of the Company’s pledged stock, its subsidiaries (including tangible and intangible personal property), and bank accounts. The Term Loan Agreement was amended on February 13, 2025 to permit the issuance of the VGS 4 Promissory Note (defined below). The Term Loan Agreement was amended on May 29, 2025, to permit the issuance of the VGS 5 Promissory Note (defined below).

The Term Loan Agreement was amended on August 27, 2025 (the “Tenth Amendment”); the Tenth Amendment:

- amends the payment structure of the Term Loan Agreement by extending the interest-only period to June 30, 2026, extending the final maturity date to September 30, 2027, and changing the principal payments to a fixed \$5.0 million per payment date;
- changes the interest rate from 12% through maturity to 12% through September 30, 2025 and 15% thereafter;
- includes two separate PIK periods, replacing the previous single PIK period: the first PIK Period measures from closing of the Term Loan Agreement through September 30, 2024 and includes the option to pay 8% cash plus 4% PIK (added to the principal); and the second PIK Period measures from September 30, 2025 through September 30, 2027 and includes the option to pay 12% cash plus 3% PIK; and
- updates board observation rights for lender representatives.

The amendment was accounted for as a troubled debt restructuring as the Company determined it was experiencing financial difficulties and was provided a concession through the deferral of the principal repayment. As the future undiscounted cash flows exceeded the carrying value, the Company did not recognize any gain or loss associated with the troubled debt restructuring.

The maturity date may be accelerated as a remedy under certain default provisions in the agreement or in the event a mandatory prepayment trigger occurs. PIK interest is subject to acceleration in the event certain occurrences in the Term Loan Facility’s agreement are triggered. In addition, P3 LLC will pay a back-end fee of 9.0% when principal repayments occur.

The Term Loan Facility includes certain restrictive covenants, including restrictions on the payment of cash dividends. The Company must remain in compliance with financial covenants such as minimum liquidity of \$5.0 million and annual minimum revenue levels. On an annual basis, the Company must post a minimum amount of annual revenue equal to or greater than \$585.0 million in 2024 and \$650.0 million in 2025. The Company is also subject to certain restrictions that include indebtedness and liens.

The Company was not in compliance with its Term Loan Facility covenants related to issuance of the 2025 financial statements with an audit opinion free of a “going concern” explanatory paragraph. The Term Loan Facility lenders granted a waiver of the covenant under the Term Loan Facility related to the existence of a “going concern” emphasis of matter paragraph in the audit opinion for the Company’s audited financial statements for the fiscal year ended December 31, 2025. The Company was in material compliance with all other covenants under the Term Loan Facility as of December 31, 2025; however, there can be no assurance that the Company will be able to maintain compliance with these covenants in the future or that the lenders under the Term Loan Facility or the lenders of any future indebtedness the Company may incur will grant any such waiver or forbearance in the future.

VGS 1 2024 Loan (2024) and VGS Promissory Note (2023)

In December 2022, P3 LLC entered into a related party financing transaction (see Note 20 “Related Parties”) with VBC Growth SPV LLC (“VGS”) which included the issuance of an unsecured promissory note (the “VGS Promissory Note”) to VGS; warrant agreement, pursuant to which the Company issued warrants to purchase 8.6 thousand shares of Class A common stock at an exercise price of \$213.00 per share to VGS (see Note 13 “Warrants”); and a subordination agreement, pursuant to which VGS agreed to subordinate its right of payment under the VGS Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. The VGS Promissory Note provided for funding of up to \$40.0 million. The Company paid VGS an up-front fee of 1.5%. Interest was payable at 14.0% per annum on a quarterly cycle (in arrears) beginning March 31, 2023. The Company had the option to pay interest of 6.0% in-kind and 8.0% in cash, subject to certain limitations. The VGS Promissory Note had a maturity date of May 19, 2026.

On December 12, 2024, the Company entered into an unsecured promissory note (the “VGS 1 2024 Loan”) with VGS providing for funding of up to approximately \$38.1 million, the proceeds from which were used to repay in full all principal, interest, and other amounts owing under the VGS Promissory Note. In connection with the replacement of the VGS Promissory Note with the VGS 1 2024 Loan, VGS waived the 9.0% back-end facility fee that otherwise would have been payable under the VGS Promissory Note. The VGS 1 2024 Loan has a maturity date of June 30, 2028 and an interest rate that is lower than the VGS Promissory Note by 50 basis points, among other things. The VGS 1 2024 Loan did not include the issuance of warrants. All other terms of the VGS 1 2024 Loan are the same as the terms of the VGS Promissory Note. The Company accounted for this transaction as a troubled debt restructuring as the Company was experiencing financial difficulty, and the amended terms resulted in a concession to the Company. As the future undiscounted cash flows

under the modified terms exceeded the carrying amount on the date of modification, the modification was accounted for prospectively.

The Company will pay VGS a back-end fee of 9.0% at the time the VGS 1 2024 Loan is redeemed. The VGS 1 2024 Loan may be prepaid, at the Company's option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee; provided that prepayments must be in increments of at least 5% of the total loan amount. The VGS 1 2024 Loan provides for mandatory prepayments with the proceeds of certain asset sales, and the lender has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 1 2024 Loan).

The VGS 1 2024 Loan restricts the Company's ability to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

In connection with the issuance of the VGS 1 2024 Loan, the Company also entered into a subordination agreement, dated as of December 12, 2024 (the "VGS 1 2024 Subordination Agreement") with VGS which subordinates VGS's right of payment under the VGS 1 2024 Loan to the right of payment and security interests of the lenders under the Term Loan Facility. Under the terms of the VGS 1 2024 Subordination Agreement, the Company is effectively required to pay all interest under the VGS 1 2024 Loan in-kind.

VGS 2 Promissory Note

On March 22, 2024, P3 LLC entered into a related party financing transaction (see Note 20 "Related Parties") with VBC Growth SPV 2, LLC ("VGS 2"), consisting of the issuance of an unsecured promissory note (the "VGS 2 Promissory Note") to VGS 2 and a subordination agreement ("VGS 2 Subordination Agreement"), pursuant to which VGS 2 agreed to subordinate its right of payment under the VGS 2 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. The VGS 2 Promissory Note provided for funding of up to \$25.0 million. The Company paid VGS 2 an up-front fee of 1.5% of the aggregate principal amount of the loan in-kind.

The VGS 2 Promissory Note matures on September 30, 2027. Interest is payable at 17.5% per annum on a quarterly cycle (in arrears) beginning June 30, 2024. The Company may elect to pay interest 8.0% in cash and 9.5% in-kind, but if the terms of the VGS 2 Subordination Agreement do not permit the Company to pay interest in cash, interest will be paid entirely in-kind.

The Company will pay VGS 2 a back-end fee of 9.0% at the time the VGS 2 Promissory Note is redeemed. The VGS Promissory Note may be prepaid, at the Company's option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee; provided that prepayments must be in increments of at least \$1.25 million.

The VGS 2 Promissory Note restricts the Company's ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

The VGS 2 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 2 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 2 Promissory Note).

In connection with the sale of the Florida Assets, on November 30, 2024, the VGS Promissory Note and VGS 2 Promissory Note were amended to permit the Permitted Florida Disposition and provide that the Company was not obligated to use the proceeds of the Permitted Florida Disposition to prepay the loans under the VGS Promissory Note and the VGS 2 Promissory Note.

VGS 3 Promissory Note

On December 12, 2024, P3 LLC entered into a related party financing transaction (see Note 20 "Related Parties") with VBC Growth SPV 3, LLC ("VGS 3"), consisting of the issuance of an unsecured promissory note (the "VGS 3 Promissory Note") to VGS 3; warrant agreement, pursuant to which the Company issued warrants to purchase 1.4 million shares of Class A common stock at an exercise price of \$10.69 per share to VGS 3 (see Note 13 "Warrants"); and a

subordination agreement (the “VGS 3 Subordination Agreement”), pursuant to which VGS 3 agreed to subordinate its right of payment under the VGS 3 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. The VGS 3 Promissory Note provides for funding of up to \$25.0 million. The Company paid VGS 3 an up-front fee of 1.5% of the aggregate principal amount of the loan in-kind.

The VGS 3 Promissory Note matures on June 30, 2028. Interest is payable at 19.5% per annum on a quarterly cycle (in arrears) beginning June 30, 2025. The Company may elect to pay either interest 8.0% in cash or 11.5% in-kind, but if the terms of the VGS 3 Subordination Agreement do not permit the Company to pay interest in cash, interest will be paid entirely in-kind.

The Company will pay VGS 3 a back-end fee at the time the VGS 3 Promissory Note is redeemed as follows: (i) if paid after January 31, 2025 and on or before April 30, 2025, 4.5%; (ii) if paid after April 30, 2025 and on or before July 31, 2025, 6.75% and (iii) if paid after July 31, 2025, 9.0%. The VGS Promissory Note may be prepaid, at the Company’s option, either in whole or in part, without penalty or premium, at any time and from time to time, subject to the payment of the back-end fee; provided that prepayments must be in increments of at least \$1.25 million.

The VGS 3 Promissory Note restricts the Company’s ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under the certain default provisions in the agreement, or in the event a mandatory prepayment event occurs.

The VGS 3 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 3 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 3 Promissory Note).

VGS 4 Promissory Note

On February 13, 2025, P3 LLC entered into a related party financing transaction with VBC Growth SPV 4, LLC (“VGS 4”), consisting of the issuance by P3 LLC of (i) an unsecured promissory note (the “VGS 4 Promissory Note”) to VGS 4 and (ii) a warrant to purchase 1.4 million shares of the Company’s Class A common stock at an exercise price of \$10.34 per share to VGS 4, as adjusted for the reverse stock split. The VGS 4 Promissory Note provides for funding of up to \$30.0 million, available for draw by P3 LLC in two tranches, as follows: (i) a first tranche of \$15.0 million which was drawn on February 18, 2025, and (ii) a second tranche of \$15.0 million which was drawn on March 14, 2025. The VGS 4 Promissory Note matures on August 13, 2028. Interest is payable at 19.5% per annum on a quarterly cycle (in arrears) beginning March 31, 2025. P3 LLC may elect to pay either (1) 8.0% cash interest and 11.5% paid in-kind (“PIK”) interest, or (2) 19.5% PIK interest, provided that payment of cash interest will be permitted only to the extent permitted by the Term Loan Agreement and the VGS 4 Subordination Agreement (defined below), and if not so permitted, such interest shall accrue as PIK interest. The VGS 4 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 4 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 4 Promissory Note).

The VGS 4 Promissory Note restricts P3 LLC’s ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under certain default provisions in the agreement, or in the event a mandatory prepayment event occurs. P3 LLC paid VGS 4 an up-front fee of 1.5% of the aggregate principal amount of the loan in-kind. In addition, P3 LLC will pay VGS 4 a back-end fee at the time the VGS 4 Promissory Note is redeemed as follows: (i) if paid prior to March 31, 2025, 2.25%; (ii) if paid after March 31, 2025 and on or before June 30, 2025, 4.50%; (iii) if paid after June 30, 2025 and on or before September 30, 2025, 6.75% and (iv) if paid after September 30, 2025, 9.00%.

In connection with the transactions described above, P3 LLC entered into a subordination agreement, dated as of February 13, 2025 (the “VGS 4 Subordination Agreement”), with CRG Servicing LLC (“CRG”), as administrative agent under the Term Loan Facility, and VGS 4. Pursuant to the VGS 4 Subordination Agreement, VGS 4 agreed to subordinate its right of payment under the VGS 4 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. The terms of the VGS 4 Subordination Agreement will effectively require P3 LLC to pay all interest under the VGS 4 Promissory Note in-kind.

VGS 5 Promissory Note

On May 29, 2025, P3 LLC entered into a related party financing transaction with VBC Growth SPV 5, LLC (“VGS 5”), consisting of the issuance by P3 LLC of (i) an unsecured promissory note (the “VGS 5 Promissory Note”) to VGS 5 and (ii) a warrant to purchase 1.4 million shares of the Company’s Class A common stock at an exercise price of \$7.39 per share to VGS 5. The VGS 5 Promissory Note provides for funding of up to \$70.0 million, available for draw by P3 LLC in three tranches, as follows: (i) a first tranche of \$15.0 million which was drawn on May 29, 2025, (ii) a second tranche of up to \$15.0 million available at the Company’s sole option in a single draw, on or prior to June 22, 2025, and (iii) a third tranche of \$40.0 million available upon mutual agreement of P3 LLC and VGS 5 in one or more draws no later than December 31, 2025. The VGS 5 Promissory Note matures on August 13, 2028. Interest is payable at 19.5% per annum on a quarterly cycle (in arrears) beginning June 30, 2025. P3 LLC may elect to pay either (1) 8.0% cash interest and 11.5% PIK interest, or (2) 19.5% PIK interest, provided that payment of cash interest will be permitted only to the extent permitted by the Term Loan Agreement and the VGS 5 Subordination Agreement (defined below), and if not so permitted, such interest shall accrue as PIK interest. The VGS 5 Promissory Note provides for mandatory prepayments with the proceeds of certain asset sales, and VGS 5 has the right to demand payment in full upon (i) a change of control of the Company and (ii) certain qualified financings (as defined in the VGS 5 Promissory Note).

On June 21, 2025, the Company delivered a request to VGS 5 for \$15.0 million in funding related to the second tranche. VGS 5 funded \$8.5 million in July 2025 and \$6.5 million in August 2025. On October 3, 2025, the Company delivered a request to VGS 5 for \$13.0 million in funding related to the third tranche, which was funded on October 7, 2025.

The VGS 5 Promissory Note restricts P3 LLC’s ability and the ability of its subsidiaries to, among other things, incur indebtedness and liens, and make investments and restricted payments. The maturity date may be accelerated as a remedy under certain default provisions in the agreement, or in the event a mandatory prepayment event occurs. P3 LLC paid VGS 5 an up-front fee of 1.5% of the aggregate principal amount of the loan in-kind. In addition, P3 LLC will pay VGS 5 a back-end fee at the time the VGS 5 Promissory Note is redeemed as follows: (i) if paid prior to June 30, 2025, 2.25%; (ii) if paid from July 1, 2025 through September 30, 2025, 4.50%; (iii) if paid after October 1, 2025 through December 31, 2025, 6.75% and (iv) if paid after December 31, 2025, 9.00%.

In connection with the transactions described above, P3 LLC entered into a subordination agreement, dated as of May 29, 2025 (the “VGS 5 Subordination Agreement”), with CRG as administrative agent under the Term Loan Facility, and VGS 5. Pursuant to the VGS 5 Subordination Agreement, VGS 5 agreed to subordinate its right of payment under the VGS 5 Promissory Note to the right of payment and security interests of the lenders under the Term Loan Facility. The terms of the VGS 5 Subordination Agreement will effectively require P3 LLC to pay all interest under the VGS 5 Promissory Note in-kind.

As of December 31, 2025, long-term debt maturities are as follows (in thousands):

2026	\$	45,089
2027		110,652
2028		180,989
		<u>336,730</u>
Less: unamortized debt issuance costs, original issue discount, and back-end facility fees		<u>(63,320)</u>
	\$	<u>273,410</u>

Note 12: Income Taxes

As a result of the Business Combinations, substantially all the Company’s assets and operations are held and conducted by P3 LLC and its subsidiaries, and the Company’s only assets are equity interests in P3 LLC. P3 LLC is treated as a partnership for U.S. federal and most applicable state and local income tax jurisdictions. As a partnership, P3 LLC is generally not subject to taxes, other than entity level state income taxes. Any taxable income or loss generated by P3 LLC is passed through to and included within the taxable income or loss of its members in accordance with the terms of the P3 LLC Amended & Restated Limited Liability Agreement dated as of the Closing Date (“P3 LLC A&R LLC Agreement”). Prior to the Business Combinations, the income and losses of P3 LLC were passed through to its members and nontaxable to P3 LLC.

The Company is taxed as a corporation and pays corporate federal, state, and local taxes on income allocated to it from P3 LLC based on the Company's economic interest held in P3 LLC. While the Company consolidates P3 LLC for financial purposes as a VIE, the Company will not be taxed on the earnings attributed to the non-controlling interests. As a result, the income tax burden on the earnings taxed on the non-controlling interests is not reported by the Company in its consolidated financial statements.

The components of loss before income taxes were as follows:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Domestic	\$ (321,061)	\$ (305,991)
Foreign	—	—
Total	<u>\$ (321,061)</u>	<u>\$ (305,991)</u>

The components of income tax expense were as follows:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Current income taxes:		
Federal	\$ 246	\$ 1,217
State	3,277	4,260
Total current income taxes	<u>3,523</u>	<u>5,477</u>
Deferred income taxes:		
Federal	(1,753)	(835)
State	255	(255)
Total deferred income taxes	<u>(1,498)</u>	<u>(1,090)</u>
Total income tax expense	<u>\$ 2,025</u>	<u>\$ 4,387</u>

A reconciliation of the statutory federal income tax to the Company's provision for income taxes (benefit) after the adoption of ASU 2023-09 are summarized as follows (in thousands, except for percentages):

	Year Ended December 31,	
	Amount	Percentage
U.S. federal statutory tax rate	\$ (67,423)	21.0 %
State and local income taxes, net of federal income tax effect ⁽¹⁾	150	— %
Changes in valuation allowance	29,522	(9.2)%
Nontaxable or nondeductible items		
Losses not subject to tax	\$ 34,926	(10.9)%
Other	\$ 797	(0.2)%
Changes in unrecognized tax benefits	\$ 3,410	(1.1)%
Other reconciling items	\$ 643	(0.2)%
Provision expense (benefit) for taxes and effective tax rate	<u>\$ 2,025</u>	<u>(0.6)%</u>

(1) State taxes in Oregon made up the majority (greater than 50 percent) of the tax effect in this category.

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As previously disclosed for the year ended December 31, 2024, a reconciliation of the statutory federal income tax to the Company's provision for income taxes (benefit) prior to the adoption of ASU 2023-09 is as follows (in thousands):

	Year Ended December 31, 2024	
Tax at federal statutory rate	\$	(64,258)
Non-controlling interest and nontaxable income		36,984
Change in valuation allowance		29,929
Investment in P3 LLC		(796)
Return to provision		2,006
Deferred tax adjustments		(21)
Other reconciling items		543
Total	\$	4,387
Effective tax rate		(1.4)%

The Company's tax rate is affected primarily by the recognition of a valuation allowance and the portion of income and expense allocated to the non-controlling interest. It is also affected by discrete items that may occur in any given year such as benefits from changes in the fair value of private placement and public warrants. During the years ended December 31, 2025 and 2024, the Company's tax rate was impacted by the valuation allowance placed on deferred tax assets in prior periods and losses from non-controlling interest not subject to tax.

The amount of income taxes paid (net of refunds received) are presented below (in thousands). Jurisdictions where income taxes paid exceeded five percent of total income taxes paid (net of refunds received) are disclosed separately.

	Year ended December 31, 2025	
	\$1,443	
Federal	\$	1,443
State		
California		(129)
Oregon		125
Other		—
Foreign		—
Total income taxes paid (net of refunds received)	\$	1,439

Cash income taxes paid (net of refunds received) were \$5.5 million and \$0.6 million for the years ended December 31, 2024 and 2023, respectively.

Deferred Income Taxes

Deferred income taxes result from differences in the recognition of amounts for tax and financial reporting purposes, as well as operating loss and tax credit carryforwards.

Significant components of the Company's deferred income tax assets and liabilities are as follows:

	December 31,	
	2025	2024
	(in thousands)	
Deferred tax assets:		
Investment in P3 LLC	\$ 38,157	\$ 32,438
Net operating loss carryforwards	51,647	33,087
Accrued liabilities	234	181
Goodwill and identifiable intangible assets	1,308	1,712
Section 163j interest limitation	11,531	5,104
Other deferred tax assets	386	459
Total deferred tax assets	103,263	72,981
Less: valuation allowance	(100,417)	(71,457)
Net deferred tax assets	2,846	1,524
Deferred tax liabilities:		
Operating lease, right-of-use assets	(201)	(410)
Other deferred tax liabilities	(56)	(24)
Total deferred tax liabilities	(257)	(434)
Net deferred tax asset	\$ 2,589	\$ 1,090

Deferred tax assets are included in other long-term assets in the Company's consolidated balance sheets.

The Company recognizes deferred tax assets to the extent it believes that these assets are more likely than not to be realized. The realization of tax benefits of net deferred tax assets is dependent upon future levels of taxable income, of an appropriate character, in the periods the items are expected to be deductible or taxable. Based on the available evidence as of December 31, 2025, the Company believes that it is more likely than not that the tax benefits of the U.S. losses incurred will not be realized. Accordingly, the Company has recorded a valuation allowance against the tax benefits of the U.S. losses incurred. The Company intends to maintain the valuation allowance on the U.S. net deferred tax assets until sufficient positive evidence exists to support a reversal of, or decrease in, the valuation allowance.

As of December 31, 2025, the Company has recognized a net deferred tax asset of \$1.1 million in connection with its subsidiary, Medcore HP ("MHP"). Because MHP does not file a consolidated corporate income tax return with the Company, the deferred tax assets of MHP are separately assessed for realizability. Based on the weight of all available evidence as of December 31, 2025, the Company believes that it is more likely than not that the tax benefits of the deferred tax assets of MHP will be realized.

As of December 31, 2025, the Company has recognized a net deferred tax asset of \$1.5 million in connection with certain of the Network VIEs. Because the Network VIEs do not file a consolidated corporate income tax return with the Company, the deferred tax assets are separately assessed for realizability. Based on the weight of all available evidence as of December 31, 2025, including cumulative income in recent years, the Company believes that it is more likely than not that the tax benefits of the deferred tax assets of certain of the Network VIEs will be realized.

The balances and activity related to the valuation allowance were as follows:

	Amount (in thousands)	
Balance at December 31, 2023	\$	(46,370)
Additions		(28,119)
Reductions		3,032
Balance at December 31, 2024		(71,457)
Additions		(28,960)
Reductions		—
Balance at December 31, 2025	\$	(100,417)

As of December 31, 2025, the Company has U.S. federal income tax net operating loss carryforwards of \$217.2 million available to offset future taxable income, all of which will be carried forward indefinitely, but utilization is limited to 80% of taxable income in any given year. The Company also has state net operating loss carryforwards of \$119.8 million, of which \$101.8 million will expire over the next 20 years, and \$18.0 million will be carried forward indefinitely.

The federal and state net operating loss carryforwards may be subject to limitations under Section 382 and Section 383 of the Internal Revenue Code of 1986 (the “Code”) and similar provisions under state law. The Tax Reform Act of 1986 contains provisions that limit the federal net operating loss carryforwards that may be used in any given year in the event of special occurrences, including significant ownership changes. The Company has completed a Section 382 analysis covering the period January 1, 2018 through September 30, 2025. The Section 382 analysis tested the Company’s stock for each occurrence of stock issuance during the covered period. Through the analysis period, ownership changes were identified resulting in annual limitations to tax attributes; however, due to the indefinite carryforward of U.S. federal income tax net operating losses, no such carryforwards have been derecognized.

Uncertain Tax Positions

The Company is subject to examination for tax years beginning with the year ended December 31, 2020. The Company is not currently under any U.S. federal or state income tax audits for any tax year.

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2025		2024	
	(in thousands)			
Balance at January 1	\$	4,285		—
Additions based on tax positions taken in a prior year		2,135		—
Additions based on tax positions related to the current year		335		4,285
Balance at December 31	\$	6,755	\$	4,285

As of December 31, 2025, there are \$6.8 million unrecognized tax benefits related to state tax filing positions that if recognized would affect the annual effective tax rate. Events that could impact the liability include expiration of the statute of limitations or settlement with the state tax authority.

The Company recorded interest and penalties of \$1.0 million related to uncertain tax positions within the income tax provision on the consolidated statement of comprehensive loss during the year ended December 31, 2025. As of December 31, 2025, accrued interest and penalties related to uncertain tax positions of \$2.6 million were recorded within other long-term liabilities on the consolidated balance sheet. \$1.6 million was recorded during the year ended as of December 31, 2024.

Tax Receivable Agreement

In connection with the Business Combinations, the Company entered into a TRA that provides for the payment by the Company of 85% of the amount of any tax benefits that are realized, or in some cases are deemed to realize, as a result

of (i) increases in the Company's share of the tax basis in the net assets of P3 LLC resulting from any redemptions or exchanges of P3 LLC, (ii) tax basis increases attributable to payments made under the TRA, and (iii) deductions attributable to imputed interest pursuant to the TRA. The Company expects to benefit from the remaining 15% of any tax benefits that are realized.

Pursuant to the Company's election under Section 754 of the Code, the Company expects to obtain an increase in its share of the tax basis in the net assets of P3 LLC when Common Units are redeemed or exchanged. The Company intends to treat any redemptions and exchanges of Common Units as direct purchases of the units for U.S. federal income tax purposes. These increases in tax basis may reduce the amounts that the Company would otherwise pay in the future to various tax authorities. They may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent the tax basis is allocated to those capital assets.

The estimation of liability under the TRA is, by its nature, imprecise and subject to significant assumptions regarding a number of factors, including the timing and amount of taxable income generated by the Company each year, as well as the tax rate then applicable, among other factors. Actual tax benefits realized by the Company may differ from tax benefits calculated under the TRA as a result of the use of certain assumptions in the TRA, including the use of an assumed weighted-average state and local income tax rate to calculate tax benefits.

The payment obligation under the TRA is an obligation of the Company and not of P3 LLC. The payments that the Company will be required to make will generally reduce the amount of the overall cash flow that might have otherwise been available, but the Company expects the cash tax savings realized from the utilization of the related tax benefits will exceed the amount of any required payments.

As of December 31, 2025 and 2024, the TRA liability is estimated to be \$12.4 million and \$11.5 million, respectively; however, due to the full valuation allowance recorded by the Company, which results in no tax benefits that are to be realized related to the amortization of the step-up, the Company determined that payments to TRA holders are not probable and no TRA liability has been recorded as of December 31, 2025 and 2024. As non-controlling interest holders exercise their right to exchange their Common Units, a TRA liability may be recorded based on 85% of the estimated future tax benefits that the Company may realize as a result of increases in its tax basis of P3 LLC. The amount of the increase in the tax basis, the related estimated tax benefits, and the related TRA liability to be recorded will depend on the price of a share of the Company's Class A common stock at the time of the relevant redemption or exchange.

Note 13: Warrants

As of December 31, 2025 and 2024, there were an aggregate of 8.4 million and 4.9 million warrants outstanding, respectively, which include the 2021 Public Warrants, 2021 Private Placement Warrants, VGS Warrants, VGS 3 Warrants, VGS 4 Warrants, VGS 5 Warrants, March 2023 Warrants, May 2024 Common Warrants, and May 2024 Pre-Funded Warrants (each as defined below). No warrants were exercised during the years ended December 31, 2025 and 2024.

Liability-classified

Public Offering and Private Placement

The 2021 Public Warrants and 2021 Private Placement Warrants entitle the holders to purchase an aggregate of 0.2 million shares of Class A common stock, as adjusted for the reverse stock split, at a price of \$575.00 per share. The 2021 Public Warrants will expire five years after the completion of the Business Combinations. The Company has the right to redeem the 2021 Public Warrants when the price per share of Class A common stock equals or exceeds \$900.00 for 20 days within a 30-day trading period. The 2021 Private Placement Warrants are identical to the 2021 Public Warrants, except that the 2021 Private Placement Warrants are subject to certain transfer restrictions, are not redeemable by the Company if they are held by sponsors, and are exercisable on a cashless basis.

May 2024 Common Warrants

In connection with the May 2024 Private Placement (see Note 15 "Capitalization"), the Company issued warrants to purchase an aggregate of 1.3 million shares of Class A common stock, as adjusted for the reverse stock split, at a price of \$25.10 per share (the "May 2024 Common Warrants"). Pursuant to the warrant agreements, the May 2024 Common Warrants and the right to purchase securities upon the exercise of the May 2024 Warrants will terminate upon the earliest to occur of the following: (a) May 22, 2031; and (b) the consummation of (i) a sale, conveyance, disposal, or encumbrance

of all or substantially all of the Company's property or business or the Company's merger into or consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company is disposed and the proceeds thereof are paid to the then-existing stockholders of the Company. The May 2024 Common Warrants were recorded as liability-classified financial instruments for an initial amount of \$31.3 million.

The key Level 3 inputs into the option pricing model related to the May 2024 Warrants at inception, as adjusted for the reverse stock split, were as follows:

Volatility		95.0 %
Risk-free interest rate		4.5 %
Exercise price	\$	25.10
Expected term		7.0 years

The 2021 Public Warrants, 2021 Private Placement Warrants, and May 2024 Warrants are recorded as liabilities on the consolidated balance sheets with a balance of \$2.5 million and \$10.3 million as of December 31, 2025 and 2024, respectively.

Equity-classified

VGS Warrants

In connection with the VGS Promissory Note issued in December 2022 (see Note 11 "Debt"), the Company and VGS entered into a warrant agreement (the "VGS Warrant Agreement") pursuant to which the Company issued warrants to purchase 8.6 thousand shares of Class A common stock, as adjusted for the reverse stock split, at an exercise price of \$213.00 per share to VGS (the "VGS Warrants"). The number of shares of common stock for which the VGS Warrants is exercisable and the exercise price may be adjusted upon any event involving subdivisions, combinations, distributions, recapitalizations, and similar transactions. Pursuant to the VGS Warrant Agreement, the warrants and the right to purchase securities upon the exercise of the warrants will terminate upon the earliest to occur of the following: (a) December 13, 2027; and (b) the consummation of (i) a sale, conveyance, consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company or P3 LLC is disposed.

VGS 3 Warrants

In connection with the VGS 3 Promissory Note issued in December 2024 (see Note 11 "Debt"), the Company and VGS 3 entered into a warrant agreement (the "VGS 3 Warrant Agreement") pursuant to which the Company issued warrants to purchase 1.4 million shares of Class A common stock, as adjusted for the reverse stock split, at an exercise price of \$10.69 per share to VGS 3 (the "VGS 3 Warrants"). The number of shares of common stock for which the VGS 3 Warrants is exercisable and the exercise price may be adjusted upon any event involving subdivisions, combinations, distributions, recapitalizations, and similar transactions. Pursuant to the VGS 3 Warrant Agreement, the warrants and the right to purchase securities upon the exercise of the warrants will terminate upon the earliest to occur of the following: (a) December 12, 2031; and (b) the consummation of (i) a sale, conveyance, consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company or P3 LLC is disposed. The Company recorded the fair value of the VGS 3 Warrants of \$12.1 million as an increase to additional paid in capital during the year ended December 31, 2024.

The key Level 3 inputs into the option pricing model related to the VGS 3 Warrants were as follows:

Volatility		91.6 %
Risk-free interest rate		4.2 %
Exercise price	\$	10.69
Expected term		6.8 years

VGS 4 Warrants

In connection with the VGS 4 Promissory Note issued in February 2025 (see Note 11 “Debt”), the Company and VGS 4 entered into a warrant agreement (the “VGS 4 Warrant Agreement”) pursuant to which the Company issued warrants to purchase 1.4 million shares of the Company’s Class A common stock at an exercise price of \$10.34 per share to VGS 4 (the “VGS 4 Warrants”), as adjusted for the reverse stock split. The number of shares of common stock for which the VGS 4 Warrants are exercisable and the exercise price may be adjusted upon any event involving subdivisions, combinations, distributions, recapitalizations, and similar transactions. Pursuant to the VGS 4 Warrant Agreement, the warrants and the right to purchase securities upon the exercise of the warrants will terminate upon the earliest to occur of the following: (a) February 13, 2032; and (b) the consummation of (i) a sale, conveyance, consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company or P3 LLC is disposed. The Company recorded the fair value of the VGS 4 Warrants of \$14.0 million as an increase to additional paid in capital during the year ended December 31, 2025.

The key Level 3 inputs into the option pricing model related to the VGS 4 Warrants were as follows:

Volatility		91.0 %
Risk-free interest rate		4.41 %
Exercise price	\$	10.34
Expected term		7.0 Years

VGS 5 Warrants

In connection with the VGS 5 Promissory Note issued in May 2025 (see Note 11 “Debt”), the Company and VGS 5 entered into a warrant agreement (the “VGS 5 Warrant Agreement”) pursuant to which the Company issued warrants to purchase 1.4 million shares of the Company’s Class A common stock at an exercise price of \$7.39 per share to VGS 5. The number of shares of common stock for which the VGS 5 Warrants are exercisable and the exercise price may be adjusted upon any event involving subdivisions, combinations, distributions, recapitalizations, and similar transactions. Pursuant to the VGS 5 Warrant Agreement, the warrants and the right to purchase securities upon the exercise of the warrants will terminate upon the earliest to occur of the following: (a) May 29, 2032; and (b) the consummation of (i) a sale, conveyance, consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company or P3 LLC is disposed. The Company recorded the fair value of the VGS 5 Warrants of \$8.3 million as an increase to additional paid in capital during the year ended December 31, 2025.

The key Level 3 inputs into the option pricing model related to the VGS 5 Warrants were as follows:

Volatility		92.0 %
Risk-free interest rate		4.16 %
Exercise price	\$	7.39
Expected term		7.0 Years

VGS 5 Tranche 3a Warrants

In connection with the third tranche of the VGS 5 Promissory Note which was funded on October 7, 2025 (see Note 11 “Debt”), the Company and VGS 5 entered into a warrant agreement (the “VGS 5 Tranche 3a Warrant Agreement”) pursuant to which the Company issued warrants to purchase 0.6 million shares of the Company’s Class A common stock at an exercise price of \$8.88 per share to VGS 5. The number of shares of common stock for which the VGS 5 Warrants are exercisable and the exercise price may be adjusted upon any event involving subdivisions, combinations, distributions, recapitalizations, and similar transactions. Pursuant to the VGS 5 Warrant Agreement, the warrants and the right to purchase securities upon the exercise of the warrants will terminate upon the earliest to occur of the following: (a) October 7, 2032; and (b) the consummation of (i) a sale, conveyance, consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company or P3 LLC is disposed. The Company recorded the fair value of the VGS 5 Warrants of \$4.5 million as an increase to additional paid in capital during the year ended December 31, 2025.

The key Level 3 inputs into the option pricing model related to the VGS 5 Tranche 3a Warrants were as follows:

Volatility		92.0 %
Risk-free interest rate		3.91 %
Exercise price	\$	8.88
Expected term		7.0 Years

May 2024 Pre-Funded Warrants

In connection with the May 2024 Private Placement (see Note 15 “Capitalization”), the Company issued pre-funded warrants to purchase an aggregate of 0.5 million shares of Class A common stock, as adjusted for the reverse stock split, at a price of \$0.005 per share (the “May 2024 Pre-Funded Warrants”). Pursuant to the warrant agreements, the May 2024 Pre-Funded Warrants and the right to purchase securities upon the exercise of the May 2024 Pre-Funded Warrants will terminate upon the consummation of (i) a sale, conveyance, disposal, or encumbrance of all or substantially all of the Company’s property or business or the Company’s merger into or consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company is disposed and the proceeds thereof are paid to the then-existing stockholders of the Company. The May 2024 Pre-Funded Warrants were recorded as equity-classified financial instruments totaling \$6.6 million.

March 2023 Warrants

In connection with the March 2023 Private Placement (see Note 15 “Capitalization”), the Company issued warrants to purchase an aggregate of 1.2 million shares of Class A common stock, as adjusted for the reverse stock split, at a price of \$56.50 per share (the “March 2023 Common Warrants”), and pre-funded warrants to purchase an aggregate of 0.2 million shares of Class A common stock, as adjusted for the reverse stock split, at a price of \$0.005 per share (the “March 2023 Pre-Funded Warrants” and, together with the March 2023 Common Warrants, the “March 2023 Warrants”). Pursuant to the warrant agreements, the March 2023 Warrants and the right to purchase securities upon the exercise of the March 2023 Warrants will terminate upon the earliest to occur of the following: (a) April 5, 2028, with respect to the March 2023 Common Warrants only; and (b) the consummation of (i) a sale, conveyance, disposal, or encumbrance of all or substantially all of the Company’s property or business or the Company’s merger into or consolidation with any other corporation (other than a wholly owned subsidiary corporation) or (ii) any other transaction or series of related transactions in which more than 50% of the voting power of which the Company is disposed and the proceeds thereof are paid to the then-existing stockholders of the Company.

Note 14: Commitments and Contingencies

The Company is a party to various claims, legal and regulatory proceedings, lawsuits, and administrative actions arising in the ordinary course of business. The Company carries general and professional liability insurance coverage to mitigate the Company’s risk of potential loss in such cases. An accrual is established when a specific contingency is probable and estimable. The Company also faces contingencies that are reasonably possible to occur that cannot currently be estimated. The Company believes that disposition of these matters will not have a material adverse effect on the Company’s consolidated financial position, net loss, or cash flows. It is the Company’s policy to expense costs associated with loss contingencies, including any related legal fees, as they are incurred.

Civil Investigative Demand

In June 2024, the Company received a civil investigative demand (“CID”) from the U.S. Department of Justice (“DOJ”) pursuant to the False Claims Act in the course of the government’s investigation concerning its arrangements with insurance agents and brokers. The CID requests documentation and information relating to the marketing of the Company’s broker programs and arrangements with, and remuneration paid to, MA brokers, agents and agencies, as well as arrangements with third parties relating to these programs. The Company is cooperating with the investigation and

providing the requested information. No assurance can be given as to the timing or outcome of the government's investigation.

Uncertainties

The healthcare industry is subject to numerous laws and regulations of Federal, state, and local governments. These laws and regulations include, but are not limited to, matters of licensure, accreditation, government healthcare program participation requirements, reimbursement for patient services, and Medicare / Medicaid Fraud, Waste and Abuse Prevention. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of Fraud, Waste and Abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with imposition of significant fines and penalties as well as significant repayment for patient services billed.

Management believes the Company is compliant with Fraud, Waste and Abuse regulations as well as other applicable government laws. While no regulatory inquiries have been made, compliance with such laws and regulations is subject to government review and interpretation, as well as other regulatory actions which might be unknown at this time.

Healthcare reform legislation at both the Federal and state levels continues to evolve. Changes continue to impact existing and future laws and rules. Such changes may impact the manner in which the Company conducts business, restrict the Company's revenue growth in certain eligibility categories, slow down revenue growth rates for certain eligibility categories, increase certain medical, administrative and capital costs, and expose the Company to increased risk of loss or further liabilities. As a result, the Company's consolidated financial position could be impacted by such changes.

Leases

The Company leases real estate in the form of corporate office space and operating facilities. The Company's real estate leases have noncancelable terms expiring in 2026 to 2040, certain of which have one to two renewal options of five to 10 years.

Operating lease right-of-use assets of \$12.5 million and \$12.9 million were included within other long-term assets on the Company's consolidated balance sheets as of December 31, 2025 and 2024, respectively.

Operating lease costs are included within operating expenses on the consolidated statements of operations and were \$4.3 million and \$4.6 million for the years ended December 31, 2025 and 2024, respectively.

Lease terms and discount rates consisted of the following as of:

	December 31,	
	2025	2024
Weighted average remaining lease term (years)	4.3	4.8
Weighted average discount rate	12.3 %	12.4 %

Maturities of operating lease liabilities as of December 31, 2025 are as follows (in thousands):

Year Ending December 31,	
2026	\$ 3,932
2027	3,691
2028	3,508
2029	3,193
2030	2,302
Thereafter	2,314
Total undiscounted future cash flows	18,940
Less: interest	(5,027)
Present value of operating lease liabilities	<u>\$ 13,913</u>

The current portions of operating right-of-use liabilities of \$2.4 million and \$2.5 million are included in accrued expenses and other current liabilities in the Company's consolidated balance sheets as of December 31, 2025 and 2024, respectively.

Supplemental cash flows and other information related to leases are as follows:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Operating cash flows paid for operating leases	\$ 4,190	\$ 4,551

Note 15: Capitalization

As of December 31, 2025, under the Company's amended and restated certificate of incorporation dated August 20, 2020, the Company is authorized to issue: (i) 800 million shares of Class A common stock with a par value of \$0.0001 per share, (ii) 205 million shares of Class V common stock with a par value of \$0.0001 per share, and (iii) 10 million shares of preferred stock with a par value of \$0.0001 per share, of which no shares were issued or outstanding as of December 31, 2025 and 2024. Holders of shares of Class A common stock and Class V common stock are each entitled to one vote on all matters to be voted upon by stockholders. The declaration, amount, and payment of any future dividends on shares of Class A common stock will be at the discretion of the Company's Board of Directors and will depend upon many factors, including the Company's results of operations, financial condition, capital requirements, restrictions in its debt agreements, and other factors that the Company's Board of Directors deems relevant. Holders of shares of Class A common stock are entitled to receive such dividends declared by the Company's Board of Directors. Holders of shares of Class V common stock are not entitled to participate in any such dividends declared by the Company's Board of Directors. The Company's Board of Directors has not declared any cash dividends during the years ended December 31, 2025 or 2024.

Reverse Stock Split

On April 11, 2025, the Company filed a Certificate of Amendment to its Amended and Restated Certificate of Incorporation (the "Charter Amendment") with the Secretary of State of Delaware to effect a 1-for-50 reverse stock split (the "Reverse Stock Split") of the Company's outstanding Class A common stock, \$0.0001 par value per share, and Class V common stock, \$0.0001 par value per share, as of that date.

The Reverse Stock Split resulted in 163,159,548 shares of Class A common stock being converted to 3,263,093 shares of Class A common stock and 195,956,984 shares of Class V common stock being converted to 3,919,124 shares of Class V common stock. The Board of Directors of the Company approved the Charter Amendment to meet the share bid price requirements of the Nasdaq Capital Market. The Company's stockholders approved the Charter Amendment at a special meeting held on March 31, 2025.

No fractional shares were issued as a result of the Reverse Stock Split. Each stockholder was entitled to receive a cash payment equal to the fraction of a share to which such stockholder would otherwise have been entitled multiplied by

the closing price per share of the Class A common stock as reported by The Nasdaq Capital Market (as adjusted to give effect to the Reverse Stock Split) on the effective date of the Reverse Stock Split. Proportional adjustments were made to the number of shares of Class A common stock underlying the Company's outstanding equity awards and warrants, as well as the exercise or conversion price, as applicable, and to the number of shares issuable under the Company's equity incentive plans and other existing agreements. All options and restricted stock awards of the Company outstanding immediately prior to the split have been adjusted in accordance with the terms of the plans, agreements or arrangements governing such options and restricted stock awards.

Each stockholder's percentage ownership interest in the Company and proportional voting power remained unchanged by the split, except for minor changes and adjustments that resulted from the treatment of fractional shares. The rights and privileges of the holders of shares of the Company's common stock were substantially unaffected. Unless otherwise noted, all references in the consolidated financial statements and notes to consolidated financial statements to the number of shares, per share data, restricted stock and stock option data have been retroactively adjusted to give effect to the Reverse Stock Split.

May 2024 Private Placement

On May 24, 2024, pursuant to a Securities Purchase Agreement (the "May 2024 Purchase Agreement"), dated May 22, 2024 with the purchasers named therein (the "May 2024 Purchasers"), which included certain affiliated entities of Chicago Pacific Founders GP, L.P., a Delaware limited partnership ("CPF GP"), and institutional investors, the Company issued approximately 1.3 million units, as adjusted for the reverse stock split, at a price of approximately \$31.35 per unit. Each unit consists of one share of Class A common stock and a warrant to purchase one share of Class A common stock at an exercise price of \$25.10. Certain institutional investors elected to receive pre-funded warrants to purchase Class A common stock in lieu of a portion of their Class A common stock. In total, the Company sold (i) an aggregate of 0.8 million shares of its Class A common stock, (ii) warrants to purchase an aggregate of 1.3 million shares of Class A common stock, and (iii) warrants to purchase an aggregate of 0.5 million shares of Class A common stock for aggregate proceeds of \$39.8 million, net of \$2.4 million in offering costs (collectively, the "May 2024 Private Placement").

Registration Rights Agreement

On May 24, 2024, in connection with the May 2024 Private Placement, the Company entered into a Registration Rights Agreement (the "May 2024 Registration Rights Agreement") with the May 2024 Purchasers. Pursuant to the May 2024 Registration Rights Agreement, the Company agreed to prepare and file a registration statement with the SEC for purposes of registering the resale of the shares and shares of common stock issuable upon exercise of the warrants, which was filed with the SEC on June 18, 2024 and declared effective by the SEC on June 27, 2024. The May 2024 Registration Rights Agreement also contains certain shelf takedown and piggyback rights.

The Company has also agreed, among other things, to indemnify the May 2024 Purchasers, their officers, directors, members, employees and agents, successors and assigns under the registration statement from certain liabilities and to pay all fees and expenses incident to the Company's obligations under the May 2024 Registration Rights Agreement.

Letter Agreement with CPF

On April 6, 2023, in connection with the March 2023 Purchase Agreement, the Company entered into a letter agreement (the "Letter Agreement") with the CPF Parties. The Letter Agreement provides, pursuant to certain stipulations, that CPF will be entitled to designate one additional independent member of the Company's board of directors and that CPF will be entitled to certain information rights and protective provisions. As of the date of the issuance of these consolidated financial statements, CPF has not exercised its right to designate a director under the terms of the Letter Agreement. CPF Parties also agreed to a standstill restriction from the date of the closing of the March 2023 Private Placement to June 30, 2024 that limited the ownership of the CPF Parties to 49.99% of the Company's Class A common stock and Class V common stock.

On May 24, 2024, in connection with entry into the Purchase Agreement, the Company entered into an amended and restated letter agreement (the "Amended and Restated Letter Agreement") with CPF GP, and Chicago Pacific Founders GP III, L.P., a Delaware limited partnership ("CPF GP III," and together with CPF GP, "CPF") (on behalf of the funds of which CPF GP is the general partner, certain funds of which CPF GP III is the general partner and/or certain of their affiliated entities and funds (collectively, the "CPF Parties")). The Amended and Restated Letter Agreement provides that for as long as the CPF Parties own 40% of the Company's outstanding common stock, (i) CPF will be entitled to designate one additional independent member of the Company's board of directors, and (ii) CPF will be entitled to certain

information rights and protective provisions. As of the date of the issuance of these financial statements, CPF has not exercised its right to designate a director under the terms of the Amended and Restated Letter Agreement. The CPF Parties also agreed to extend a standstill restriction that limits the ownership of the CPF Parties to 49.99% of the Company's Class A common stock and Class V common stock from the date of the closing of the May 2024 Private Placement to July 31, 2025. On December 12, 2024, in connection with the issuance of warrants to VGS 3, we entered into a second amended and restated CPF Letter Agreement pursuant to which the CPF Parties extended the ownership restriction standstill to January 1, 2026.

Shelf Registration

On November 9, 2023, the Company filed a shelf Registration Statement on Form S-3 with a capacity of \$250 million (the "Shelf Registration"), which was declared effective by the SEC on November 20, 2023, and entered into an Open Market Sales Agreement ("Sales Agreement") pursuant to which the Company may issue and sell, from time to time, through the sales agent, shares of the Company's Class A common stock, par value \$0.0001 per share, with an aggregate value of up to \$75 million. The sales agent will make commercially reasonable efforts, following the Company's instructions, to sell shares over time, adhering to specified limits. Sales will be conducted through at-the-market offerings as defined by Rule 415(a)(4) under the Securities Act of 1933, as amended. The aggregate value of shares of Class A common stock that may be offered, issued, and sold under the Sales Agreement is included in the aggregate value of securities that may be offered, issued, and sold by the Company under the Shelf Registration. Upon termination of the Sales Agreement, any unused portion will be available for sale in other offerings pursuant to the Shelf Registration.

March 2023 Private Placement

On April 6, 2023, pursuant to a Securities Purchase Agreement (the "March 2023 Purchase Agreement"), dated March 30, 2023 with the purchasers named therein (the "March 2023 Purchasers"), which included certain affiliated entities of CPF GP, and the Company's Chief Medical Officer and member of the Company's board of directors, the Company issued 1.6 million units, as adjusted for the reverse stock split, at a price of approximately \$56.00 per unit for institutional investors, and a purchase price of approximately \$59.50 per unit for employees and consultants. Each unit consists of one share of Class A common stock and 0.75 of a warrant to purchase one share of Class A common stock at an exercise price of \$56.50. Certain institutional investors elected to receive pre-funded warrants to purchase Class A common stock in lieu of a portion of their Class A common stock. In total, the Company sold (i) an aggregate of 1.4 million shares of its Class A common stock, (ii) warrants to purchase an aggregate of 1.2 million shares of Class A common stock, and (iii) pre-funded warrants to purchase an aggregate of 0.2 million shares of Class A common stock for aggregate proceeds of \$86.6 million, net of \$2.9 million in offering costs (collectively, the "March 2023 Private Placement").

Registration Rights Agreement

On April 6, 2023, in connection with the March 2023 Purchase Agreement, the Company entered into a Registration Rights Agreement (the "April 2023 Registration Rights Agreement") with the Purchasers. Pursuant to the April 2023 Registration Rights Agreement, the Company agreed to prepare a registration statement for purposes of registering the resale of the shares and shares of common stock issuable upon exercise of the warrants, which was filed with the SEC on May 2, 2023 and declared effective by the SEC on June 14, 2023. The Registration Rights Agreement also contains certain shelf takedown and piggyback rights.

The Company has also agreed, among other things, to indemnify the March 2023 Purchasers, their officers, directors, members, employees and agents, successors and assigns under the registration statement from certain liabilities and to pay all fees and expenses incident to the Company's obligations under the April 2023 Registration Rights Agreement.

Note 16: Equity-Based Compensation

2021 Incentive Award Plan

In connection with the Business Combinations, the Company's Board of Directors adopted, and its stockholders approved, the 2021 Incentive Award Plan (the "2021 Plan"), effective on its adoption date, in order to facilitate the grant of cash and equity incentives to employees, consultants, and directors of the Company and certain affiliates. The 2021 Plan provides that the initial aggregate number of shares reserved and available for issuance is 292,000, as adjusted for the reverse stock split, plus an increase each January 1, beginning on January 1, 2022 and ending on and including January 1, 2031, equal to the lesser of (i) 1% of the aggregate number of shares of Class A common stock and Class V common stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of shares of Class A

common stock as is determined by the Company’s Board of Directors. Since January 1, 2022, the aggregate number of shares of Class A common stock reserved and available for issuance under the 2021 Plan has increased by a total of 0.2 million pursuant to the automatic annual increase provision under the 2021 Plan. As of December 31, 2025, the number of shares of Class A common stock reserved and available for issuance under the 2021 Plan was 0.1 million.

The 2021 Plan allows for the grant of (i) stock options, including incentive stock options, (ii) stock appreciation rights, (iii) restricted stock awards (“RSAs”), (iv) restricted stock unit (“RSU”) awards, or (v) other stock or cash based awards as may be determined by the plan’s administrator from time to time. The term of each option award shall be no more than 10 years from the date of grant. The Company’s policy for issuing shares upon stock option exercise is to issue new shares of Class A common stock. The P3 LLC A&R LLC Agreement states that P3 LLC will maintain at all times a one-to-one ratio between the number of Common Units owned by the Company and the number of outstanding shares of Class A common stock, including, but not limited to, those issued as result of stock option exercises and settlement of RSU awards granted under the 2021 Plan.

The 2021 Plan also permits the grant of dividend equivalent units that entitle the holder to an amount based on the value of the dividends per share paid on the Company’s Class A common stock, which are accumulated on RSUs during the vesting period.

The following table summarizes time-based stock option activity under the 2021 Plan for the year ended December 31, 2025:

	Number of Stock Options (in thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2024	131	\$ 117.27	8.57	\$ —
Granted	44	\$ 8.56		
Cancelled	(5)	\$ (164.21)		
Forfeited	(6)	\$ (128.81)		
Cancelled & Forfeited adjustments	20	\$ —		
Outstanding as of December 31, 2025	184	\$ 80.33	8.15	\$ —
Fully vested and expected to vest as of December 31, 2025	184	\$ 80.33	8.15	\$ —
Exercisable as of December 31, 2025	123	\$ 107.24	7.73	\$ —

The following additional disclosures are provided for time-based stock options:

	Year Ended December 31,	
	2025	2024
Weighted average grant date fair value	\$ 5.50	\$ 0.34

The following table summarizes performance-based stock option activity under the 2021 Plan for the year ended December 31, 2025:

	Number of Stock Options (in thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2024	15	\$ 247.50	—	\$ —
Granted	—	\$ —		
Forfeited	—	\$ —		
Outstanding as of December 31, 2025	15	\$ 247.50	6.93	\$ —
Fully vested and expected to vest as of December 31, 2025	15	\$ 247.50	6.93	\$ —
Exercisable as of December 31, 2025	—	—	—	\$ —

There were no stock options exercised during the years ended December 31, 2025 and 2024.

The weighted average assumptions used in estimating the grant date fair value of stock options are listed in the table below:

	Year Ended December 31,	
	2025	2024
Expected volatility	68.4 %	64.7 %
Risk-free interest rate	4.1 %	4.2 %
Expected term	6.1 years	6.2 years
Dividend rate	0.0 %	0.0 %

Time-based stock options vest ratably over a period between two and five years, so long as the optionee continues to provide services to the Company. As of December 31, 2025, there was \$0.7 million and \$1.8 million of unrecognized equity-based compensation cost related to unvested time-based and performance-based stock options under the 2021 Plan, respectively, which is expected to be recognized over a weighted-average period of 2.3 years and 7.0 years, respectively.

The following table summarizes RSU activity under the 2021 Plan for the year ended December 31, 2025:

	Weighted Average Grant Date Fair Value	Number of Units (in thousands)
Non-vested as of December 31, 2024	\$ 79.89	74
Granted	\$ 9.09	55
Vested	\$ 74.97	(29)
Forfeited	\$ 65.08	(16)
Non-vested as of December 31, 2025	\$ 28.63	84

The following additional disclosures are provided for RSU awards:

	Year Ended December 31,	
	2025	2024
Weighted average grant date fair value	\$ 9.09	\$ 0.59
Total fair value of shares vested (in thousands)	\$ 2,217	\$ 2,680

In August 2023, the Company granted an aggregate of 50,000 RSUs, as adjusted for the reverse stock split, pursuant to the 2021 Plan to the Company's then Chief Executive Officer, Dr. Abdou, and Chief Medical Officer, Dr. Bacchus (collectively, the "Executives"), in full satisfaction of the "Second Bonus" earned by each Executive during the year ended December 31, 2022 pursuant to the terms of the transaction bonus agreements, dated May 2022, entered into between each Executive and the Company and P3 Health Group Management, LLC in connection with the consummation of the Business Combinations (together, the "RSU Transaction Bonuses"). The RSUs were fully vested at the time of grant. The fair value of the RSUs granted was \$5.6 million, \$0.6 million of which was recorded in equity-based compensation during the year ended December 31, 2023. The RSUs were settled in Class A common stock and the Company timely paid \$0.7 million in withholding taxes attributable to the vesting of the RSUs to the Internal Revenue Service on behalf of Dr. Abdou on January 10, 2024. Dr. Abdou repaid such sum to the Company on May 2, 2024.

RSUs typically vest ratably over a period between two and four years, so long as the grantee continues to provide services to the Company. As of December 31, 2025, total equity-based compensation cost related to all unvested RSUs under the 2021 Plan was \$1.2 million, which is expected to be recognized over a weighted average period of 1.6 years.

2024 Employee Inducement Incentive Award Plan

On May 7, 2024, the Board of Directors adopted the Company's 2024 Employment Inducement Incentive Award Plan (the "2024 Plan"), effective on its adoption date. The 2024 Plan provides for the grant of non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, dividend equivalents and other stock or cash-based awards to prospective employees, and contains terms and conditions intended to comply with the inducement award exception under the Nasdaq Listing Rules. The Board of Directors has reserved 0.3 million shares of the Class A common stock for issuance pursuant to awards granted under the 2024 Plan. In accordance with Nasdaq Stock Market Rule 5635(c)(4), awards under the 2024 Plan may only be made to individuals not previously employed by the Company or individuals being rehired following a bona fide period of interruption of employment, as an inducement material to such individuals' entering into employment with the Company. As of December 31, 2025, there were no shares of Class A common stock reserved and available for issuance under the 2024 Plan.

The term of each option award shall be no more than 10 years from the date of grant. The Company's policy for issuing shares upon stock option exercise is to issue new shares of Class A common stock. The P3 LLC A&R LLC Agreement states that P3 LLC will maintain at all times a one-to-one ratio between the number of Common Units owned by the Company and the number of outstanding shares of Class A common stock, including, but not limited to, those issued as result of stock option exercises and settlement of RSU awards granted under the 2024 Plan.

The following table summarizes stock option activity under the 2024 Plan for the year ended December 31, 2025:

	Number of Stock Options (in thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2024	242	\$ 36.50	9.36	\$ —
Granted	—	\$ —		
Outstanding as of December 31, 2025	242	\$ 36.50	8.36	\$ —
Fully vested and expected to vest as of December 31, 2025	242	\$ 36.50	8.36	\$ —
Exercisable as of December 31, 2025	91	\$ 36.50	8.36	\$ —

As of December 31, 2025, there was \$3.4 million of unrecognized equity-based compensation cost related to unvested stock options under the 2024 Plan, which is expected to be recognized over a weighted-average period of 2.4 years.

The following table summarizes RSU activity under the 2024 Plan for the year ended December 31, 2025:

	Weighted Average Grant Date Fair Value	Number of Units (in thousands)
Non-vested as of December 31, 2024	\$ 36.50	88
Granted	\$ —	—
Non-vested as of December 31, 2025	\$ 36.50	88

The RSU award is subject to both service-vesting and performance-vesting conditions, such that both conditions must be satisfied for the RSUs to vest. The applicable vesting date will be the later of the date on which the applicable “service-vesting condition” is satisfied and the date on which the “performance-vesting condition” is satisfied. The service-vesting condition will be satisfied (i) with respect to 25% of the underlying shares on the first anniversary of the effective date of employment, and (ii) as to the remaining 75% of the underlying shares, in substantially equal installments on each quarterly anniversary over the three-year period thereafter. The performance-vesting condition will be satisfied upon the closing of the first underwritten offering and sale of the Company’s Class A common stock following the effective date of employment, subject to continued employment through such date. As of December 31, 2025, total equity-based compensation cost related to all unvested RSUs under the 2024 Plan was \$1.9 million, which is expected to be recognized over a weighted average period of 2.4 years.

Compensation Expense

Equity-based compensation recorded within corporate, general and administrative expense on the consolidated statements of operations was \$5.6 million and \$5.8 million during the years ended December 31, 2025 and 2024, respectively.

The Company did not recognize any tax benefits related to equity-based compensation for the years ended December 31, 2025 and 2024.

Note 17: Net Loss per Share

The following table provides the computation of basic and diluted net loss per share:

	Year Ended December 31,	
	2025	2024
	(in thousands, except per share data)	
Numerator—basic:		
Net loss attributable to Class A common stockholders—basic	\$ (147,948)	\$ (135,849)
Numerator—diluted:		
Net loss attributable to Class A common stockholders—basic	\$ (147,948)	\$ (135,849)
Effect of dilutive securities:		
Liability-classified warrants	—	(23,078)
Net loss attributable to Class A common stockholders—diluted	\$ (147,948)	\$ (158,927)
Denominator—basic:		
Weighted average Class A common shares outstanding—basic	3,269	2,904
Net loss per share attributable to Class A common stockholders—basic	\$ (45.26)	\$ (46.78)
Denominator—diluted:		
Weighted average Class A common shares outstanding—basic	3,269	2,904
Weighted average effect of dilutive securities:		
Liability-classified warrants	—	1,823
Weighted average shares outstanding—diluted	3,269	2,940
Net loss per share attributable to Class A common stockholders—diluted	\$ (45.26)	\$ (54.06)

All periods presented in the table above have been retroactively adjusted to reflect the 1-for-50 reverse stock split effected on April 11, 2025. See Note 3 “Significant Accounting Policies” for further information.

Shares of Class V common stock do not share in the earnings or losses of P3 and are therefore not participating securities. As such, separate presentation of basic and diluted net loss per share for Class V common stock under the two-class method is not required. The following table presents potentially dilutive securities excluded from the computation of diluted net loss per share for the periods presented because their effect would have been anti-dilutive, adjusted for the reverse stock split as noted above.

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Stock warrants ⁽¹⁾	7,789	3,582
Stock options ⁽¹⁾	443	390
Restricted stock units ⁽¹⁾	172	161
Shares of Class V common stock ⁽²⁾	3,919	3,919
Total	12,323	8,052

(1) Represents the number of instruments outstanding at the end of the period. Application of the treasury stock method would reduce this amount if they had a dilutive effect and were included in the computation of diluted net loss per share

(2) Shares of Class V common stock at the end of the period are considered antidilutive shares of Class A common stock under application of the if-converted method in 2024 and 2025.

Note 18: Redeemable Non-controlling Interest

Non-controlling interest represents the portion of P3 LLC that the Company controls and consolidates but does not own (i.e., the Common Units held directly by equity holders other than the Company).

The ownership of the Common Units is summarized as follows:

	December 31, 2025		December 31, 2024	
	Units (in thousands)	Ownership %	Units (in thousands)	Ownership %
P3 Health Partners Inc.'s ownership of Common Units	3,287	45.6 %	3,257	45.4 %
Non-controlling interest holders' ownership of Common Units	3,919	54.4	3,919	54.6
Total Common Units	7,206	100.0 %	7,176	100.0 %

All periods presented in the table above have been retroactively adjusted to reflect the 1-for-50 reverse stock split effected on April 11, 2025. See Note 3 "Significant Accounting Policies" for further information.

Common Units participate in net income or loss allocations and distributions and entitle their holder to the right, subject to the terms set forth in the limited liability company agreement, to require the Company to redeem all or a portion of the Common Units held by such participant, together with a corresponding number of shares of Class V common stock, in exchange for Class A common stock or at the Company's option, and subject to certain limitations, in cash. As the non-controlling interest holders had an approximate 54% and 55% voting interest in the Company through their Class V common stock as of December 31, 2025 and 2024, respectively, and appointed most of the members to the Board of Directors, the ability to elect cash settlement upon redemption is outside of the control of the Company. As a result, the Common Units held by outside shareholders have been classified as redeemable non-controlling interest and presented as temporary equity in the Company's consolidated balance sheets.

The redeemable non-controlling interest was initially measured at its fair value on the Closing Date. Net income or loss is attributed to the redeemable non-controlling interest during each reporting period based on a daily weighted average ownership percentage. In subsequent periods, the redeemable non-controlling interest is measured at its fair value (i.e., based on the five-day volume-weighted average price of a share of Class A common stock) at the end of each reporting period, with the remeasurement amount being no less than the initial value, as adjusted for the redeemable non-controlling interest's share of net income or loss and ownership changes. The offset of any fair value adjustment is recorded to additional paid in capital, with no impact to net income or loss. As of December 31, 2025, there was a \$119.4 million remeasurement adjustment recorded as the fair value of redeemable non-controlling interest (i.e., based on the five-day volume-weighted average price of a share of Class A common stock) was less than the carrying value. As of December 31, 2024, there was \$20.6 million remeasurement adjustment to redeemable non-controlling interest recorded as the fair value of redeemable non-controlling interest was less than the carrying value.

During the year ended December 31, 2024, the Company issued an aggregate of 0.6 million shares of Class A common stock to P3 LLC members, as adjusted for the reverse stock split, in connection with such members' redemptions of an equivalent number of Common Units and corresponding cancellation and retirement of an equivalent number of Class V common stock. Such retired shares of Class V common stock may not be reissued. The redemptions occurred pursuant to the terms of the P3 LLC Amended and Restated Limited Liability Company Agreement (the "P3 LLC A&R LLC Agreement"). No similar exchanges or redemptions occurred during the year ended December 31, 2025.

As the P3 LLC A&R LLC Agreement states that P3 LLC will maintain at all times a one-to-one ratio between the number of Common Units owned by the Company and the number of outstanding shares of Class A common stock, there were an aggregate of 0.8 million Common Units issued to the Company resulting from the May 2024 Private Placement during the year ended December 31, 2024.

Note 19: Segment Reporting

The Company's operations are organized under one reportable segment. The Chief Executive Officer, who is the Company's chief operating decision maker ("CODM"), is responsible for the general supervision, direction, and control of the business and officers of the Company and manages the Company's operations, reviews financial information on a consolidated basis, and uses net income or loss to assess performance and allocate resources. Decisions regarding resource allocation and assessment of profitability are based on the Company's responsibility to deliver value-based care coordination and health management to its patient population. The Company's segment assets relate to health plan receivables. In addition to net income (loss), the CODM regularly reviews significant expense categories, including

medical claims expense, other medical expense, depreciation and amortization, and other segment items, in evaluating performance and allocating resources.

The Company's single segment generates revenue by providing population health management services on an at-risk basis to insurance plans offering medical coverage to Medicare beneficiaries under Medicare Advantage programs. For the periods presented, all of the Company's revenue was earned in the United States. Likewise, all the Company's long-lived assets were located in the United States.

The following tables present information about the Company's reportable segment:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Operating revenue	\$ 1,459,080	\$ 1,500,455
Less:		
Medical claims expense	(1,405,451)	(1,398,143)
Other medical expense ⁽¹⁾	(113,789)	(161,229)
Depreciation and amortization	(84,163)	(86,058)
Other segment items ⁽²⁾	(123,319)	(140,532)
Interest expense, net	(55,034)	(22,173)
Interest income	1,615	1,689
Loss before income taxes	(321,061)	(305,991)
Income tax (provision) benefit	(2,025)	(4,387)
Net loss	\$ (323,086)	\$ (310,378)

	December 31,	
	2025	2024
	(in thousands)	
Segment assets	\$ 92,458	\$ 121,266
Other assets ⁽³⁾	564,183	662,154
Total assets	\$ 656,641	\$ 783,420

(1) Other medical expense includes sub-capitation expense, affiliate provider compensation expense, and other non-claim costs.

(2) Other segment items include premium deficiency reserve, corporate, general and administrative expense, sales and marketing expense, impairment of asset held for sale, and miscellaneous income and expense.

(3) Other assets consists of cash, restricted cash, prepaid expenses and other current assets, other receivables, assets held for sale, and other long-term assets not allocated to the reportable segment.

Note 20: Related Parties

CPF, a principal equity holder of the Company, has equity investments in Allymar Health Solutions ("Allymar"), Anderson Family LLC ("Anderson"), and Atrio Health Plans ("Atrio").

Allymar Health Solutions

The Company has a master services agreement in place with Allymar whereby Allymar provides support services and tools for the Company and its contracted providers in arranging for or delivering services to its members. The Company recorded Allymar service expenses of \$9.9 million and \$2.7 million for the years ended December 31, 2025 and 2024, respectively, which are included in corporate, general and administrative expense in the consolidated statements of operations. The Company recorded accrued expenses of \$9.3 million and \$2.7 million for the years ended December 31, 2025 and 2024, respectively. There were no accounts payable as of December 31, 2025 and 2024.

Anderson Family LLC

The Company has a master services agreement in place with Anderson whereby Anderson provides end-of-life care data analysis and related services for the Company. The Company recorded service expenses of \$0.3 million for the year ended December 31, 2025, which are included in corporate, general and administrative expenses in the consolidated statements of operations. There were no service expenses for the same period in 2024. The Company recorded accounts payable of \$0.2 million as of December 31, 2025. There were no accounts payable as of December 31, 2024.

Atrio Health Plans

The Company has a full-risk capitation agreement in place with Atrio whereby the Company is delegated to perform services on behalf of Atrio's members assigned to the Company. These delegated services include but are not limited to provider network credentialing, patient authorizations, and medical management (care management, quality management and utilization management). The following tables summarize the Company's transactions with Atrio:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Capitated revenue	\$ 223,357	\$ 303,606
Other revenue	\$ 3,904	\$ 4,340
Medical expense	\$ 281,648	\$ 345,566

	December 31,	
	2025	2024
	(in thousands)	
Health plan receivable	\$ 12,693	\$ 23,872
Claims payable	\$ 101,180	\$ 61,090
Health plan settlements payable	\$ 2,409	\$ 1,386
Deferred revenue ⁽¹⁾	\$ —	\$ —

(1) Amount is included within accrued expenses and other current liabilities on the Company's consolidated balance sheet.

VGS Promissory Notes and Warrants

As described in Note 11, in December 2023, the Company issued an unsecured promissory note to VGS, an entity managed by CPF and whose equity holders consist of three members of the Company's Board of Directors and the Company's Chief Medical Officer, among others. The Company issued unsecured promissory notes to VGS 2 and VGS 3 in March and December 2024, respectively, and to VGS 4 and VGS 5 in February and May 2025, respectively. Each of these entities is managed by CPF. The following tables summarize the Company's transactions with VGS, VGS 2, VGS 3, VGS 4 and VGS 5:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Interest expense, net	\$ 30,682	\$ 9,025

	December 31,	
	2025	2024
	(in thousands)	
Long-term debt, net	\$ 156,722	\$ 78,816

In connection with the issuances of promissory notes to VGS, VGS 3, VGS 4, and VGS 5, the Company issued equity-classified warrants to purchase a total of 4.9 million shares of Class A common stock, as adjusted for the reverse

stock split. The warrants are described further in Note 13. The Company issued warrants to purchase a total of 3.5 million and 1.4 million shares of Class A common stock during the years ended December 31, 2025 and 2024, respectively.

Florida Asset Sale

On November 30, 2024, the Company sold its Florida Assets to Buyers which are affiliated with the Company’s principal stockholder.

Note 21: Variable Interest Entities

P3 LLC has Management Services Agreements (“MSAs”) and deficit funding agreements with the Network VIEs. The MSAs provide that P3 LLC will furnish administrative personnel, office supplies and equipment, general business services, contract negotiation, and billing and collection services to the Network VIEs. Fees for these services are the excess of the Network VIEs’ revenue over expenses. Per the deficit funding agreements, P3 LLC is obligated to advance funds, as needed, to support the Network VIEs’ working capital needs to the extent operating expenses exceed gross revenue. These advances accrue interest at a rate of prime plus 2%. Net advances made to the Network VIEs and accrued interest on those advances are presented within due to consolidated entities of P3 in the table below. Additionally, P3 LLC entered into stock transfer restriction agreements with the practice shareholders of the Network VIEs, which, by way of a call option, unequivocally permit P3 LLC to appoint successor physicians if a practice shareholder vacates their ownership position. Accordingly, P3 LLC identifies itself as the primary beneficiary of the Network VIEs. Practice shareholders, who are employees of P3 LLC, retain equity ownership in the Network VIEs, which represents nominal non-controlling interests; however, the non-controlling interests do not participate in the profit or loss of the Network VIEs.

P3 LLC, directly or indirectly via its wholly owned subsidiaries, may not use or access any net assets of the Network VIEs to settle its obligations or the obligations of its wholly owned subsidiaries. Additionally, the creditors of the Network VIEs do not have recourse to the net assets of P3 LLC.

Since P3 LLC represents substantially all the assets and liabilities of the Company, the following tables provide a summary of the assets, liabilities, and operating performance of only the Network VIEs held at the P3 LLC level.

	December 31,	
	2025	2024
	(in thousands)	
ASSETS		
Cash	\$ 4,776	\$ 5,216
Clinic fees, insurance and other receivable	785	2,440
Prepaid expenses and other current assets	487	447
Property and equipment, net	32	37
Intangible assets, net	660	—
Other long-term assets	1,433	1,116
TOTAL ASSETS	\$ 8,173	\$ 9,256
LIABILITIES AND MEMBERS’ DEFICIT		
Accounts payable	\$ 394	\$ 4,521
Accrued expenses and other current liabilities	241	677
Accrued payroll	887	3,795
Claims payable	4,199	5,004
Other long-term liabilities	922	919
Due to consolidated entities of P3	46,774	40,264
TOTAL LIABILITIES	53,417	55,180
MEMBERS’ DEFICIT	(45,244)	(45,924)
TOTAL LIABILITIES AND MEMBERS’ DEFICIT	\$ 8,173	\$ 9,256

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Revenue	\$ 27,644	\$ 36,187
Expense	27,465	39,520
Net income (loss)	\$ 179	\$ (3,333)

In November 2025, the Company, through its subsidiary P3 Health Partners REACH ACO, LLC (“P3 ACO”), entered into an agreement with Commonwealth Primary Care ACO, LLC (“CPC ACO”), which resulted in the formation of P3 Commonwealth Innovation MSO, LLC (the “MSO”). The MSO was created to engage in the management, administration, and coordination of activities on behalf of accountable care organizations intended to improve the performance and quality of the parties’ respective ACO programs. To this end, the MSO entered into an MSA with the ACOs that will govern the MSO’s oversight of clinical integration, provider management, data analytics, financial management, strategic planning, shared services, compliance operations, and related administrative and operational support for the benefit of the ACOs.

The management fee to be paid by each ACO to the MSO for its services under the MSA is equal to the amount of liabilities incurred by such ACO in connection with its participation in any accountable care organization governmental program assumed and satisfied by the MSO during the term of the MSA plus a margin on such assumed liabilities. Beginning in 2026 and for each year thereafter, the MSO will also be entitled to receive from each ACO a portion of each ACO’s net shared savings as determined under the MSA. P3 LLC is obligated to fund any working capital needs to the extent operating expenses exceed gross revenue and to assume any obligations related to CPC ACO’s contracts with CMS and CMMI. The MSA may be terminated after three years without cause.

Distributions from the MSO of available net cash flow and upon liquidation will be in accordance with the members’ respective percentage interests, with P3 ACO holding an 80% membership interest and CPC ACO holding a 20% membership interest. P3 also controls the board of the MSO. The Company determined that the MSO is a VIE. The Company has the right to direct the most significant activities of the MSO through its control of the MSO Board; accordingly, P3 LLC identifies itself as the primary beneficiary of the MSO. CPC ACO’s ownership interest in the MSO represents a redeemable non-controlling interest which participates only in the profit of the MSO and distributions of any net assets upon liquidation, because of the Company’s obligation to fund losses and assume specific obligations. The non-controlling interest was measured at its fair value upon the formation date.

Following the three-year anniversary of the MSO’s formation, or upon termination of the MSA for cause, P3 ACO has the right to cause the MSO to redeem CPC ACO’s membership interests in the MSO. If P3 ACO does not exercise its redemption right within 90 days following the date such right is exercisable, CPC ACO has the right to cause the MSO to redeem its membership interests in the MSO.

As of December 31, 2025, the carrying value of variable interest assets and liabilities of the MSO were \$6.1 million and \$5.1 million, respectively.

The Company also determined that upon the effective date of the MSA on January 1, 2026, the Company will become the primary beneficiary of and control CPC ACO pursuant to the MSA contract. The Company is still obtaining the information required to determine the fair values of the assets, liabilities, and non-controlling interests of CPC ACO.

Note 22: Subsequent Events

On December 31, 2025, the Company delivered a request to VGS 5 for \$8.0 million in funding related to the third tranche, which was funded on January 9, 2026. On February 11, 2026, the Company entered into an Amendment to VGS 5 Promissory Note with VGS 5, which extended the availability period for the third tranche of funding through June 30, 2026. On February 11, 2026, the Company delivered a request to VGS 5 for \$10.0 million in funding related to the third tranche, which was funded on February 12, 2026.

On March 19, 2026, the Company entered into a Statement of Work (the “SOW”) with a large nonprofit health insurance provider in the state of Nebraska (the “Client”), which incorporates the terms of a Master Services Agreement between the parties (the “MSA,” and together with the SOW, the “Agreements”). Pursuant to the Agreements, the Company will provide clinical, operational and data-driven support under its Care Enablement Model to primary care

providers participating in the Client's Medicare Advantage network in Nebraska. The Client will pay management services fees to the Company for performance years 2026 and 2027. For performance year 2028 and after, the parties' financial arrangement will be governed by a global risk agreement. The MSA has an initial term through December 31, 2030, and thereafter automatically renews for successive one-year terms unless terminated by either party by giving the other party written notice of termination at least 180 days prior to the expiration of the initial term or any renewal term.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures

Limitations on effectiveness of controls and procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of disclosure controls and procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated, as of the end of the period covered by this Form 10-K, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2025, the Company's disclosure control and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosures.

Management's annual report on internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act). Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with GAAP.

Our management conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth in "Internal Control – Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

This Form 10-K does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. As we are a non-accelerated filer, management's report was not subject to attestation by our independent registered public accounting firm pursuant to applicable SEC rules.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

(a) None.

(b) *Insider Trading Arrangements and Policies.*

During the quarter ended December 31, 2025, no director or "officer" (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The following table provides information regarding our executive officers and members of our board of directors (ages as of the date of this Form 10-K):

Name	Age	Position at P3	Principal Employment
Executive Officers			
Aric Coffman, M.D.	53	Chief Executive Officer and President	Same
Amir Bacchus, M.D.	62	Chief Medical Officer, Director and Co-Founder	Same
Leif Pedersen	50	Chief Financial Officer	Same
Non-Employee Directors			
Mark Thierer	66	Chairman of the Board	Managing Partner of AssetBlue Investment Group, an investment firm
Greg Wasson	67	Director	Co-President and Founder of Wasson Enterprise, a family-based investment office
Lawrence B. Leisure	75	Director	Co-Founder and a Managing Partner of Chicago Pacific Founders, a private equity fund focused on healthcare services, technology and healthcare real estate
Mary Tolan	65	Director	Co-Founder and a Managing Partner of Chicago Pacific Founders, a private equity fund focused on healthcare services, technology and healthcare real estate
Greg Kazarian	63	Director	Operating Partner of Chicago Pacific Founders, a private equity fund focused on healthcare services, technology and healthcare real estate
Thomas E. Price, M.D.	71	Director	Director of: Triumph Orthopedics, LLC; HealthWiseFirst, LLC; Association Health Plans of America, LLC; Transformation Care Network; Botanicals Sciences, LLC; and Capital Ministries (non-profit)
Jeffrey G. Park	54	Director	President of Waltz Health, a digital health company

The remaining information required by this item will be included in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders and such information is incorporated herein by reference.

Item 11. Executive Compensation.

The information required by this item will be included in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders and such information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.**Securities Authorized for Issuance Under Equity Compensation Plans (as of December 31, 2025)**

Plan category:	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants, and Rights (3)	Number of Securities Available for Future Issuance Under Equity Compensation Plans (excludes securities reflected in first column) (4)
Equity compensation plans approved by security holders ⁽¹⁾	200,964	\$ 94.50	119,691
Equity compensation plans not approved by security holders ⁽²⁾	242,000	\$ 36.50	—
Total	442,964		119,691

(1) Consists of the 2021 Plan.

(2) Consists of the P3 Health Partners Inc. 2024 Employment Inducement Incentive Award Plan (the “2024 Plan”).

(3) The weighted average exercise price does not include restricted stock units granted under each of the 2021 Plan and the 2024 Plan.

(4) The number of shares of common stock reserved for issuance under the 2021 Plan will increase on the first day of each calendar year from January 1, 2022 and ending on and including January 1, 2031, by a number equal to the lesser of (i) 1% of the aggregate number of shares of Class A common stock and Class V common stock outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of Shares (as defined in the 2021 Plan) as is determined by the board of directors.

2024 Plan

On May 7, 2024, the Board of Directors adopted the 2024 Plan, effective on its adoption date. Pursuant to applicable stock exchange rules, stockholder approval of the 2024 Plan is not required as a condition of the effectiveness of the 2024 Plan. A description of the principal features of the 2024 Plan is set forth below.

Eligibility and Administration

Only certain prospective employees of the Company and its affiliates are eligible to participate in the 2024 Plan. The 2024 Plan is administered by our Compensation and Nominating Committee. The plan administrator will have the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of the 2024 Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2024 Plan, including any vesting and vesting acceleration conditions. Awards must be approved by the Compensation and Nominating Committee or a majority of our independent directors and the authority to grant awards under the 2024 Plan may not be delegated.

Limitation on Awards and Shares Available

The maximum number of shares of Class A common stock authorized for issuance under the 2024 Plan is 0.3 million shares (the “2024 Plan Share Limit”).

If an award under the 2024 Plan expires, lapses, or is terminated, exchanged for or settled for cash, surrendered, repurchased, canceled without having been fully exercised/settled or forfeited, any shares subject to such award may, to the extent of such forfeiture, expiration or cash settlement, be used again for new grants under the 2024 Plan. Further, shares delivered to us to satisfy the applicable exercise or purchase price of an award under the 2024 Plan and/or to satisfy any applicable tax withholding obligations (including shares retained by us from the award under the 2024 Plan being exercised or purchased, and/or creating the tax obligation) will become or again be available for award grants under the 2024 Plan. The payment of dividend equivalents in cash in conjunction with any awards under the 2024 Plan will not reduce the shares available for grant under the 2024 Plan. However, the following shares may not be used again for grant under the 2024 Plan: (i) shares subject to stock appreciation rights, or SARs, that are not issued in connection with the stock settlement of the SAR on exercise, and (ii) shares purchased on the open market with the cash proceeds from the exercise of options.

Awards

The 2024 Plan provides for the grant of non-qualified stock options, restricted stock, dividend equivalents, RSUs, performance shares, other incentive awards, SARs, and cash awards. Certain awards under the 2024 Plan may provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards. All awards under the 2024 Plan will be set forth in award agreements, which will detail all terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Awards other than cash awards generally will be settled in shares of our Class A common stock, but the plan administrator may provide for cash settlement of any award. A brief description of each award type follows.

- **Stock Options and SARs.** Stock options provide for the purchase of shares of our Class A common stock in the future at an exercise price set on the grant date. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a stock option or SAR may not be less than 100% of the fair market value of the underlying share on the grant date. The term of a stock option or SAR may not be longer than 10 years.
- **Restricted Stock.** Restricted stock is an award of nontransferable shares of our Class A common stock that are subject to certain vesting conditions and other restrictions. Dividends with respect to restricted stock will only be paid to the extent that the vesting conditions of the underlying award are satisfied.
- **RSUs.** RSUs are contractual promises to deliver shares of our Class A common stock in the future, which may also remain forfeitable unless and until specified conditions are met and may be accompanied by the right to receive the equivalent value of dividends paid on shares of our Class A common stock prior to the delivery of the underlying shares (i.e., dividend equivalent rights). The plan administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to RSUs will be determined by the plan administrator, subject to the conditions and limitations contained in the 2024 Plan.
- **Other Stock or Cash Based Awards.** Other stock or cash based awards are awards of cash, fully vested shares of our Class A common stock and other awards valued wholly or partially by referring to, or otherwise based on, shares of our Class A common stock. Other stock or cash-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of compensation to which a participant is otherwise entitled.
- **Dividend Equivalents.** Dividend equivalents represent the right to receive the equivalent value of dividends paid on shares of our Class A common stock and may be granted alone or in tandem with awards other than stock options or SARs. Dividend equivalents are credited as of the dividend record dates during the period between the date an award is granted and the date such award vests, is exercised, is distributed or expires, as determined by the plan administrator. Dividend equivalents will only be paid to the extent that the vesting conditions of the underlying award are satisfied.

Performance Awards

Performance awards include any of the foregoing awards that are granted subject to vesting and/or payment based on the attainment of specified performance goals or other criteria the plan administrator may determine, which may or may not be objectively determinable. Performance criteria upon which performance goals are established by the plan administrator may include but are not limited to: (1) net earnings (either before or after one or more of the following: (a) interest, (b) taxes, (c) depreciation, (d) amortization and (e) non-cash equity-based compensation expense); (2) gross or net sales or revenue; (3) net income (either before or after taxes); (4) adjusted net income; (5) operating earnings or profit; (6) cash flow (including, but not limited to, operating cash flow, and free cash flow); (7) return on assets; (8) return on capital; (9) return on stockholders' equity; (10) total stockholder return; (11) return on sales; (12) gross or net profit or operating margin; (13) costs; (14) funds from operations; (15) expenses; (16) working capital; (17) earnings per share; (18) adjusted earnings per share; (19) price per share of Class A common stock; (20) regulatory achievements or compliance; (21)

implementation or completion of critical projects; (22) market share; (23) economic value; (24) debt levels or reduction; (25) sales-related goals; (26) comparisons with other stock market indices; (27) operating efficiency; (28) employee satisfaction; (29) financing and other capital raising transactions; (30) recruiting and maintaining personnel; and (31) year-end cash, any of which may be measured either in absolute terms for us or any operating unit of our Company or as compared to any incremental increase or decrease or as compared to results of a peer group, or to market performance indicators or indices.

No Repricing

The 2024 Plan prohibits the repricing or other exchange of underwater stock options and stock appreciation rights for new awards or cash without prior stockholder approval.

Certain Transactions

The plan administrator has broad discretion to take action under the 2024 Plan, as well as make adjustments to the terms and conditions of existing and future awards, to prevent the dilution or enlargement of intended benefits, and facilitate necessary or desirable changes in the event of certain transactions and events affecting our Class A common stock, such as stock dividends, stock splits, mergers, acquisitions, consolidations, and other corporate transactions. In addition, in the event of certain non-reciprocal transactions with our stockholders known as “equity restructurings,” the plan administrator will make equitable adjustments to the 2024 Plan and outstanding awards. In the event of a “change in control” (as defined in the 2024 Plan), to the extent that the surviving entity declines to continue, convert, assume, or replace outstanding awards, then all awards will become fully vested and exercisable in connection with the transaction. Upon or in anticipation of a change of control, the plan administrator may cause any outstanding awards to terminate at a specified time in the future and give the participant the right to exercise such awards during a period of time determined by the plan administrator in its sole discretion. Individual award agreements may provide for additional accelerated vesting and payment provisions.

Foreign Participants, Claw-Back Provisions, Transferability, and Participant Payments

The plan administrator may modify award terms, establish subplans, and/or adjust other terms and conditions of awards, subject to the share limits described above, in order to facilitate grants of awards subject to the laws and/or stock exchange rules of countries outside of the United States. All awards will be subject to the provisions of any claw-back policy implemented by our Company (including the Company’s Policy for the Recovery of Erroneously Awarded Compensation). With limited exceptions for estate planning, domestic relations orders, certain beneficiary designations and the laws of descent and distribution, awards under the 2024 Plan are generally non-transferable prior to vesting, and are exercisable only by the participant. With regard to tax withholding, exercise price, and purchase price obligations arising in connection with awards under the 2024 Plan, the plan administrator may, in its discretion, accept cash or check, shares of our Class A common stock that meet specified conditions, a “market sell order,” or such other consideration as it deems suitable.

Stockholder Approval; Plan Amendment and Termination

Pursuant to applicable stock exchange rules, stockholder approval of the 2024 Plan was not required as a condition of the effectiveness of the 2024 Plan. The plan administrator may amend or terminate the 2024 Plan at any time.

The remaining information required by this item will be included in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders and such information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will be included in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders and such information is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services.

The information required by this item will be included in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders and such information is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a)(1) Financial Statements.

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Consolidated Statements of Stockholders' (Deficit) Equity and Mezzanine Equity	82
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(a)(2) Financial Statement Schedules.

Financial statement schedules are omitted because they are not applicable, not required, or because the required information is included in the consolidated financial statements or notes thereto.

(a)(3) Exhibits.

The following is a list of exhibits filed as part of this Form 10-K.

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
2.1	Agreement and Plan of Merger, dated as of May 25, 2021, by and between Foresight Acquisition Corp., P3 Health Group Holdings, LLC and FAC Merger Sub LLC.	8-K	001-40033	2.1	6/1/2021
2.2	Transaction and Combination Agreement, dated as of May 25, 2021, by and among Foresight Acquisition Corp., the Merger Corps, the Blockers, Splitter and the Blocker Sellers.	8-K	001-40033	2.2	6/1/2021
2.3	First Amendment to Merger Agreement, dated as of November 21, 2021, by and among Foresight Acquisition Corp., FAC Merger Sub LLC and P3 Health Group Holdings, LLC.	8-K	001-40033	2.1	11/22/2021
2.4	Second Amendment, dated as of December 3, 2021, to the Agreement and Plan of Merger, dated as of May 25, 2021, by and among Foresight Acquisition Corp., FAC Merger Sub LLC and P3 Health Group Holdings, LLC.	8-K	001-40033	2.4	12/9/2021
2.5	The First Amendment to the Transaction and Combination Agreement between Foresight Acquisition Corp., the Merger Corps, the Blockers, Splitter and the Blocker Sellers.	8-K	001-40033	2.5	12/9/2021
3.1	Amended and Restated Certificate of Incorporation of the Company.	8-K	001-40033	3.1	12/9/2021
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation of the Company.	8-K	001-40033	3.1	4/17/2025
3.3	Amended and Restated Bylaws of the Company.	8-K	001-40033	3.1	3/12/2024
4.1	Form of Common Stock Certificate of the Company.	S-1	333-251978	4.2	1/19/2021
4.2	Warrant Agreement, dated February 9, 2021, between the Company and Continental Stock Transfer & Trust Company.	8-K	001-40033	4.1	2/16/2021
4.3	Form of Warrant Certificate of the Company.	8-K	001-40033	4.1	2/16/2021

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Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
4.4	Description of Registered Securities.	10-K	001-40033	4.4	10/21/2022
4.5	Warrant Agreement, dated December 13, 2022, by and between P3 Health Partners LLC and VBC Growth SPV LLC.	8-K	001-40033	10.2	2/13/2022
4.6	Form of Common Stock Purchase Warrant, dated April 6, 2023.	8-K	001-40033	4.1	4/7/2023
4.7	Form of Pre-Funded Common Stock Purchase Warrant, dated April 6, 2023.	8-K	001-40033	4.2	4/7/2023
4.8	Form of Common Stock Purchase Warrant, dated May 24, 2024.	8-K	001-40033	4.1	5/24/2024
4.9	Form of Pre-Funded Common Stock Purchase Warrant, dated May 24, 2024.	8-K	001-40033	4.2	5/24/2024
4.10	Warrant Agreement, dated December 12, 2024, by and among P3 Health Group, LLC, P3 Health Partners Inc. and VBC Growth SPV 3, LLC.	8-K	001-40033	10.2	12/17/2024
4.11	Warrant Agreement, dated February 13, 2025, by and among P3 Health Group, LLC, P3 Health Partners Inc. and VBC Growth SPV 4, LLC.	8-K	001-40033	4.12	2/18/2025
4.12	Warrant Agreement, dated May 29, 2025, by and among P3 Health Group, LLC, P3 Health Partners Inc. and VBC Growth SPV 5, LLC.	8-K	001-40033	4.16	6/3/2025
10.1	First Amendment to Term Loan Agreement, Termination of Management Rights Letter and Consent, dated as of December 3, 2021, by among P3 Health Group Holdings, LLC, as borrower, the subsidiary guarantors party thereto, the lenders from time to time party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	8-K	001-40033	10.1	12/9/2021
10.2	Form of Subscription Agreement.	8-K	001-40033	10.2	6/1/2021
10.3	Form of Consent and Amendment to Subscription Agreement.	8-K	001-40033	10.1	11/22/2021
10.4	Registration Rights and Lock-up Agreement, dated December 3, 2021, by and among the registrant, Foresight Sponsor Group, LLC, FA Co-Investment LLC and the P3 Sellers party thereto.	8-K	001-40033	10.4	12/9/2021
10.5	P3 Health Group, LLC Amended and Restated Limited Liability Agreement, dated as of December 3, 2021, by and among P3 Health Group, LLC, the registrant and each of the other members party thereto.	8-K	001-40033	10.5	12/9/2021
10.6	Tax Receivable Agreement, dated as of December 3, 2021, by and among P3 Health Group, LLC and the members of P3 Health Group, LLC from time to time party thereto.	8-K	001-40033	10.6	12/9/2021
10.7†	Form of Indemnification Agreement for directors and executive officers.	8-K	001-40033	10.7	12/9/2021
10.8†	Form of Indemnification Agreement for sponsor affiliated directors.	8-K	001-40033	10.8	12/9/2021
10.9†	Letter Agreement, dated November 27, 2022, by and between P3 Health Partners Inc. and Atul Kavthekar.	8-K	001-40033	10.2	12/1/2022
10.10†	P3 Health Partners Inc. 2021 Incentive Award Plan.	8-K	001-40033	10.1	12/9/2021
10.11†	First Amendment to the P3 Health Partners Inc. 2021 Incentive Award Plan.	10-K	001-40033	10.1	10/21/2022

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
10.12†	Form of Restricted Stock Unit Award Agreement under the P3 Health Partners Inc. 2021 Incentive Award Plan.	8-K	001-40033	10.1	12/9/2021
10.13†	Form of Stock Option Award Agreement under the P3 Health Partners Inc. 2021 Incentive Award Plan.	8-K	001-40033	10.1	12/9/2021
10.14	Form of Joinder and Waiver Agreement.	8-K	001-40033	10.2	12/9/2021
10.15	Escrow Agreement, dated as of December 3, 2021, by and among the Company, P3 Health Group Holdings, LLC, P3 Health Group, LLC, Hudson Vegas Investment SPV, LLC, Mary Tolan and Sherif Abdou, as unitholder representatives and PNC Bank, N.A.	8-K	001-40033	10.2	12/9/2021
10.16	Repurchase Promissory Note between P3 Health Group Holdings, LLC and IHC Health Services, Inc., dated June 28, 2019.	10-K	001-40033	10.2	10/21/2022
10.17	First Amendment to Repurchase Promissory Note between P3 Health Group Holdings, LLC and IHC Health Services, Inc., dated November 19, 2020.	10-K	001-40033	10.2	10/21/2022
10.18	Second Amendment to Term Loan Agreement and First Amendment to Security Agreement, dated as of December 21, 2021, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	10-K	001-40033	10.2	10/21/2022
10.19†	Employment Agreement, by and among P3 Health Partners Inc., P3 Health Group Management, LLC and Dr. Amir Bacchus.	8-K	001-40033	10.2	5/18/2022
10.20†	Transaction Bonus Agreement, by and among P3 Health Partners Inc., P3 Health Group Management, LLC and Dr. Amir Bacchus.	8-K	001-40033	10.4	5/18/2022
10.21†	Non-Employee Director Compensation Program.	10-K	001-40033	10.3	10/21/2022
10.22	Unsecured Promissory Note, dated December 12, 2024, by and between P3 Health Group, LLC and VBC Growth SPV, LLC.	8-K	001-40033	10.5	12/17/2024
10.23	Subordination Agreement, dated December 12, 2024, by and among P3 Health Group, LLC, CRG Servicing LLC and VBC Growth SPV, LLC.	8-K	001-40033	10.6	12/17/2024
10.24	Third Amendment to Term Loan Agreement, dated as of December 13, 2022, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	8-K	001-40033	10.4	12/13/2022
10.25	Securities Purchase Agreement, dated March 30, 2023, by and among P3 Health Partners Inc. and the Purchasers named therein.	8-K	001-40033	10.1	4/7/2023
10.26	Registration Rights Agreement, dated April 6, 2023, by and among P3 Health Partners Inc. and the Purchasers named therein.	8-K	001-40033	10.2	4/7/2023
10.27	Amendment No. 1 to Registration Rights Agreement and Waiver, dated November 8, 2023, by and among P3 Health Partners Inc. and certain stockholders party thereto.	10-K	001-40033	10.3	3/28/2024
10.28	Letter Agreement, dated April 6, 2023, by and among P3 Health Partners Inc., Chicago Pacific Founders GP, L.P. and Chicago Pacific Founders GP III, L.P.	8-K	001-40033	10.3	4/7/2023

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Exhibit Number	Description	Incorporated by Reference			
Exhibit Number	Description	Form	File No.	Exhibit	Filing Date
10.29†	Transaction Bonus Restricted Stock Unit Agreement by and between Amir Bacchus, M.D. and P3 Health Partners Inc., dated August 4, 2023.	10-Q	001-40033	10.2	11/8/2023
10.30	Unsecured Promissory Note, dated March 22, 2024, by and between P3 Health Group, LLC and VBC Growth SPV 2, LLC.	8-K	001-40033	10.1	3/28/2024
10.31	First Amendment to Unsecured Promissory Note, dated November 30, 2024, by and between P3 Health Group, LLC and VBC Growth SPV 2, LLC.	10-K	001-400333	10.3	3/28/2025
10.32	Subordination Agreement, by and among P3 Health Group, LLC, CRG Servicing LLC and VBC Growth SPV 2, LLC.	8-K	001-40033	10.2	3/28/2024
10.33	Fourth Amendment to Term Loan Agreement, by and among P3 Health Group, LLC, the subsidiary guarantors party thereto, the lenders party thereto and CRG Servicing LLC.	8-K	001-40033	10.3	3/28/2024
10.34	Consent, by and between P3 Health Group, LLC and VBC Growth SPV LLC.	8-K	001-40033	10.4	3/28/2024
10.35†	Executive Employment Agreement, dated as of May 8, 2024, by and between P3 Health Partners Inc., P3 Health Group Management, LLC and Aric Coffman, M.D.	8-K	001-40033	10.1	5/9/2024
10.36†	P3 Health Partners Inc. 2024 Employment Inducement Incentive Award Plan.	8-K	001-40033	10.2	5/9/2024
10.37†	2024 Employment Inducement Incentive Award Plan Form of Restricted Stock Unit Agreement.	S-8	333-279254	99.2	5/9/2024
10.38†	2024 Employment Inducement Incentive Award Plan Form of Option Agreement.	S-8	333-279254	99.3	5/9/2024
10.39†	Stock Option Agreement under the 2024 Employment Inducement Incentive Award Plan, by and between P3 Health Partners Inc. and Aric Coffman, M.D.	8-K	001-40033	10.3	5/9/2024
10.40†	Restricted Stock Unit Agreement under the 2024 Employment Inducement Incentive Award Plan, by and between P3 Health Partners Inc. and Aric Coffman, M.D.	8-K	001-40033	10.4	5/9/2024
10.41	Securities Purchase Agreement, dated May 22, 2024, by and among P3 Health Partners Inc. and the Purchasers named therein.	8-K	001-40033	10.1	5/24/2024
10.42	Registration Rights Agreement, dated May 24, 2024, by and among P3 Health Partners Inc. and the Purchasers named therein.	8-K	001-40033	10.2	5/24/2024
10.43	Amended and Restated Letter Agreement, dated May 24, 2024, by and among P3 Health Partners Inc., Chicago Pacific Founders GP, L.P. and Chicago Pacific Founders GP III, L.P.	8-K	001-40033	10.3	5/24/2024
10.44†	Offer Letter Agreement, dated as of July 23, 2024, by and between P3 Health Partners Inc. and Leif Pedersen.	10-Q	001-40033	10.1	11/12/2024
10.45†	Stock Option Agreement under the 2021 Incentive Award Plan, by and between P3 Health Partners Inc. and Leif Pedersen.	10-Q	001-40033	10.2	11/12/2024
10.46†	Restricted Stock Unit Agreement under the 2021 Incentive Award Plan, by and between P3 Health Partners Inc. and Leif Pedersen.	10-Q	001-40033	10.3	11/12/2024

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Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
10.47	Fifth Amendment to Term Loan Agreement, dated as of November 30, 2024, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	10-K	001-40033	10.51	3/28/2025
10.48	Second Amended and Restated Letter Agreement, dated December 12, 2024, by and among P3 Health Partners Inc., Chicago Pacific Founders GP, L.P. and Chicago Pacific Founders GP III, L.P.	8-K	001-40033	10.7	12/17/2024
10.49	Unsecured Promissory Note, dated December 12, 2024, by and between P3 Health Group, LLC and VBC Growth SPV 3, LLC.	8-K	001-40033	10.1	12/17/2024
10.50	Subordination Agreement, dated December 12, 2024, by and among P3 Health Group, LLC, CRG Servicing LLC and VBC Growth SPV 3, LLC.	8-K	001-40033	10.3	12/17/2024
10.51	Sixth Amendment to Term Loan Agreement, dated as of December 12, 2024, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	8-K	001-40033	10.4	12/17/2024
10.52	Unsecured Promissory Note, dated February 13, 2025, by and between P3 Health Group, LLC and VBC Growth SPV 4, LLC.	8-K	001-40033	10.1	2/18/2025
10.53	Subordination Agreement, dated February 13, 2025, by and among P3 Health Group, LLC, CRG Servicing LLC and VBC Growth SPV 4, LLC.	8-K	001-40033	10.3	2/18/2025
10.54	Seventh Amendment to Term Loan Agreement, dated as of February 13, 2025, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	8-K	001-40033	10.4	2/18/2025
10.55	* Eighth Amendment to Term Loan Agreement, dated as of May 2, 2025, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and CRG Servicing LLC, as administrative agent and collateral agent.				
10.56	Unsecured Promissory Note, dated May 29, 2025, by and between P3 Health Group, LLC and VBC Growth SPV 5, LLC.	8-K	001-40033	4.15	6/3/2025
10.57	Subordination Agreement, dated May 29, 2025, by and among P3 Health Group, LLC, CRG Servicing LLC and VBC Growth SPV 5, LLC.	8-K	001-40033	10.30	6/3/2025
10.58	Ninth Amendment to Term Loan Agreement, dated as of May 29, 2025, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto and CRG Servicing LLC, as administrative agent and collateral agent.	8-K	001-40033	4.18	6/3/2025
10.59	Tenth Amendment to Term Loan Agreement, dated as of August 27, 2025, by and among P3 Health Group, LLC, as borrower, the Subsidiary Guarantors party thereto, the Lenders party thereto, and CRG Servicing LLC, as administrative agent and collateral agent.	8-K	001-40033	4.20	8/29/2025

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Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
10.60	^{*(1)} Limited Liability Company Agreement of P3 Commonwealth Innovation MSO, LLC, dated as of November 11, 2025, among P3 Health Partners Reach ACO, LLC, P3 Health Group, LLC and P3 Commonwealth Innovation MSO, LLC.				
10.61	^{*(1)} Management Services Agreement, dated November 11, 2025, among Commonwealth Primary Care ACO, LLC, P3 Health Partners Reach ACO, LLC and P3 Commonwealth Innovation MSO, LLC.				
10.62	Amendment to Unsecured Promissory Note, dated as of February 11, 2026, by and among P3 Health Group, LLC and VBC Growth SPV 5, LLC.	8-K	001-40033	10.1	2/17/2026
19	P3 Health Partners, Inc. Insider Trading Compliance Policy.	10-K	001-40033	19	3/28/2025
21.1	[*] List of Subsidiaries.				
23.1	[*] Consent of Independent Registered Public Accounting Firm.				
31.1	[*] Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2	[*] Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1	^{**} Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
32.2	^{**} Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
97.1	Policy for Recovery of Erroneously Awarded Compensation.	10-K	001-40033	97.1	3/28/2024
101.INS	[*] Inline XBRL Instance Document				
101.SCH	[*] Inline XBRL Taxonomy Extension Schema Document				
101.CAL	[*] Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF	[*] Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB	[*] Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE	[*] Inline XBRL Taxonomy Extension Presentation Document				
104	[*] Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* Filed herewith

** Furnished herewith

† Indicates management contract or compensatory plan

(1) Certain of the exhibits and schedules to this Exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). The Registrant agrees to furnish a copy of all omitted exhibits and schedules to the SEC upon its request.

Item 16. Form 10-K Summary.

None.

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 thereunto duly authorized.

P3 Health Partners Inc.

Date: March 26, 2026

By: /s/ Leif Pedersen
Name: Leif Pedersen
Title: Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Aric Coffman, M.D.</u> Aric Coffman, M.D.	Chief Executive Officer <i>(Principal Executive Officer)</i>	March 26, 2026
<u>/s/ Leif Pedersen</u> Leif Pedersen	Chief Financial Officer <i>(Principal Financial Officer and Principal Accounting Officer)</i>	March 26, 2026
<u>/s/ Mark Thierer</u> Mark Thierer	Chairman of the Board of Directors	March 26, 2026
<u>/s/ Amir S. Bacchus, M.D.</u> Amir S. Bacchus, M.D.	Chief Medical Officer and Director	March 26, 2026
<u>/s/ Gregory N. Kazarian</u> Gregory N. Kazarian	Director	March 26, 2026
<u>/s/ Lawrence B. Leisure</u> Lawrence B. Leisure	Director	March 26, 2026
<u>/s/ Jeffrey G. Park</u> Jeffrey G. Park	Director	March 26, 2026
<u>/s/ Thomas E. Price, M.D.</u> Thomas E. Price, M.D.	Director	March 26, 2026
<u>/s/ Mary A. Tolan</u> Mary A. Tolan	Director	March 26, 2026
<u>/s/ Greg Wasson</u> Greg Wasson	Director	March 26, 2026

EIGHTH AMENDMENT TO TERM LOAN AGREEMENT

THIS EIGHTH AMENDMENT TO TERM LOAN AGREEMENT (this “*Agreement*”), dated as of May 2, 2025, is entered into between P3 HEALTH GROUP, LLC, a Delaware limited liability company (“*Borrower*”) (formerly known as FAC MERGER SUB LLC, successor by merger to P3 HEALTH GROUP HOLDINGS, LLC), the Subsidiary Guarantors party hereto, the Lenders party hereto and CRG SERVICING LLC, as administrative agent and collateral agent (the “*Agent*”). All capitalized terms used herein and not otherwise defined herein shall have the meanings given to such terms in the Amended Term Loan Agreement (as defined below).

RECITALS

WHEREAS, the Borrower, the Subsidiary Guarantors from time to time party thereto, the Lenders from time to time party thereto and the Agent have entered into that certain Term Loan Agreement, dated as of November 19, 2020 (as amended, restated, supplemented or modified from time to time prior to the date hereof, the “Existing Term Loan Agreement” and the Existing Term Loan Agreement, as so amended by this Agreement, the “Amended Term Loan Agreement”);

WHEREAS, the Obligors have requested that the Lenders and the Agent amend the Existing Term Loan Agreement to provide for certain modifications of the terms thereof; and

WHEREAS, the Lenders and the Agent are willing to amend the Existing Term Loan Agreement subject to the terms and conditions hereof.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Existing Term Loan Agreement.

(a) Section 1.01 of the Note is hereby amended by adding the following definitions in the appropriate alphabetical order:

“*ACO*” means an accountable care organization that has participated or is participating in the ACO REACH Model.

“*ACO REACH Financial Guarantee Amount*” means, solely with respect to any Obligor that is an ACO, the minimum amount of financial guarantee that such Obligor is required to provide to CMS pursuant to its ACO REACH Participation Agreement for the applicable performance years of such Obligor.

“ACO REACH Model” means Accountable Care Organization Realizing Equity, Access, and Community Health Model established by the Center for Medicare and Medicaid Innovation pursuant to 42 U.S.C. § 1315, as amended.

“*ACO REACH Participation Agreement*” mean a participation agreement between any Obligor that is an ACO and CMS, as amended, that such Obligor executed in order to participate in the ACO REACH Model.

“*ACO REACH Surety Bond*” means that certain Surety Bond (no. 800051568), effective as of January 1, 2023, issued by Atlantic Specialty Insurance Company, as Surety, on behalf of P3 Health Partners REACH ACO LLC, as Principal, in favor of

CMS, as amended, restated, supplemented or otherwise modified through the Eighth Amendment Effective Date and as may be further amended, restated or otherwise modified from time to time to reflect increases in the ACO REACH Financial Guarantee Amount.

“Eighth Amendment Effective Date” means May 2, 2025.

(b) Section 8.01 of the Existing Term Loan Agreement is hereby amended by replacing the text “(and, in the case of **Sections 8.01(a)** through **(c), (e)** and **(k)**, each VCOC Lender)” with the text “(and, in the case of **Sections 8.01(a)** through **(c), (e)** and **(l)**, each VCOC Lender)”.

(c) Section 8.01 of the Existing Term Loan Agreement is hereby amended by (i) replacing the text “; and” at the end of clause (j) thereof with the text “;” and (ii) replacing clause (k) thereof with the following clauses (k) and (l) to read as follows:

(k) promptly, and in any event within five (5) Business Days after receipt thereof by any Obligor, copies of each notice or other correspondence received from CMS in connection with any ACO REACH Participation Agreement that could reasonably be expected to result in a Material Adverse Effect; and

(l) promptly following Administrative Agent’s reasonable request from time to time, such other information regarding the operations, properties, business or condition (financial or otherwise) of Borrower and its Subsidiaries (including, without limitation, pursuant to or in response to any environmental, social and governance policies and questionnaires of Administrative Agent or any Lender).

(d) Section 8.16 of the Existing Term Loan Agreement is hereby amended by adding a new clause (d) to read as follows:

(d) Obligors shall deliver to the Administrative Agent (i) within thirty (30) days of the Eighth Amendment Effective Date, certificates of insurance, and (ii) within forty-five (45) days of the Eighth Amendment Effective Date, endorsements to the applicable insurance policies, in each case, evidencing the existence of all insurance required to be maintained by P3 Health Partners REACH ACO LLC pursuant to Section 8.05 and the designation of the Administrative Agent as the lender’s loss payee or additional named insured, as the case may be, thereunder.

(e) Section 9.01(m) of the Existing Term Loan Agreement is hereby amended by adding the text “(other than the ACO REACH Surety Bond)” immediately after the text “surety bonds, customs bonds and performance bonds”.

(f) Section 9.01 of the Existing Term Loan Agreement is hereby amended by (i) replacing the text “; and” at the end of clause (w) thereof with the text “;”, (ii) replacing the text “.” at the end of clause (x) thereof with the text “;” and (iii) adding the following as new clauses (y) and (z) thereof to read as follows:

(y) to the extent constituting Indebtedness, obligations of the Obligors comprising the ACO REACH Financial Guarantee Amount incurred in accordance with the terms of the applicable ACO REACH Participation Agreement; and

(z) Indebtedness with respect to the ACO REACH Surety Bond, or any other surety bonds issued on behalf of an Obligor in order to secure the ACO REACH Financial Guarantee Amount; provided, that, the outstanding face amount of Indebtedness permitted under this Section 9.01(z) shall not exceed at any time the ACO REACH Financial Guarantee Amount required at such time.

(g) Section 9.02(p) of the Existing Term Loan Agreement is hereby amended by adding the text “the ACO REACH Surety Bond and” immediately prior to the text “bonds related to judgments or litigation”.

(h) Section 9.02 of the Existing Term Loan Agreement is hereby amended by (i) replacing the text “; and” at the end of clause (r) thereof with the text “;”, (ii) replacing the text “.” at the end of clause (s) thereof with the text “; and” and (iii) adding the following as a new clause (t) thereof to read as follows:

(t) to the extent constituting a Lien, any encumbrance or preferential arrangement in favor of CMS on any ACO REACH Financial Guarantee Amount incurred in accordance with the terms of the applicable ACO REACH Participation Agreement, including any deposit to secure the performance of the ACO REACH Surety Bond or any other surety bonds issued on behalf of an Obligor in order to secure the ACO REACH Financial Guarantee Amount;

(i) Section 9.02 of the Existing Term Loan Agreement is hereby amended by replacing the text “Sections 9.02(b) through (s)” with the text “Sections 9.02(b) through (t)”.

(j) Section 9.07 of the Existing Term Loan Agreement is hereby amended and restated to read, in its entirety, as follows:

9.07 Payments of Indebtedness. Such Obligor shall not, and shall not permit any of its Subsidiaries to, make (a) any voluntary or optional payments in respect of any Indebtedness (other than Intermountain Subordinated Debt, VBC Subordinated Debt, VBC 2 Subordinated Debt, VBC 3 Subordinated Debt and VBC 4 Subordinated Debt) that is subordinated to the Obligations other than payments thereof that are permitted under the terms of the applicable subordination or intercreditor agreement to which the Administrative Agent is a party, (b) any payments in respect of Intermountain Subordinated Debt other than the payments of interest that are capitalized by adding such interest payment amounts to the principal balance of the Intermountain Subordinated Debt (in lieu of being paid in cash) in accordance with the terms of the Intermountain Note in effect as of the Closing Date, (c) any payments in respect of VBC Subordinated Debt other than the payments of interest that are capitalized by adding such interest payment amounts to the principal balance of the VBC Subordinated Debt (in lieu of being paid in cash) in accordance with the terms of the VBC Note in effect as of the Third Amendment Effective Date, (d) any payments in respect of VBC 2 Subordinated Debt other than the payments of interest that are capitalized by adding such interest payment amounts to the principal balance of the VBC 2 Subordinated Debt (in lieu of being paid in cash) in accordance with the terms of the VBC 2 Note in effect as of the Fourth Amendment Effective Date, (e) any payments in respect of VBC 3 Subordinated Debt other than the payments of interest that are capitalized by adding such interest payment

amounts to the principal balance of the VBC 3 Subordinated Debt (in lieu of being paid in cash) in accordance with the terms of the VBC 3 Note in effect as of the Sixth Amendment Effective Date, (f) any payments in respect of VBC 4 Subordinated Debt other than the payments of interest that are capitalized by adding such interest payment amounts to the principal balance of the VBC 4 Subordinated Debt (in lieu of being paid in cash) in accordance with the terms of the VBC 4 Note in effect as of the Seventh Amendment Effective Date and (g) any voluntary or optional payments in respect of the ACO REACH Surety Bond or any other Indebtedness comprising the ACO REACH Financial Guarantee Amount.

(k) Section 9.12 of the Existing Term Loan Agreement is hereby amended and restated to read, in its entirety, as follows:

9.12 Amendments to Material Agreements; Organizational Documents. Such Obligor shall not, and shall not permit any of its Subsidiaries to, (a) enter into any amendment to or modification of any Material Agreement that is materially adverse to (i) Borrower and its Subsidiaries, (ii) [reserved] or (iii) the rights or remedies of the Administrative Agent and the Lenders, without in each case the prior written consent of Administrative Agent (which consent shall not be unreasonably withheld, conditioned or delayed), (b) enter into any amendment or modification of any Intermountain Note Document in a manner adverse to the Secured Parties or in violation of the Intermountain Subordination Agreement, (c) enter into any amendment or modification of any VBC Note Document in a manner adverse to the Secured Parties or in violation of the VBC Subordination Agreement, (d) enter into any amendment or modification of any VBC 2 Note Document in a manner adverse to the Secured Parties or in violation of the VBC 2 Subordination Agreement, (e) enter into any amendment or modification of any VBC 3 Note Document in a manner adverse to the Secured Parties or in violation of the VBC 3 Subordination Agreement, (f) enter into any amendment or modification of any VBC 4 Note Document in a manner adverse to the Secured Parties or in violation of the VBC 4 Subordination Agreement, (g) enter into any amendment or modification of the Florida Business Acquisition Agreement in a manner adverse to the Secured Parties or (h) enter into any amendment to or modification of any ACO REACH Participation Agreement (or any surety bonds, including the ACO REACH Surety Bond, or related documentation entered into in connection therewith) that is materially adverse to the Secured Parties, it being understood and agreed that amendments to increase the amounts thereunder as a result of increases in the ACO REACH Financial Guarantee Amount shall be deemed to be not materially adverse to the Secured Parties. Such Obligor shall not, and shall not permit any of its Subsidiaries to, enter into any amendment to or modification of its organizational documents in a manner that would be materially adverse to the interests, or rights or remedies, of Administrative Agent and the Lenders; provided, that the adoption of the Post-Closing LLCA by the Borrower upon the effectiveness of the First Amendment Merger Transactions on the Merger Effective Date shall be deemed to not be materially adverse to the interests, rights and remedies of the Administrative Agent and the Lenders.

2. Conditions Precedent. The effectiveness of this Agreement shall be subject to the satisfaction of each of the following conditions precedent:

- (a) receipt by the Agent of counterparts of this Agreement duly executed by the Obligor, the Majority Lenders and the Agent;
- (b) receipt by the Agent of Lien and Intellectual Property searches for P3 Health Partners REACH ACO LLC (the “*New Subsidiary Guarantor*”), in each case, with results reasonably satisfactory to the Agent;
- (c) receipt by the Agent of counterparts of a Guarantee Assumption Agreement duly executed by the New Subsidiary Guarantor;
- (d) receipt by the Agent of counterparts of a joinder agreement to the Security Agreement duly executed by the New Subsidiary Guarantor;
- (e) receipt by the Agent of the following documents, each of which shall be in form and substance reasonably satisfactory to the Agent:
 - (i) certified copies of (A) the constitutive documents of each of the New Subsidiary Guarantor, (B) resolutions of the Board (or shareholders, if applicable) of the New Subsidiary Guarantor authorizing the execution, delivery and performance of the applicable joinder documentation and the other Loan Documents to which it is a party, (C) a good standing certificate (or its equivalent) of the New Subsidiary Guarantor dated as of a recent date and (D) an incumbency certificate of the New Subsidiary Guarantor;
 - (ii) with respect to all Equity Interests owned by the New Subsidiary Guarantor required to be pledged under the Loan Documents, (A) to the extent that such Equity Interests are certificated or required to be certificated pursuant to the applicable issuer’s organizational documents, original share certificates or other documents or evidence of title, together with share transfer documents, undated and executed in blank and (B) to the extent that such Equity Interests are uncertificated and permitted to be uncertificated pursuant to the applicable issuer’s organizational documents, an issuer’s acknowledgment in form and substance reasonably satisfactory to Agent;
 - (iii) a UCC-1 financing statement in proper form for filing against the New Subsidiary Guarantor in its jurisdiction of formation or incorporation, as the case may be;
 - (iv) subject to Section 8.16 of the Amended Term Loan Agreement, certificates and endorsements of insurance evidencing the existence of all insurance required to be maintained by the New Subsidiary Guarantor pursuant to Section 8.05 of the Amended Term Loan Agreement and the designation of the Agent as the lender’s loss payee or additional named insured, as the case may be, thereunder; and
 - (v) at least three (3) Business Days prior to the Eighth Amendment Effective Date, the documentation and other information requested by Agent and Lenders for purposes of compliance with applicable “know your customer” and anti-money-laundering rules and regulations, including, without limitation, the Act, to the extent requested at least ten (10) Business Days prior to the Eighth Amendment Effective Date;
- (f) the Obligor shall have taken such action or caused their Subsidiaries to take such action (including delivering certificates evidencing Equity Interests together with undated transfer

powers executed in blank) as shall be necessary to create and perfect valid and enforceable first priority (subject to Permitted Priority Liens) Liens on the Property of the New Subsidiary Guarantor as collateral security for the Obligations to the extent required pursuant to the Security Documents; and

(g) the representation and warranty in **Section 6(c)** of this Agreement shall be true and correct on the date hereof.

3. **Expenses.** The Obligors agree to reimburse the Agent for all reasonable fees, charges and disbursements of the Agent in connection with the preparation, execution and delivery of this Agreement, including the reasonable fees, charges and disbursements of Moore & Van Allen PLLC.

4. **Reaffirmation.** Each of the Obligors acknowledges and reaffirms (a) that it is bound by all of the terms of the Loan Documents to which it is a party and (b) that it is responsible for the observance and full performance of all Obligations, including without limitation, the repayment of the Loans. Furthermore, the Obligors acknowledge and confirm (i) that the Lenders have performed fully all of their obligations under the Amended Term Loan Agreement and the other Loan Documents arising on or before the date hereof other than their respective obligations specifically set forth in this Agreement and (ii) that by entering into this Agreement, the Lenders do not, except as expressly set forth herein, waive or release any term or condition of the Amended Term Loan Agreement or any of the other Loan Documents or any of their rights or remedies under such Loan Documents or any applicable law or any of the Obligations of the Obligors thereunder.

5. **Release.** As a material part of the consideration for the Agent and the Lenders entering into this Agreement, the Obligors agree as follows (this Section 5, the "Release Provision"):

(a) By their respective signatures below, the Obligors hereby agree that the Agent, the Lenders, each of their respective Affiliates and the foregoing Persons' respective officers, managers, members, directors, advisors, sub-advisors, partners, agents and employees, and their respective successors and assigns (hereinafter all of the above collectively referred to as the "Lender Group"), are irrevocably and unconditionally released, discharged and acquitted from any and all actions, causes of action, claims, demands, damages and liabilities of whatever kind or nature, in law or in equity, now known or unknown, suspected or unsuspected to the extent that any of the foregoing arises from any action or failure to act under or otherwise arising in connection with the Loan Documents on or prior to the date hereof (collectively, the "Released Claims"). Notwithstanding the foregoing, Released Claims shall not include any claim found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from the Lender Group's gross negligence or willful misconduct.

(b) Each Obligor hereby acknowledges, represents and warrants to the Lender Group that:

(i) it has read and understands the effect of the Release Provision;

(ii) it has had the assistance of independent counsel of its own choice, or has had the opportunity to retain such independent counsel, in reviewing, discussing, and considering all the terms of the Release Provision and, if counsel was retained, counsel for such Obligor has read and considered the Release Provision and advised such Obligor with respect to the same;

(iii) before execution of this Agreement, such Obligor has had adequate opportunity to make whatever investigation or inquiry it may deem necessary or desirable in connection with the subject matter of the Release Provision;

(iv) no Obligor is acting in reliance on any representation, understanding, or agreement not expressly set forth herein;

(v) that the Lender Group has not made any representation with respect to the Release Provision except as expressly set forth herein;

(vi) it has executed this Agreement and the Release Provision thereof as its free and voluntary act, without any duress, coercion, or undue influence exerted by or on behalf of any person; and

(vii) the Obligors are the sole owners of the claims released by the Release Provision, and no Obligor has heretofore conveyed or assigned any interest in any such claim to any other Person.

(c) Each Obligor understands that the Release Provision was a material consideration in the agreement of the Agent and the Lenders to enter into this Agreement. The Release Provision shall be in addition to any rights, privileges and immunities granted to the Agent and the Lenders under the Loan Documents.

6. Miscellaneous.

(a) The Amended Term Loan Agreement and the Obligations of the Obligors thereunder and under the other Loan Documents, are hereby ratified and confirmed and shall remain in full force and effect according to their terms, as amended by this Agreement. This Agreement is a Loan Document.

(b) Each Guarantor (i) acknowledges and consents to all of the terms and conditions of this Agreement, (ii) affirms all of its Obligations under the Loan Documents, and (iii) agrees that this Agreement and all documents executed in connection herewith do not operate to reduce or discharge its Obligations under the Amended Term Loan Agreement or the other Loan Documents.

(c) The Obligors represent and warrant to the Agent and the Lenders that:

(i) each Obligor has taken all necessary corporate, limited liability company or other organizational action to authorize the execution, delivery and performance of this Agreement;

(ii) this Agreement has been duly executed and delivered by each Obligor and constitutes a legal, valid and binding obligation of each Obligor, enforceable against each such Obligor in accordance with its terms, subject to bankruptcy, insolvency and similar laws affecting enforceability of creditors' rights generally and to general principles of equity;

(iii) no approval, consent, exemption, authorization or other action by, or notice of, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Obligor of this Agreement other than (A) those that have already been obtained and are in full force and effect and (B) those that may be required under any applicable notices under securities laws; and

(iv) (A) the representations and warranties of each Obligor contained in Section 7 of the Amended Term Loan Agreement or in any other Loan Document, or which are contained in any document furnished at any time under or in connection therewith, are true and correct in all material respects (and in all respects if any such representation and warranty is already qualified by materiality or reference to Material Adverse Change or Material Adverse Effect) on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (and in all respects if any such representation and warranty is already qualified by materiality or reference to Material Adverse Change or Material Adverse Effect) as of such earlier date and (B) no event has occurred and is continuing which constitutes a Default or an Event of Default.

(d) Each of the Obligors hereby affirms the Liens created and granted in the Loan Documents in favor of the Agent, for the benefit of the Secured Parties, and agrees that this Agreement does not adversely affect or impair such Liens and security interests in any manner.

(e) This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

(f) If any provision of this Agreement is held to be illegal, invalid or unenforceable, (i) the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby and (ii) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

(g) THIS AGREEMENT AND ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

COMPANY: P3 HEALTH GROUP, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

SUBSIDIARY GUARANTORS:

P3 HEALTH PARTNERS, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH GROUP CONSULTING, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH PARTNERS-OREGON, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH PARTNERS ACO, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH PARTNERS REACH ACO LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH GROUP MANAGEMENT, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH PARTNERS-NEVADA, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH PARTNERS-FLORIDA, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

P3 HEALTH PARTNERS-CALIFORNIA, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Chief Executive Officer

AGENT: **CRG SERVICING LLC**

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

AGENTS: **CRG PARTNERS IV L.P.**

By: CRG PARTNERS IV GP L.P., its general partner
By: CRG PARTNERS IV GP LLC, its general partner

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

CRG PARTNERS IV - PARALLEL FUND "C" (CAYMAN) L.P.

By: CR GROUP L.P., its investment advisor

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

CRG PARTNERS IV – CAYMAN LEVERED L.P.

By: CRG PARTNERS IV (CAYMAN) GP L.P., its general partner
By: CRG PARTNERS IV GP LLC, its general partner

By: /s/ Nathan Hukill
Name: Nathan Hukill
Title: Authorized Signatory

**LIMITED LIABILITY COMPANY AGREEMENT
OF
P3 COMMONWEALTH INNOVATION MSO, LLC**

THIS LIMITED LIABILITY COMPANY AGREEMENT OF P3 COMMONWEALTH INNOVATION MSO, LLC, a Delaware limited liability company (the “Company”), is entered into as of November 11, 2025, by and among the Company and the Members listed on Schedule A attached hereto.

RECITALS

WHEREAS, the Members desire to operate the Company as a limited liability company under the Act (as hereinafter defined) for the purposes set forth herein; and

WHEREAS, the Members are entering into this Agreement to govern the Company.

AGREEMENT

NOW THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members and the Company hereby agree as follows:

**ARTICLE 1
DEFINED TERMS**

Section 1.1 Definitions. Unless the context otherwise requires, the terms defined in this Article 1 shall, for the purposes of this Agreement and the schedules and exhibits attached hereto, have the meanings herein specified or in the introductory paragraph of this Agreement.

“ACO Management Agreement” shall mean, individually or collectively, as the context dictates, that certain Management Agreement entered into by the Company and CPC, that certain Management Agreement entered into by the Company and PHP, and any other management agreement entered into by the Company pursuant to which the Company performs management services in exchange for its receipt of management fees.

“Act” means 6 Del.C. § 18 101, et seq., Delaware Limited Liability Company Act, as amended from time to time.

“Additional Members” shall have the meaning set forth in Section 5.4(a).

“Adjusted Capital Account Deficit” means a deficit balance in a Member’s Capital Account after the end of the relevant Fiscal Year, giving effect to any amounts the Member is obligated to contribute or restore to the Company pursuant to the penultimate sentences of Treasury Regulation Sections 1.704- 2(g)(1) and 1.704-2(i)(5), and subsequently such Member’s share of the items described in Treasury Regulation Section 1.704-2(b)(2)(ii)(d)(4), (5), and (6).

“Affiliate” means with respect to a Person, any other Person that, directly or indirectly, Controls, is Controlled by, or is under common Control with, the specified Person. For purposes

of this definition, “Affiliate” shall, with respect to any natural Person, the spouse, parents, siblings, and children of such Person.

“Agreement” means this Limited Liability Company Agreement of the Company, as amended, modified, supplemented, or restated from time to time.

“Approval of the Board of Managers,” “Approved by the Board of Managers,” or “Consent of the Board of Managers” or words of similar import, shall mean the approval of a majority of the members of the Board of Managers. Except as otherwise provided in this Agreement, if there are two (2) or fewer members of the Board of Managers, the unanimous vote of the members of the Board of Managers shall constitute Approval of the Board of Managers.

“Approval of the Members,” “Approved by the Members,” and “Consent of the Members,” or words of similar import, means the approval of the Members holding at least a majority of the issued and outstanding Units.

“Bankruptcy” means, with respect to a Member or the Company, the happening of any of the following: (i) the making of a general assignment for the benefit of creditors; (ii) the filing of a voluntary petition for relief under Title 11 of the United States Code or any other law respecting bankruptcy, insolvency, or the relief of debtors; (iii) the filing of a petition seeking, or the adoption of a plan or resolutions for, complete or partial reorganization, arrangement, composition, adjustment, liquidation, dissolution, winding-up, or similar relief under any statute, law, or regulation; (iv) the filing of an involuntary petition under Title 11 of the United States Code or any other law respecting bankruptcy, insolvency, or the relief of debtors, and the consent to entry of an order for relief or failure to obtain dismissal of the petition with sixty (60) days by the Member or Company, as applicable; or (v) the appointment of a liquidating trustee, receiver, administrator, custodian, conservator, or other similar official for all or any substantial part of the Company’s or the Member’s assets.

“Board” or “Board of Managers” shall have the meaning set forth in Section 6.1(a).

“Business” shall have the meaning set forth in Section 3.1(a).

“Business Day” means a day other than a Saturday, Sunday, or a legal holiday as recognized in the state of Nevada.

“Capital Account” means, with respect to any Member, the capital account maintained for such Member in accordance with the provisions of Article 4 hereof.

“Capital Contribution” means, with respect to any Member, the aggregate amount of cash and cash equivalents, plus the initial Gross Asset Value of any property (other than money), in each case, contributed to the Company pursuant to Article 4 hereof with respect to such Member’s Interest, reduced, in the case of a contribution of property, by the amount of any liabilities of such Member that are assumed by the Company in connection with such contribution or that are secured by any property contributed by such Member to the Company.

“Certificate” means the Certificate of Formation of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the office of the Secretary of State of the state of Delaware pursuant to the Act.

“CMS ACO Programs” means any governmental model or arrangement that is designed to reward or penalize, in whole or in part, a participant’s performance thereunder based on the cost, quality, efficiency, or outcomes of care furnished to an attributed patient population, and that may, depending on the program design, require an accountable care organization or similar entity to assume financial responsibility for actual or potential losses or to share in savings based on such performance, including without limitation any CMS Innovation Center model, such as the ACO REACH model and the Medicare Shared Savings Program (any track).

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any corresponding federal tax statute enacted after the date of this Agreement.

“CPC” means Commonwealth Primary Care ACO, LLC, an Arizona limited liability company.

“CPC Change of Control” means the consummation of any transaction or series of related transactions (whether by merger, consolidation, recapitalization, reorganization, redemption, issuance, exchange, sale, transfer, lease, exclusive license (other than a non-exclusive license in the ordinary course of business), or otherwise) that results in (a) the sale, transfer, lease, exclusive license, or other disposition (other than a pledge or grant of a security interest to a bona fide lender) of all or substantially all of the assets of CPC; (b) any direct or indirect transaction or series of related transactions pursuant to which a Person or group of Affiliated Persons acquires, directly or indirectly, beneficial ownership of equity securities representing more than sixty five percent (65%) of the total fair market value or total voting power of CPC (on a fully diluted basis); or (c) any merger, consolidation, unit exchange, or similar transaction involving CPC in which, after giving effect to such transaction, the members of CPC immediately prior to such transaction hold, directly or indirectly, less than sixty-five (65%) of the total fair market value or total voting power of the outstanding equity securities of the surviving or resulting entity (on a fully diluted basis); provided, however, in each case, a “CPC Change of Control” shall not be construed to occur solely as a result of (x) changes in the relative voting power of the members of CPC arising from the withdrawal, forfeiture, redemption, or other reduction of equity securities of CPC held by such member of CPC, unless such event is ancillary to, and occurs in connection with, a transaction or series of related transactions otherwise constituting a CPC Change of Control under clauses (a)–(c) above; or (y) any transaction or series of transactions effected solely for tax, internal reorganization, or financing purposes in which, immediately following such transaction, the ultimate beneficial ownership and relative voting power of CPC’s equity securities are substantially identical to those existing immediately prior to such transaction.

“Coastal” means Coastal Carolina Health Care, P.A., a North Carolina limited liability company.

“Coastal Obligations” means those obligations of CPC arising out of ACO Realizing Equity, Access, and Community Health Model (REACH) Program Participation and Financial Term Agreement, dated as of August 1, 2024, and the Addendum to ACO REACH Program

Participation and Financial Term Agreement, dated as of August 1, 2024, by and between Coastal and CPC.

“Company” shall mean P3 Commonwealth Innovation MSO, LLC, a Delaware limited liability company.

“Company Minimum Gain” shall have the same meaning as the meaning of “partnership minimum gain” set forth in Treasury Regulation Sections 1.704-2(b)(2) and 1.704-2(d).

“Company Nonrecourse Liability” shall have the same meaning as the meaning of “partnership nonrecourse liability” set forth in Treasury Regulation Section 1.704-2(b)(3).

“Company Sale” means the consummation of any transaction or series of related transactions (whether by merger, consolidation, recapitalization, reorganization, redemption, issuance, exchange, sale, transfer, lease, exclusive license (other than a non-exclusive license in the ordinary course of business), or otherwise) that results in (a) the sale, transfer, lease, exclusive license, or other disposition (other than a pledge or grant of a security interest to a bona fide lender) of all or substantially all of the assets of the Company; (b) any direct or indirect transaction or series of transactions pursuant to which a Person or group of Affiliated Persons acquires, directly or indirectly, beneficial ownership of the Units representing more than sixty-five percent (65%) of the total fair market value or total voting power of the outstanding equity securities of the Company (on a fully diluted basis); or (c) any merger, consolidation, unit exchange, or similar transaction involving the Company in which, after giving effect to such transaction, the Members of the Company immediately prior to such transaction hold, directly or indirectly, less than sixty-five percent (65%) of the total fair market value or total voting power of the outstanding equity securities of the surviving or resulting entity (on a fully diluted basis); or (d) an Enterprise Sale; provided, however, in each case, a “Company Sale” shall not include any transaction or series of transactions effected solely for tax, internal reorganization, or financing purposes in which, immediately following such transaction, the ultimate beneficial ownership and relative voting power of the Company’s equity securities are substantially identical to those existing immediately prior to such transaction.

“Complete” shall have the meaning set forth in Section 14.13(e).

“Confidential Information” means data and information relating to the Company and which has material value to the Company and is not generally known to its competitors, in each case, other than any data or information that has been voluntarily disclosed to the public by the Company or that has been independently developed and disclosed by others without access or reference to Confidential Information, or that otherwise enters the public domain through lawful means.

“Control” (including the terms “Controlled by” and “under common Control with”) means, with respect to any Person, (a) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise, (b) possession, directly or indirectly, of more than fifty percent (50%) of the outstanding equity interests of a Person, (c) the right to appoint or remove a majority of the board of directors, managers, or other governing body of such Person, or (d) the right to receive more than fifty percent (50%) of the profits, distributions,

or economic returns of such Person. For clarity, ordinary-course veto rights or negative covenants that do not confer the ability to direct management or policies shall not, by themselves, constitute “Control.”

“Covered Person” means a Member, any Affiliate of a Member, any member of the Board of Managers, any officers, directors, members, partners, employees, representatives, or agents of a Member or any Affiliate of a Member, any officer, employee or agent of the Company or its Affiliates, or any Partnership Representative of the Company.

“Damages” shall have the meaning set forth in Section 12.2(a).

“Depreciation” means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization, or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other period; provided, however, that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization, or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to such beginning adjusted tax basis; and provided, further, that if the federal income tax depreciation, amortization, or other cost recovery deduction for such Fiscal Year or other period is zero, Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board of Managers.

“Designating Party” has the meaning given to such term in Section 6.1(a) hereof.

“Designee” has the meaning given to such term in Section 6.1(a) hereof.

“Disqualification Event” means a “bad actor” disqualifying event described in Rule 506(d)(1)(i)-(viii) promulgated under the Securities Act.

“Disqualified Designee” means any director designee to whom any Disqualification Event is applicable, except for a Disqualification Event as to which Rule 506(d)(2)(ii) of the Securities Act or (iii) or Rule 506(d)(3) of the Securities Act is applicable.

“DPA” means Section 721 of the Defense Production Act, as amended, including all implementing regulations thereof.

“DPA Triggering Rights” means (i) “control” (as defined in the DPA); (ii) access to any “material non-public technical information” (as defined in the DPA) in the possession of the Company; (iii) membership or observer rights on the Board of Managers or equivalent governing body of the Company or the right to nominate an individual to a position on the Board of Managers or equivalent governing body of the Company; (iv) any involvement, other than through the voting of Units, in substantive decision-making of the Company regarding (x) the use, development, acquisition or release of any Company “critical technology” (as defined in the DPA); (y) the use, development, acquisition, safekeeping, or release of “sensitive personal data” (as defined in the DPA) of U.S. citizens maintained or collected by the Company, or (z) the management, operation, manufacture, or supply of “covered investment critical infrastructure” (as defined in the DPA).

“Drag-Along Purchase Price” shall have the meaning set forth in Section 5.7(d).

“Drag-Along Right” shall have the meaning set forth in Section 5.7(a).

“Drag-Along Sellers” shall have the meaning set forth in Section 5.7(a).

“Dragging Party” shall have the meaning set forth in Section 5.7(a).

“EBITDA” means, for any period, the net income of the Company for such period determined in accordance with GAAP, in accordance with historical past practices on a consistent basis, after (a) restoring thereto amounts deducted in respect of interest on borrowed money, taxes in respect of income, depreciation, and amortization; (b) restoring thereto amounts deducted in respect of management fees and board related expenses; and (c) non-cash charges, losses, expenses, accruals and provisions (including but not limited to non-cash items resulting from the sale of assets not in the ordinary course of business); provided that any such non-cash charge, loss, expense, accrual and provision shall be excluded to the extent that it represents an accrual or reserve for cash expenses in any future period; and (d) deducting therefrom all extraordinary items of income, all interest and investment income, and all gains on any sale or like transaction not in the ordinary course, it being agreed that accelerated amounts due upon termination of a customer contract shall be, to the extent in excess of net income otherwise to be recognized in the applicable period, an extraordinary item of income to be excluded from the calculation of EBITDA.

“Enterprise Sale” means any transaction or series of related transactions consummated within any rolling twelve month period, the end result of which is such that one or more Persons (other than any Member or an Affiliate of a Member) acquires, directly or indirectly, (a) assets, operations, or equity of the Parent or the Business, whether held directly or through one or more of Parent’s or PHP’s Affiliates, representing at least seventy-five percent (75%) of consolidated (x) total assets (book value), or (y) trailing twelve-month revenue or EBITDA, measured immediately prior to the subject transaction; (b) more than fifty percent (50%) of the total voting power of Parent’s outstanding equity securities or obtains the right to appoint a majority of Parent’s board of directors, and such transaction attributes value to the Business; or (c) a spin-off, split-off, carve-out, or other similar separation of the Business occurs resulting in Parent’s indirect ownership of the Business being reduced below fifty percent (50%) of voting power. Ordinary-course public market trading of Parent securities shall not constitute an Enterprise Sale unless it results in a change reflected in “(b)” of this definition of “Enterprise Sale.”

“Enterprise Sale Proceeds” means the aggregate consideration paid or payable to Parent in connection with an Enterprise Sale, including cash, the fair market value of any securities or other property, and any promissory notes, earn-outs, or other deferred payment obligations, whether received at closing or thereafter (including escrow releases and purchase-price adjustments), in each case without duplication, less: (a) the amount of all funded indebtedness of Parent paid, retired, or assumed in connection with such transaction; (b) all transaction expenses incurred by Parent directly in connection with the Enterprise Sale (including reasonable fees and expenses of legal counsel, accountants, investment bankers, brokers, escrow agents, and costs of enforcement or dispute resolution; and (c) amounts held in escrow or subject to holdback (included only when and as actually released to Parent or its Affiliate). Publicly traded securities shall be valued at the volume-weighted average price for the ten (10) trading days ending two (2)

“Entity Ownership Interest” means, with respect to any Person that holds an Interest in the Company and is a corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization, the stock, partnership, member, or other ownership interests (or any combination thereof) of such Person.

“Fiscal Year” means (i) the period commencing upon the formation of the Company and ending on December 31 of such year; and (ii) any subsequent 12-month period commencing on January 1 and ending on December 31.

“Foreign Person” means either (i) a Person or government that is a “foreign person” within the meaning of the DPA, or (ii) a Person through whose investment a “foreign person” within the meaning of the DPA would obtain any DPA Triggering Rights. Notwithstanding the foregoing, the following will not be deemed a Foreign Person: (x) investments funds with foreign limited partners, (y) companies in Five Eye nations that may not pose a CFIUS or other sales risk, and (z) foreign companies who operate U.S. subsidiaries under proxies or SSAs for classified United States Government work.

“Fully Diluted Basis” means, as of any date of determination, all issued and outstanding Units of the Company and all Units issuable upon the exercise of any outstanding security or obligation that is by its terms, directly or indirectly, convertible into or exchangeable or exercisable for Units, and any option, warrant or other right to subscribe for, purchase or acquire Units, in each case, as of such date, whether or not any of the foregoing are at the time exercisable

“GAAP” means generally accepted accounting principles in the United States, applied on a consistent basis for the periods measured.

“Gross Asset Value” means, with respect to any asset, such asset’s adjusted basis for federal income tax purposes, except as follows:

(a) the initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as agreed to by the contributing Member and the Board of Managers;

(b) the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board of Managers, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution or in exchange for services; (ii) the distribution by the Company to a Member of more than a de minimis amount of Company assets as consideration for an interest in the Company; and (iii) the liquidation of the Company within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clause (i) and clause (ii) of this sentence shall be made only if the Board of Managers reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; and

(c) the Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution, as determined by the Board of Managers.

(d) The Gross Asset Values of Company assets shall be adjusted to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to paragraph (a), paragraph (b), or paragraph (d) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

“Gross Revenue” means the gross revenue of the Company for each Fiscal Year, or part thereof, arising from the Company’s business other than Capital Contributions and proceeds from loans.

“Hurdle Amount” means an amount equal to the amount determined by the Board of Managers to be necessary to cause any Units subject to the Hurdle Amount to constitute a “profits interest” in the Company within the meaning of Revenue Procedure 93-27, 1993-2 C.B. 343, as clarified by Revenue Procedure 2001-43, 2001-2 C.B. 191.

“Indemnitees” shall have the meaning set forth in Section 12.7. “Indemnitor” shall have the meaning set forth in Section 12.7.

“Interest” means, with respect to any Member, such Member’s (i) interest in the Company’s capital, (ii) share of the Company’s net Profits and net Losses (and specially allocated items of income, gain, and deduction), and the right to receive distributions of Net Cash Flow from the Company, (iii) right to inspect the Company’s books and records, to the extent permitted by this Agreement, and (iv) right to participate in the management of and vote on matters coming before the Members as provided in this Agreement together with all obligations of such Member to comply with the terms and conditions of this Agreement.

“IRS Notice” shall have the meaning set forth in Section 4.5.

“Joinder Agreement” shall have the meaning set forth in Section 5.4(a).

“Member” means any Person holding any Units who is executing this Agreement and named as a Member of the Company on Schedule A attached hereto, and any Person admitted as an Additional Member or a substitute Member pursuant to the provisions of this Agreement, in such Person’s capacity as a Member of the Company, and “Members” means two or more of such Persons when acting in their capacities as Members of the Company. “Member Nonrecourse Debt” has the meaning set forth for “partner nonrecourse debt” in Treasury Regulation Section 1.704-2(b) (4).

Member Nonrecourse Debt Minimum Gain” shall have the meaning set forth for “partner nonrecourse debt minimum gain” in Treasury Regulation Section 1.704-2(i)(2).

“Minimum Distributions” shall have the meaning set forth in Section 8.2.

“Net Cash Flow” means, for each calendar month, Fiscal Year, or other period for which it is determined, the Gross Revenue of the Company from all sources generated during such period, less all Operating Expenditures incurred during such period, provided that Net Cash Flow shall not include Capital Contributions, or loan proceeds unless otherwise determined by the Board of Managers.

“New Securities” shall have the meaning set forth in Section 5.7

“Offeree” shall have the meaning set forth in Section 5.10.

“Offeror” shall have the meaning set forth in Section 5.10.

“Operating Expenditures” means the expenditures of the Company arising from the Company’s business, including, but not limited to, the following:

(a) general operating expenses including, but not limited to, management, legal, accounting, and other professional fees; wages, salaries, and other compensation in connection with its business operations; all monies expended to comply with and perform contractual and other obligations; and any other expenses expended on behalf of the Company in relation to its general administrative and management needs;

(b) payments of principal and interest upon any indebtedness of the Company (whether third-party indebtedness or loans made to the Company by Members pursuant to this Agreement);

(c) any other cash expended by the Company for business operations, including, without limitation, capital expenditures; and

(d) the establishment of appropriate reserves for debt service, to provide working capital, or any other contingency of the Company as determined by the Board of Managers.

“P3 Management Agreement” means that certain Management Agreement pursuant to which Parent or one of its Affiliates provides management services for the benefit of the Company in exchange for a management fee.

“Parent” means P3 Health Group, LLC, a Delaware limited liability company.

“Partnership Representative” shall mean any Member or Person with substantial presence in the United States designated by PHP, which initial Partnership Representative shall be Leif Pedersen.

“Percentage Interest” means a Member’s Percentage Interest as described in Schedule A, as amended from time to time. A Member’s Percentage Interest shall equal the number of Units held by such Member divided by the aggregate number of Units outstanding.

“Performance Year” means, with respect to any CMS ACO Program, the twelve (12) month period (or such other period as may be designated by the Centers for Medicare & Medicaid Services (“CMS”) or the Center for Medicare and Medicaid Innovation (“CMMI”)) that is established as the performance year for such program, during which the cost, quality, efficiency, and outcomes of care for the attributed patient population are measured for purposes of determining financial performance, shared savings, or shared losses; provided, however, in the event the Company participates in more than one CMS ACO Program, or in any other value-based care arrangement with a defined performance period, the term “Performance Year” shall refer to the applicable measurement period established by the governing body of each such program, and if no such program period applies, “Performance Year” shall mean the calendar year.

“Permitted Transferee” means, with respect to a particular Member, a Person that is (a) an Affiliate of such Member; or (b) any other Member, provided, however, in each case, such Person is not a bona fide competitor to the Business. Notwithstanding anything to the contrary contained in this Agreement and for the avoidance of doubt, the term “Permitted Transferee” expressly excludes a bona fide competitor of the Business.

“Person” includes any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

“PHP” means P3 Health Partners REACH ACO, LLC, a Nevada limited liability company.

“Prime Rate” means the annual base rate of interest published in the Wall Street Journal (Western Edition) from time to time as the “prime rate” (or such other similar publication as the Board of Managers may choose if the Wall Street Journal (Western Edition) ceases to publish the “prime rate”). As used herein, the Prime Rate shall be adjusted monthly on the first day of each month in conformity with the above described “prime rate” then in effect.

“Profits” or “Losses” means, for each Fiscal Year, an amount equal to the Company’s taxable income or loss for such Fiscal Year, determined in accordance with Section 703(a) of the Code (but including in taxable income or loss, for this purpose, all items of income, gain, loss, or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code), with the following adjustments:

(a) any income of the Company exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;

(b) any expenditures of the Company described in Section 705(a)(2)(B) of the Code (or treated as expenditures described in Section 705(a)(2)(B) of the Code pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account

in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss;

(c) in the event the Gross Asset Value of any Company asset is adjusted in accordance with paragraph (b) or paragraph (c) of the definition of “Gross Asset Value” above, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;

(d) gain or loss resulting from any disposition of any asset of the Company with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;

(e) in lieu of the depreciation, amortization, and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period, computed in accordance with the definition of “Depreciation” above; and

(f) notwithstanding any other provisions of this definition, any items which are specially allocated pursuant to Section 9.2 hereof shall not be taken into account in computing Profits or Losses.

“Proposed Member Transfer” shall mean any Transfer of Units subject to the Right of First Refusal in accordance with Section 7.2.

“Proposed Transfer Notice” means written notice from a Member setting forth the terms and conditions of Proposed Sale pursuant to Section 5.7 or the Transfer of Units pursuant to Section 7.2.

“Redemption Price” means either (a), in circumstances where CPC is the Initiating Member, a price per Unit equal to quotient of (i) the product of four (4.0) *multiplied by* the trailing twelve consecutive month EBITDA of the Company that concludes on the Valuation Date, *divided by* (ii) the total number of the outstanding Units of the Company, on a Fully Diluted Basis (the “CPC Redemption Price”); or (b), in circumstances where PHP is the Initiating Member, a price per Unit equal to quotient of (i) the product of six (6.0) *multiplied by* the trailing twelve consecutive month EBITDA of the Company that concludes on the Valuation Date, *divided by* (ii) the total number of the outstanding Units of the Company, on a Fully Diluted Basis (the “PHP Redemption Price”).

“Regulatory Allocations” shall have the same meaning given that term in Section 9.2(j).

“Restricted Period” means the period beginning on the date hereof and ending twenty-four (24) months after the date when a Member or any Permitted Transferee cease to own any membership Interest, or, in the alternative, if a reviewing court finds twenty-four (24) months to be overbroad in duration and unenforceable, for the period beginning on the date hereof and ending eighteen (18) months after the date when such Member or any Permitted Transferee cease to own any membership Interest, or, in the alternative, if a reviewing court finds eighteen (18) months to be overbroad in duration and unenforceable, for the period beginning on the date

hereof and ending twelve (12) months after the date when such Member or any Permitted Transferee cease to own any membership Interest, or, in the alternative, if a reviewing court finds twelve (12) months to be overbroad in duration and unenforceable, for the period beginning on the date hereof and ending six (6) months after the date when such Member or any Permitted Transferee cease to own any membership Interest.

“Restricted Territory” shall mean any location within the United States of America, unless a court of competent jurisdiction determines that such geographic scope is unenforceable under applicable law because it is too broad, in which case the Restricted Territory will be amended by eliminating geographical areas and states from the following list until the Restricted Territory is the maximum area determined to be reasonable: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming.

“Right of First Refusal” means the right, but not an obligation, of the Company, or its designees, to purchase some or all of the Units with respect to a Proposed Member Transfer, on the terms and conditions specified in the Proposed Transfer Notice and as set forth in this Agreement.

“Rule 506(d) Related Party” means, with respect to any Person, any other Person that is a beneficial owner of such first Person’s securities for purposes of Rule 506(d) under the Securities Act.

“Tag-Along Notice” shall have the meaning set forth in Section 5.8(b).

“Tag-Along Right” shall have the meaning set forth in Section 5.8(a).

“Transfer(red)” means any transfer, assignment, sale, conveyance, hypothecation, license, lease, partition, pledge, bequest, devise, descent, exchange, gift, grant of an option, or grant of a security interest in, encumbrance, or any other disposition of Units in the Company (whether directly or indirectly, voluntarily or involuntarily (including any “involuntary transfer” such as a sale of Units in connection with any bankruptcy or similar insolvency proceedings)) or any rights or benefits thereof, including, but not limited to, (a) the right to exercise voting rights attendant with the ownership of such Units, or (b) any transfer, disposition, or encumbrance of an Entity Ownership Interest of any entity that holds Units, provided that, with respect to an Entity Ownership Interest, a “Transfer” will occur upon the transfer or exchange (or series thereof), directly or indirectly, of the stock, partnership, member, or other ownership interests (or any combination thereof) of such Person, the effect of which is that (x) the Persons that owned more than fifty percent (50%) of the outstanding stock, partnership, member, or other ownership interests of such entity, at the time such Person acquired the Interest no longer own more than fifty percent (50%) of such ownership interests, or (y) with respect to a Person that obtains possession of an Interest as a result of a Transfer permitted in accordance with Article 7, the Persons who controlled (whether by ownership of voting securities or contract, or otherwise) the power to direct or cause the direction of the management and policies of such Person at the time

such Person acquired the Interest no longer possess such control, or (ii) an event whereby the Person(s) who is (or are) the Trustor of a Member, at the time this Agreement (or, if applicable, a Joinder Agreement) is signed by such Member, cease(s) to hold the sole power and authority to (x) revoke, terminate, amend, or modify a trust established by such Trustor or the trust agreement, declaration of trust, or other instrument under which such trust was created, or (y) veto any decision of any trustee of the trust.

“Treasury Regulations” means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“Trustor” means an individual, organization, trustor, grantor, or other settlor that establishes a trust for the purpose of placing property under the protection and management of one or more trustees for the immediate or eventual benefit of one or more beneficiaries.

“Units” shall have the meaning set forth in Section 4.2.

“Unrecovered Capital” means, with respect to a Member, such Member’s aggregate Capital Contributions consisting exclusively of cash and cash equivalents (and expressly excluding non-cash contributions) reduced by any distributions made to such Member pursuant to Section 8.1.

“Valuation Date” shall be the last day of the calendar month ended immediately prior to the date the Redemption Notice is delivered to CPC or PHP, as applicable.

ARTICLE 2 FORMATION OF COMPANY AND TERM

Section 2.1 Formation of Company.

(a) The Company has been formed as a limited liability company pursuant to the provisions of the Act, and the rights, duties, and liabilities of the Members shall be as provided in the Act, except as otherwise provided herein. An authorized person has previously filed the Certificate.

(b) The name, mailing address, and Percentage Interest of each Member, and the number and type of Units held, and amount of Capital Contributions made by each Member shall be listed on Schedule A attached hereto. The Board of Managers shall update Schedule A from time to time as may be necessary to accurately reflect the agreements of the Members with respect to the information therein or to add any Additional Members admitted to the Company in accordance with this Agreement. Any amendment or revision to Schedule A made in accordance with this Agreement shall not be deemed an amendment to this Agreement. Any reference in this Agreement to Schedule A shall be deemed to be a reference to Schedule A, as amended and in effect from time to time.

Section 2.2 Name. The business and affairs of the Company shall be conducted under the name “P3 COMMONWEALTH INNOVATION MSO, LLC” unless the Board of Managers

determines to use a different name. The Company's officers shall execute such assumed or fictitious name certificates as may be desirable or required by law to be filed in connection with the formation of the Company and shall cause such certificates to be filed in all appropriate public records.

Section 2.3 Term. The term of the Company commenced on the date the Certificate was filed and shall continue until the Company is dissolved in accordance with the provisions of this Agreement.

Section 2.4 Registered Office; Registered Agent; Principal Office; Other Offices. The registered office of the Company required by the Act to be maintained in the state of Delaware shall be the office of the initial registered agent named in the Certificate or such other office (which need not be a place of business of the Company) as the Board of Managers may designate from time to time in the manner provided by law. The registered agent of the Company in the state of Delaware shall be the initial registered agent named in the Certificate or such other Person or Persons as the Board of Managers may designate from time to time in the manner provided by law. The principal office of the Company shall be at such place as the Board of Managers may designate from time to time, which need not be in the state of Delaware, and the Company shall maintain records there. The Company may have such other offices as the Board of Managers may designate from time to time.

Section 2.5 Partnership. The Company is a Delaware limited liability company that will be treated as a partnership only for federal income tax purposes, and, if applicable, state tax purposes and no Member shall be deemed to be a partner or joint venturer of any other Member for any purposes other than federal income tax purposes and, if applicable, state tax purposes, and this Agreement shall not be construed to suggest otherwise. The Members intend that the Company shall be treated as a partnership for federal and, if applicable, state income tax purposes, and each Member and the Company shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with such treatment.

Section 2.6 Qualification in Other Jurisdictions. The Board of Managers shall cause the Company to be qualified, formed, or registered under assumed or fictitious name statutes or similar laws in any jurisdiction in which the Company transacts business. The officers of the Company shall execute, deliver, and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

Section 2.7 Delaware Act Provisions. The Members hereby agree that, during the term of the Company, the rights, powers, and obligations of the Members with respect to the Company will be determined in accordance with the terms and conditions of this Agreement and, except where the Act provides that such rights, powers, and obligations specified in the Act shall apply "unless otherwise provided in a limited liability company agreement" or words of similar effect and such rights, powers, and obligations are set forth in this Agreement, provided, that, notwithstanding the foregoing, Section 18-210 of the Act (entitled "Contractual Appraisal Rights") shall not apply or be incorporated into this Agreement.

ARTICLE 3
PURPOSE AND POWERS OF THE COMPANY

Section 3.1 Purpose.

(a) The purpose of the Company is to engage in the management, administration, and coordination of activities on behalf of accountable care organizations that are intended to improve the performance and quality of the respective parties' CMS ACO Programs, and to provide or oversee shared services, financial management, compliance operations, data analytics, clinical integration, strategic planning, and related administrative or operational support, and to participate in, or support the development or expansion of, care models applicable to Medicare Advantage and other risk-bearing or value-based healthcare arrangements (any such expansions require the Approval of the Board of Managers as described in Section 6.4(b)(vi)), and engage in any other lawful activities directly related thereto (the "Business").

(b) In no event shall this Agreement be held or construed to imply the existence of a general partnership or joint venture among the Members with regard to matters, trades, or businesses or enterprises outside the scope of this Company, and no Member shall have any power or authority under this Agreement to act as the agent or representative of the Company or any other Member with regard to any matter beyond the scope of this Company, or as the agent or representative of any other Member on any matter. Without limiting the foregoing, the Members specifically acknowledge that the Board of Managers shall only be required to spend such time on the affairs of the Company as is reasonably necessary to perform their duties and obligations hereunder and shall not be required to manage the Company as their sole and exclusive function and may engage in other business and investment activities. Neither the Company nor any Member shall have any right, solely by virtue of this Agreement or its relationship to the other Members or the Company, to share or participate in any such other investments or activities of the Members or their Affiliates or to the income or proceeds derived therefrom.

Section 3.2 Powers of the Company. Subject to the limitations or approvals and consents of the Board of Managers and/or the Members as provided in this Agreement, the Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, incidental, or convenient to or for the furtherance of the purpose set forth in Section 3.1(a), including, but not limited to, the power:

(a) to conduct the Business, carry on the Company's operations, and have and exercise the powers granted to a limited liability company by the Act in any state, territory, district, or possession of the United States, or in any foreign country that may be necessary, convenient, or incidental to the accomplishment of the purpose of the Company;

(b) to acquire by purchase, lease, contribution of property or otherwise, own, hold, operate, maintain, finance, improve, lease, sell, convey, pledge, mortgage, transfer, demolish, or dispose of any real or personal property that may be necessary, convenient, or incidental to the accomplishment of the purpose of the Company;

- (c) to enter into, perform, and carry out contracts of any kind, including contracts with any Member or Affiliate thereof, necessary to the accomplishment of the purpose of the Company;
- (d) to sue and be sued, make claims and defend, and participate in administrative or other proceedings, in its name;
- (e) to appoint agents of the Company, and define their duties and fix their compensation;
- (f) subject to the provisions of Article 12, to indemnify certain Persons in accordance with the Act and to obtain any and all types of insurance;
- (g) to borrow money and issue evidences of indebtedness, including loans from any Member or Affiliate thereof, and to secure any of the same by a deed of trust, mortgage, pledge, or other lien on the assets of the Company;
- (h) to pay, collect, compromise, litigate, arbitrate, or otherwise adjust or settle any and all other claims or demands of or against the Company or to hold such proceeds against the payment of contingent liabilities; and
- (i) to make, execute, acknowledge, and file any and all documents or instruments necessary, convenient, or incidental to the accomplishment of the purpose of the Company.

ARTICLE 4
CAPITAL CONTRIBUTIONS, MEMBER INTERESTS, CAPITAL ACCOUNTS

Section 4.1 Capital Contributions. The Members have made their respective Capital Contributions to the Company in the amounts set forth in the books and records of the Company. No Member shall be permitted or required to make any additional Capital Contribution without the Approval of the Board of Managers and consent of such Member. In the event that the Company admits Additional Members pursuant to Section 5.4, such Additional Members shall make Capital Contributions as Approved by the Board of Managers.

Section 4.2 Units. All Interests of the Members shall be represented by their units of membership interests in the Company (each a “Unit” and, collectively, the “Units”). The Units shall have the respective rights, preferences, privileges, and restrictions set forth in this Agreement. The Company may not issue fractional Units. On any matter to be approved by the Members, each Unit shall carry the right to cast one (1) vote per Unit. Unless the Board of Managers determines otherwise, the Units shall not be certificated. A Member’s Units shall for all purposes be personal property. A Member has no interest in specific property, unless and until distributed to such Member.

Section 4.3 Status of Capital Contributions.

(a) Except as otherwise provided in this Agreement, no Member, or the successor or assign of a Member, may demand a return of its Capital Contributions, in whole or in part.

(b) No Member or Affiliate thereof shall receive any interest, return, compensation, or drawing with respect to its Capital Contributions or its Capital Account or for services rendered or resources provided on behalf of the Company, except as otherwise specifically provided in this Agreement or except as otherwise approved by the Board of Managers.

(c) No Member shall have any personal liability for the repayment of any other Member's Capital Contribution.

Section 4.4 Capital Accounts.

(a) A separate Capital Account shall be established and maintained for each Member. The original Capital Account established for any Member who acquires Units by virtue of an assignment in accordance with the terms of this Agreement shall be in the same amount as and shall replace the Capital Account of the assignor of such Units, and, for purposes of this Agreement, such Member shall be deemed to have made the Capital Contributions made by the assignor of such Units (or made by such assignor's predecessor in interest). To the extent such Member acquires less than all of the Units of the assignor of the Units so acquired by such Member, the original Capital Account of such Member and its Capital Contributions shall be in proportion to the Units it acquires, and the Capital Account of the assignor who retains Units, and the amount of its Capital Contributions, shall be reduced in proportion to the Units it retains.

(b) The Capital Account of each Member shall be maintained in accordance with the following provisions:

(i) to such Member's Capital Account there shall be credited such Member's Capital Contributions, such Member's distributive share of Profits, special allocations of income and gain, and the net amount of any Company liabilities that are assumed by such Member or that are secured by any Company assets distributed to such Member;

(ii) to such Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Company assets distributed to such Member pursuant to any provision of this Agreement, such Member's distributive share of Losses, special allocations of loss and deduction, and the net amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company; and

(iii) in determining the amount of any liability for purposes of this Section 4.4(b), there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and the Treasury Regulations.

Section 4.5 Election for Profits Interests. By executing this Agreement, each Member authorizes and directs the Company to elect to have the “Safe Harbor” described in the proposed Revenue Procedure set forth in Internal Revenue Service Notice 2005-43 (the “IRS Notice”) apply to any interest in the Company transferred to a service provider by the Company on or after the effective date of such Revenue Procedure in connection with services provided to the Company. For purposes of making such Safe Harbor election, the Partnership Representative is hereby designated as the “partner who has responsibility for U.S. federal income tax reporting” by the Company and, accordingly, execution of such Safe Harbor election by the Partnership Representative constitutes execution of a “Safe Harbor Election” in accordance with Section 3.03(1) of the IRS Notice. The Company and each Member hereby agree to comply with all requirements of the Safe Harbor described in the IRS Notice, including, without limitation, the requirement that each Member shall prepare and file any U.S. federal income tax returns such Member is required to file reporting the income tax effects of each “Safe Harbor Partnership Interest” issued by the Company in a manner consistent with the requirements of the IRS Notice. A Member’s obligations to comply with the requirements of this Section 4.5 shall survive such Member’s ceasing to be a Member of the Company and/or the termination, dissolution, liquidation, and winding up of the Company, and, for purposes of this Section 4.5, the Company shall be treated as continuing in existence. Each Member authorizes the Partnership Representative to amend this Section 4.5 to the extent necessary to achieve similar tax treatment with respect to any interest in the Company transferred to a service provider by the Company in connection with services provided to the Company as set forth in Section 4 of the IRS Notice (e.g., to reflect changes from the rules set forth in the IRS Notice in subsequent U.S. Department of Treasury or Internal Revenue Service guidance).

ARTICLE 5 MEMBERS, AMENDMENTS, AND COVENANTS

Section 5.1 Powers of Members. The Members shall have the power to exercise any and all rights or powers granted to the Members pursuant to the express terms of this Agreement.

Section 5.2 Resignation. Except as expressly provided in this Agreement, a Member may not resign or withdraw from the Company prior to the dissolution and winding up of the Company. If a Member resigns or withdraws in violation of the foregoing prohibition, such Member shall not be entitled to receive any compensation, shall not be able to exercise any of the rights granted to such Member under this Agreement, shall not be relieved of any obligations under this Agreement, and shall not receive any distribution from the Company.

Section 5.3 Meetings or Other Approvals of the Members.

(a) A meeting of the Members may be called at any time by the Board of Managers or upon the written request of Members holding at least 10% of the then outstanding Units.

(b) Each meeting of the Members shall be called with at least five (5) Business Days but not more than 30 Business Days written notice, specifying the agenda for the meeting. Such notice may be waived by a Member at any time, and will be deemed to have been waived if the Member participates in the meeting and has been provided with a written agenda for the meeting unless the Member objects at the outset of

such meeting. Meetings may also be held telephonically whereby each of the Members can hear each of the other Members. The Board of Managers shall establish all other provisions relating to meetings of the Members, including the time, place, or purpose of any meeting at which any matter is to be voted on by any Members, voting in person or by proxy or any other matter with respect to the exercise of any such right to vote. Except as expressly provided in this Agreement, actions of the Members shall be taken by the Approval of the Members. Any action to be taken at any meeting of the Members may be taken without a meeting, and without prior notice, if a consent in writing, setting forth the action so taken, shall be signed by the Members holding not less than the minimum number of Units that would be necessary to authorize or take such action at a meeting; provided that a copy of such proposed written consent is circulated to all Members. The Company's Secretary or such other officer designated by the Board of Managers shall be responsible for taking minutes of the Member meetings and safekeeping them on behalf of the Company, if requested to do so, by the Board of Managers.

Section 5.4 Additional Members; Additional Units.

(a) The Company, upon the Approval of the Board of Managers, is authorized to admit any Person as an additional member of the Company (each, an "Additional Member" and collectively, the "Additional Members") or to issue additional Units to an existing Member, provided, further, the admittance of any Additional Member that is a Permitted Transferee shall not require the Approval of the Board of Managers. Each such Person shall be admitted as an Additional Member at the time such Person (i) executes a joinder agreement to this Agreement in the form of Exhibit A attached hereto (the "Joinder Agreement"), and (ii) is designated as a Member (with a corresponding Percentage Interest) on an amended or supplemental Schedule A hereto. The Company may issue Units to an existing Member or to an Additional Member in exchange for cash, property, or services or any combination thereof, at the sole discretion of the Board of Managers. Such Additional Members, such additional classes of Units, or Units issued to existing Members shall (1) be entitled to such distributions and allocations in accordance with this Agreement and (2) dilute the existing Members' Percentage Interests proportionately.

(b) Additional Members shall not be entitled to any retroactive allocation of the Company's income, gains, losses, deductions, credits, or other items; provided, however, that subject to the restrictions of Section 706(d) of the Code, Additional Members shall be entitled to their respective share of the Company's income, gains, losses, deductions, credits, and other items arising under contracts entered into before the effective date of the admission of any Additional Members to the extent that such income, gains, losses, deductions, credits, and other items arise after such effective date. To the extent consistent with Section 706(d) of the Code and Treasury Regulations promulgated thereunder, the Company's books may be closed at the time Additional Members are admitted (as though the Company's tax year had ended) or the Company may credit to the Additional Members pro rata allocations of the Company's income, gains, losses, deductions, credits, and items for that portion of the Company's Fiscal Year after the effective date of the admission of the Additional Members.

Section 5.5 Amendments. Other than amendments of a ministerial nature, the provisions of this Agreement may be amended, modified or waived only with the Approval of the Board of Managers and the Approval of the Members; provided, that the provisions of this

Agreement may not be amended, modified, waived or terminated with respect to any Member without the written consent of such Member unless such amendment, modification, waiver or termination applies to all Members in the same fashion. Any amendments or waivers to this Agreement effected as provided above will be binding upon the Company, upon each Member then holding Units, or any successor securities, and upon each future holder of that Interest, and upon their respective successors and permitted assigns whether or not that Person, assignee, or other member entered into that pertinent amendment or waiver.

Section 5.6 Confidentiality Obligations of Members. Each Member expressly covenants and agrees that neither such Member nor any of its Affiliates (to the extent any such Affiliate has received Confidential Information) will disclose, divulge, furnish, or make accessible to anyone (other than (i) the Company or any of its Affiliates or representatives, and (ii) such Member's Affiliates, members, partners, limited partners, members, agents, accountants, legal counsel, and any other Person having an ownership interest in the Member) any Confidential Information, or in any way use Confidential Information in the conduct of any business; provided, however, that nothing in this Section 5.6 will prohibit the disclosure of any Confidential Information (a) which is required to be disclosed by the Member or any such Affiliate in connection with any court action or any proceeding before any judicial or similar authority or under any applicable law or regulation; (b) in connection with the enforcement of any of the rights of the Member hereunder; (c) to the extent required by federal or state securities laws; (d) in connection with the defense by the Member of any claim asserted against it hereunder; or (e) as necessary to conduct the Company's business or to obtain loans for the Company; provided, however, that in the case of any such disclosure, to the extent reasonably practicable, no disclosure shall be made until the Member shall give notice to the Company of the intention to disclose such Confidential Information so that the Company may contest the need for disclosure, and the Member will cooperate (and will cause its Affiliates and their respective representatives to cooperate) with the Company in connection with any such proceeding, all such cooperation at the expense of the Company. Each Member shall take all necessary steps and precautions to protect any Confidential Information and shall comply with all policies of the Company in regard to Confidential Information. Upon the Company's request, any Member shall promptly return to the Company any and all correspondence, notes, data, and documents containing or reflecting Confidential Information, keeping no copies for himself. The Members acknowledge that breach of the provisions of this Section 5.6 may cause irreparable injury to the Company for which monetary damages are inadequate, difficult to compute, or both. Accordingly, the Members agree that the Company may seek specific performance of this Section 5.6 without posting bond.

Section 5.7 Drag-Along Rights.

(a) Subject to this Section 5.7, upon Parent's approval of an Enterprise Sale to a bona fide third party that is not a Member or an Affiliate of a Member (the "Proposed Sale"), (x) PHP (the "Dragging Party") may require each other Member (each, a "Drag-Along Seller") participate in such Proposed Sale on the same terms as the Dragging Party (the "Drag-Along Right"); and (y) the Drag-Along Sellers shall have the right to require that the Dragging Party include all of the Units then held by each of the Drag-Along Sellers in the Proposed Sale to the acquirer in accordance with Section 5.8.

(b) Covenants. Upon the exercise of the Drag-Along Right, each Drag-Along Seller hereby agrees to take the following actions:

(i) if such Proposed Sale requires the Approval of the Members, with respect to all Units that such Drag-Along Seller owns or over which such Drag-Along Seller otherwise exercises voting power, to vote (in person, by proxy, or by action by written consent, as applicable) all Units in favor of, and adopt, such Proposed Sale (together with any related amendment to this Agreement required in order to implement such Proposed Sale) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Proposed Sale; provided, however, all proceeds from such Proposed Sale shall be distributed to all Members for an amount equal to the amount such Members would have received if the assets of the Company were sold on the same terms and conditions and the proceeds were distributed to the Members in accordance with Section 13.4;

(ii) if such Proposed Sale is structured as a sale of Units, to sell all (and not less than all) of the Units beneficially held by such Drag-Along Seller and on the same terms and conditions as the Dragging Party;

(iii) to execute and deliver customary transaction documents and take such other action in support of the Proposed Sale as shall reasonably be requested by the Company or the Dragging Party in order to carry out the terms and provision of this Section 5.7, including without limitation executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, and any similar or related documents, in each case, subject to Section 5.7(c);

(iv) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Units owned by such Drag-Along Seller or Affiliate in a voting trust or subject any Units to any arrangement or agreement with respect to the voting of such Units, unless specifically requested to do so by the acquirer in connection with the Proposed Sale; and

(v) to refrain from exercising appraisal or dissenters' rights under applicable law with respect to such Proposed Sale.

(c) Conditions. Notwithstanding anything to the contrary set forth herein, a Member will not be required to comply with this Section 5.7 in connection with any Proposed Sale unless and solely to the extent:

(i) any representations and warranties to be made by a Drag-Along Seller in connection with the Proposed Sale are limited to representations and warranties related to authority, ownership, and the ability to convey title to such Units, including, but not limited to, representations and warranties that (A) the Drag-Along Seller holds all right, title and interest in and to the Units such Drag-Along Seller purports to hold, free and clear of all liens and encumbrances, (B)

the obligations of the Drag-Along Seller in connection with the transaction have been duly authorized, if applicable, (C) the documents to be entered into by the Drag-Along Seller have been duly executed by the Drag-Along Seller and delivered to the acquirer and are enforceable (subject to customary limitations) against the Drag-Along Seller in accordance with their respective terms; and (D) neither the execution and delivery of documents to be entered into by the Drag-Along Seller in connection with the transaction, nor the performance of the Drag-Along Seller's obligations thereunder, will cause a breach or violation of the terms of any agreement to which the Drag-Along Seller is a party, or any law or judgment, order or decree of any court or governmental agency that applies to the Drag-Along Seller;

(ii) such Drag-Along Seller and its Affiliates are not required to amend, extend, or terminate any contractual or other relationship with the Company, the acquirer, or their respective Affiliates, except that the Drag-Along Seller may be required to agree to terminate the investment-related documents between or among such Drag-Along Seller, the Company and other Members of the Company;

(iii) the Drag-Along Seller is not liable for the breach of any representation, warranty, or covenant made by any other Person in connection with the Proposed Sale, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any Member of any of identical representations, warranties and covenants provided by all Members);

(iv) liability shall be limited to such Drag-Along Seller's applicable Units (determined based on the respective proceeds payable to each Drag-Along Seller in connection with such Proposed Sale) of a negotiated aggregate indemnification amount that applies equally to all Drag-Along Sellers but that in no event exceeds the amount of consideration otherwise payable to such Drag-Along Seller in connection with such Proposed Sale, except with respect to claims related to fraud by such Drag-Along Seller, the liability for which need not be limited as to such Drag-Along Seller;

(v) upon the consummation of the Proposed Sale (i) each Drag-Along Seller will receive the same form of consideration for their Units as is received by the Dragging Party in respect of their Units (or other equity securities), (ii) each Drag-Along Seller will receive the same amount of consideration per Unit (or other equivalent consideration) as is received by the Dragging Party in respect of their Units (or other equivalent consideration), and (iii) all proceeds from such Proposed Sale shall be distributed to all Members for an amount equal to the amount such Members would have received if the assets of the Company were sold on the same terms and conditions and the proceeds were distributed to the Members in accordance with Section 13.4; provided, however, that, notwithstanding the foregoing provisions of this Section 5.7(b)(vi), if the consideration to be paid in exchange for the Units held by the Drag-Along Seller

pursuant to this Section 5.7(b)(vi) includes any securities, and the due receipt thereof by such Drag-Along Seller would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities; or (y) the provision to such Drag-Along Seller of any information other than such information as a prudent issuer would generally furnish in an offering made solely to “accredited investors” as defined in Regulation D promulgated under the Securities Act, the Company may, in its sole discretion, cause to be paid to any such Drag-Along Seller in lieu thereof, against surrender of the Units held by Drag-Along Seller, which would have otherwise been sold by such Drag-Along Seller, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Drag-Along Seller would otherwise receive as of the date of the issuance of such securities in exchange for the Units held by such Drag-Along Sellers;

(d) Notice. The Dragging Party shall deliver the Proposed Transfer Notice to the Drag-Along Sellers and notify them of the Proposed Sale in writing at least forty-five (45) calendar days in advance thereof. The Proposed Transfer Notice delivered in connection with the exercise of the Drag-Along Right shall set forth: (i) the name and address of the acquirer; (ii) a copy of the written proposal pursuant to which a Proposed Sale will be effected containing all of the material terms and conditions thereof; (iii), subject to Section 5.7(e), the price to be paid (the “Drag-Along Purchase Price”); (iv) the terms and conditions of payment offered by the acquirer; and (v) the date and location of and procedures for consummating the Proposed Sale. The Drag-Along Right shall be exercised by delivery of a written notice to the Drag-Along Sellers.

(e) Closing. The closing of any Proposed Sale under this Section 5.7 shall be held at the principal offices of the Company or at such other locations as the Dragging Party and the acquirer shall agree, on the closing date set forth in the Proposed Transfer Notice. At the closing of any Proposed Sale, if applicable, (i) the Drag-Along Sellers shall deliver their Units free and clear of all liens and encumbrances other than liens or encumbrances created pursuant to this Agreement accompanied by all other documents necessary for the effective transfer thereof; and (ii) the acquirer shall deliver to the Drag-Along Sellers the Drag-Along Purchase Price for their Units in accordance with the terms and conditions set forth in the Proposed Transfer Notice and this Section 5.7.

(f) Enterprise Sale Condition Precedent. Notwithstanding anything to the contrary contained herein, a Company Sale arising by reason of an Enterprise Sale is effective only upon, and subject to, Parent’s allocation and funding (or irrevocable escrow instruction) of the Company Allocation pursuant to Section 6.7(b) and concurrent distribution to the Members of the Company Allocation in an amount not equal to their respective Percentage Interests.

Section 5.8 Tag Along Rights. For purposes hereof, each Member with the right to participate in either a Proposed Sale or a CPC Change of Control in accordance with Section 5.8 shall be referred to as a “Participating Member”

(a) Dragging Party Grant. Subject to Section 5.7, the Dragging Party (expressly excluding CPC) hereby unconditionally and irrevocably grants to each

Member, the right, but not an obligation, to participate in a Proposed Sale on the terms and conditions specified in the Proposed Transfer Notice delivered pursuant to Section 5.7(d). Upon receipt of the Proposed Transfer Notice delivered pursuant to Section 5.7(d), each Participating Member may elect to sell all (and not less than all) of its Units on the same terms and conditions as the Dragging Party (the “Tag-Along Right”). To exercise such right, the Participating Member must provide written notice thereof within fifteen (15) calendar days of its receipt of the Proposed Transfer Notice (the “Tag-Along Notice”).

(b) CPC Grant; Notice. Subject to Section 5.7, CPC hereby unconditionally and irrevocably grants to each other Member, the right, but not an obligation, to participate in a CPC Change of Control on the same terms as CPC. CPC shall notify PHP in writing at least forty-five (45) calendar days in advance of a CPC Change of Control (the “CPC Sale Notice”). The CPC Sale Notice shall set forth: (i) the name and address of the proposed purchaser; (ii) a copy of the written proposal pursuant to which the CPC Change of Control will be effected containing all of the material terms and conditions thereof, including the price and payment terms offered by the proposed purchaser; and (iii) the date and procedures for consummating the CPC Change of Control. Upon receipt of the CPC Sale Notice, each Participating Member may elect to sell a number of its Units in the same proportion of the Units that CPC is selling, directly or indirectly, in the CPC Change of Control. To exercise the Tag-Along Right, each Participating Member must provide written notice within fifteen (15) days of its receipt of the applicable Tag-Along Notice.

(c) Conditions Precedent. Each Participating Member must execute the same definitive documents required of the Drag-Along Sellers and otherwise comply with the covenants and conditions set forth in Section 5.7(b) and Section 5.7(c), respectively. If any Proposed Sale or CPC Change of Control is not consummated within forty-five (45) days after the date notice thereof is delivered to the Dragging Party or CPC, as applicable, no Dragging Party may sell any Units, directly or indirectly, unless the obligations set forth in each provision of Section 5.7 and this Section 5.8 have been satisfied in whole.

Section 5.9 Restrictive Covenants.

(a) Non-Compete; Non-Solicit. During the Restricted Period, in recognition of the acknowledged importance and sensitivity of the Confidential Information to which the Members may have access and the legitimate needs of the Company to protect and enjoy its goodwill and customer relationships, each of the Members agree, on behalf of itself and its Affiliates (and for purposes of this Section 5.9, individuals that are Affiliates of CPC shall be limited to the members of its Board of Managers), not to directly or indirectly (i) solicit any Customer or Prospective Customer of the Company for business that is the same or similar to the Business performed by the Company; (ii) within the Restricted Territory, own, operate, manage, consult with, be a joint venturer with, advise, or be engaged as an employee or otherwise by any Person, or own any securities of any entity which engages in any business which competes with the Business of the Company; or (iii) solicit any employee or independent contractor employed or engaged by the Company to leave the service of the Company; provided, however, nothing in this Section 5.9(a) shall in any way limit or restrict a Member’s ability to own, operate, or

manage, or acquire securities or other equity in, any entity that primarily engages in a business that is not within the Business. As used herein, “Customer” shall mean any Person with whom the Company was doing business during the one-year prior to the start of the Restricted Period; and “Prospective Customer” shall mean any Person with whom the Company devoted significant business development efforts at any time during the Restricted Period (as evidenced by acts of active solicitation via customer-specific meetings, correspondence, telephone calls, and follow-up). CPC hereby represents and warrants that its members of the Board of Managers are the only individuals who are Affiliates of CPC.

(b) Limitations. The parties have attempted to the obligation not to compete as set forth above only to the extent necessary to protect the Company from unfair competition. If, however, the scope or enforceability of the restrictive covenant contained in this Agreement is in any way disputed at any time, a court or other trier of fact may modify and enforce the covenant to the extent that it believes is reasonable under the circumstances existing at that time.

(c) Injunctive Relief. Each of the Members acknowledge that upon breaching the restrictive covenants contained in this Agreement, they will cause damage of an irreparable and continuing nature to the Company, for which money damages may not provide adequate relief. Therefore, each of the Members agree that in addition to any money damages, which only compensate the Company for damages it has already suffered, the Company is also entitled, without posting bond, to obtain an injunction for the remainder of the period specified in the restrictive covenant that the Members breached. The remedies contained in this Agreement are in addition to any of the Company’s other remedies either specified in this Agreement or otherwise available. Each of the Members acknowledges that it will be able to earn a living without violating the restrictive covenants contained in this Agreement.

(d) Business Opportunities. Notwithstanding anything herein to the contrary, if CPC desires to pursue, directly or indirectly, any opportunity relating to (i) the Medicare Shared Savings Program, (ii) any CMS Innovation Center models, including but not limited to ACO REACH, or (iii) Medicare Advantage programs (collectively, “Covered Opportunities”), CPC shall first present such Covered Opportunity to the Company. The Company shall have a right of first refusal to participate in or pursue such Covered Opportunity. If the Company elects not to pursue the Covered Opportunity, CPC shall thereafter be permitted to engage in such Covered Opportunity without such engagement being deemed a violation of this Agreement or the Member’s obligations under this Section 5.9.

Section 5.10 Maintenance Right.

(a) In the event that the Company proposes an issuance of any Units (“New Securities”) to any party, it shall give written notice of such issuance to each Member (the “Offerees”). The Company’s written notice to the Offerees shall describe the Units proposed to be issued by the Company and specify the number, price, and payment terms. Each Offeree shall have the right, for a period of 15 calendar days from the date of such notice, to agree to purchase, at the same price and on the same terms and conditions, such

Offeree's pro rata share of the New Securities. An Offeree's pro rata share of New Securities, for purposes of this maintenance right, is the product of such Member's Percentage Interest multiplied by the total number of New Securities the Company proposes to issue. Each Offeree may accept the Company's offer as to the pro rata share of New Securities offered to it or any lesser number, by written notice thereof given by it to the Company prior to the expiration of the aforesaid 15-day period. Each Offeree shall have a right of over-allotment such that if any Offeree fails to exercise its right hereunder to purchase its pro rata share of New Securities, the other Offerees may purchase the non-purchasing Offeree's unexercised portion on a pro rata basis within 10 calendar days from the date that the Company provides the Offerees notice that such non-purchasing Offeree fails to exercise its right hereunder to purchase its pro rata share of New Securities.

(b) The Company shall be free at any time after the end of the aforesaid 15-day period and after the expiration of the 10-day period for the exercise of the over-allotment provisions, if applicable, and prior to 120 days after the date of its notice of offer to the Offerees, to offer and sell to any third party or parties the number of such New Securities not agreed by the Offerees to be purchased by them, at a price and on payment terms no less favorable to the Company than those specified in such notice of offer to the Offerees. However, if such third party sale or sales are not consummated within such 120-day period, the Company shall not sell such New Securities as have not been purchased within such period without again complying with this Section 5.10. In the event such third party sale or sales are ultimately consummated, each of the Members' Percentage Interests shall be diluted by the issuance of New Securities as set forth in Section 5.4(a).

Section 5.11 Redemption Right.

(a) General. Unless prohibited by Delaware law governing distributions to Members, commencing on the date of the (i) three-year anniversary of the January 1, 2026 (the "Call Right Commencement Date") PHP shall have the right (but not the obligation) to cause the Company to redeem, in whole, the issued and outstanding Units then held by CPC at a price per Unit equal to the PHP Redemption Price (the "Call Right"); and (ii) ninetieth (90th) calendar day following the Call Right Commencement Date, CPC shall have the right (but not the obligation) to cause the Company to redeem, in whole, the issued and outstanding Units then held by CPC at a price per Unit equal to the CPC Redemption Price (the "Put Right" and together with the Call Right, the "Redemption Right"). The Member exercising such Redemption Right under this Section 5.11 shall be referred to herein as the "Initiating Member."

(b) Redemption Right Exercise. To exercise the Redemption Right, the Initiating Member shall deliver written notice thereof to the Company and to the other Member(s), specifying the date desired to effect such redemption and the Initiating Member's estimation of the Redemption Price as of such desired date (the "Redemption Notice"). Upon exercise of the Redemption Right, the Redemption Price payable to CPC shall be paid by the Company in three equal annual installments of cash or cash equivalents commencing on the closing date of such redemption ("Redemption Date") as provided in Section 5.11(d). Upon receipt of the Redemption Notice, the Company shall

apply all of its assets toward any such redemption, and to no other corporate purpose, except to the extent prohibited by Delaware law governing distributions to Members.

(c) Redemption Date. The Redemption Date shall take place no later than ninety (90) calendar days following the date on which the Redemption Notice is delivered to the other Member(s). The Company shall give CPC at least thirty (30) days' advance written notice of the scheduled Redemption Date and, concurrently therewith, deliver to CPC a written statement setting forth the Company's calculation of the Redemption Price, together with reasonable supporting detail and underlying materials used by the Company (the "Redemption Statement"). If CPC reasonably disputes the Redemption Statement, it must deliver a written objection within seven (7) calendar days and specify each disputed item or amount and the basis for CPC's disagreement ("Disputed Items"). If such written objection is not received by Parent within such seven-day period, the Redemption Statement delivered by Company shall be construed as final and binding. If an objection is timely made, CPC may engage a national or regional independent accounting firm (with substantial experience auditing businesses comparable to Parent and the Company), mutually agreed upon by CPC and PHP, to resolve the Disputed Items and make any resulting adjustments to the Redemption Price and the Redemption Statement. The determination of the independent accounting firm shall be final, binding, and non-appealable (as between CPC and the Company) absent manifest error. If the Redemption Price, as determined by the independent accounting firm is less than 110% of the Redemption Price as determined by the Company pursuant to this Section 11, the expenses of the third-party appraiser shall be borne by CPC. In all other cases, the expenses of the independent accounting firm shall be borne by the Company.

(d) Closing. Commencing on the Redemption Date and continuing on the date of each annual anniversary thereafter until the aggregate Redemption Price for all the Units redeemed on the Redemption Date (the "Redeemed Units") is indefeasibly paid in full by the Company to CPC (the "Total Redemption Consideration"), Company shall pay to CPC one-third of the Total Redemption Consideration by wire transfer of immediately available funds in accordance with CPC's written wire instructions (the "Redemption Date Payment"). On the Redemption Date, CPC shall represent and warrant to the Company that: (i) CPC has full right, title and interest in and to the Redeemed Units held by CPC; (ii) CPC has all the necessary power and authority and has taken all necessary action to sell such Redeemed Units held by CPC as contemplated hereby; and (iii) the Redeemed Units held by CPC are free and clear of any and all liens other than those arising as a result of or under the terms hereof and any Transfer restrictions under applicable law.(d) Closing. Commencing on the Redemption Date and continuing on the date of eac

(e) Cooperation. CPC agrees to take all actions as may be reasonably necessary to consummate a redemption contemplated by this Section 5.11, including, without limitation, entering into agreements and delivering certificates and instruments and consents as may be deemed necessary or appropriate, such as obtaining the requisite approvals from CMS and CMMI, as applicable.

(f) Insufficient Funds. If Delaware law governing distributions to Members prevents the Company from redeeming all Redeemed Units on the Redemption Date and

delivering the Redemption Date Payment to CPC, the Company shall ratably redeem the maximum number of Redeemed Units it may redeem consistent with such law and shall redeem the maximum number of remaining Units held by CPC (the “Unredeemed Units”) as soon as it may lawfully do so under Delaware law. If the Company does not redeem all Redeemed Units for any reason on the Redemption Date, all such Unredeemed Units shall remain outstanding and be entitled to all the rights and preferences provided herein, and the Company shall pay interest on the Redemption Price applicable to such Unredeemed Units at an aggregate per annum rate equal to twelve percent (12%) (increased by 1% each month following the Redemption Date until the Redemption Price, and any interest thereon, is paid in full) and compounded annually, with such interest to accrue daily in arrears; provided, however, that in no event shall such interest exceed the maximum permitted rate of interest under applicable law. In the event any provision hereof would result in the rate of interest payable hereunder being in excess of such maximum permitted rate, the amount of interest required to be paid hereunder shall automatically be reduced to eliminate such excess.

(g) Redeemed or Otherwise Acquired Units. Any Units that are redeemed or otherwise acquired by the Company shall be automatically and immediately cancelled and retired and shall not be reissued, sold, or transferred and all rights with respect to such shares shall forthwith terminate upon the Redemption Date.

Section 5.12 Parent Covenants. Parent, the Company, and PHP, each expressly acknowledge that the covenants contained in this Section 5.12 are a material inducement to the Member’s agreement to become a party to this Agreement, and that such covenants (in addition to the other covenants in this Article 5) are an integral part of the consideration provided hereunder.

(a) Financial Guarantee. Commencing with Performance Year 2026, Parent shall, at its sole cost and expense (and without any adverse impact to the economic entitlements of the Company or CPC), either (i) indemnify Member against any financial obligations imposed by the Center for Medicare and Medicaid Innovation (“CMMI”) in connection with the applicable accountable care model operated by CPC, or (ii) procure and maintain, subject to approval by the Centers for Medicare & Medicaid Services (“CMS”), an appropriate financial guarantee (including, without limitation, a letter of credit, bond, or other instrument acceptable to CMS) for the benefit of CPC. Parent’s obligation under this Section 5.12(a) shall continue for so long as CPC is required to maintain such financial guarantee with CMMI.

(b) Provider Participation in Value-Based Contracts. Parent shall use commercially reasonable efforts to include CPC’s participating and preferred providers (each, a “Provider”) in Parent’s or its Affiliate’s existing Medicare Advantage and commercial value-based arrangements in the state of Arizona. Upon written request from CPC, Parent shall promptly initiate discussions with the applicable payor(s) regarding the inclusion of the identified Provider. The inclusion of any Provider shall be subject to (i) the prior written consent of CPC, which shall not be unreasonably withheld, (ii) the prior written consent of the applicable Provider, and (iii) any required approval or consent of the applicable payor. Parent shall not be deemed in breach of this Agreement for failure to add a Provider where the applicable payor withholds such approval, provided that

Parent has used commercially reasonable efforts to secure such approval. Parent shall provide CPC with periodic written updates regarding the status of efforts to obtain such approvals. In the event payor approval is denied, Parent and CPC shall cooperate in good faith to evaluate and pursue alternative contractual or operational arrangements designed to achieve, to the extent commercially practicable, the economic and strategic objectives contemplated by the Parties with respect to such Provider's participation.

(c) Assumption of Coastal Obligations; Parent Guaranty.

(i) Assumption and Guaranty. Company hereby agrees to assume, and to pay or cause to be paid, all amounts owed to Coastal pursuant to that certain Coastal Agreement (the "Coastal Obligations"). Parent hereby irrevocably and unconditionally guarantees Company's performance of the Coastal Obligations.

(ii) Payment Year 2025. For Payment Year 2025 only: (A) Parent's payment obligation to Coastal shall be cash collateralized with Two Million Dollars (\$2,000,000) of cash proceeds (the "Collateral") held on deposit in CPC's bank account, which amounts will be released to CPC simultaneously with the termination of its letter of credit issued by National Bank of Arizona in favor of CPC; (B) if, and to the extent, the aggregate Coastal Obligations for Payment Year 2025 exceed \$2,000,000, the Members shall bear such excess on a several basis, allocated among the Members in proportion with their respective Percentage Interests; and (C) except as provided in this Section, no portion of any Member's Interest in the Company, nor any distributions or other economic entitlements of any Member with respect to the Company, shall be reduced, charged, or offset as a result of the Coastal Obligations assumed under the Coastal Agreement.

(iii) Payment Year 2026 and Beyond. For Payment Year 2026 and thereafter, any payments and liabilities to Coastal shall be borne by the Members in accordance with their respective ownership interests in the Company (measured by issued and outstanding Units), unless otherwise agreed in writing by the Members.

(iv) Audit and Oversight Rights. Parent and Company shall provide the Members with reasonable supporting documentation evidencing (i) payments made to the Coastal in satisfaction of the Coastal Obligations, and (ii) the release of the Collateral. Each Member shall have the right, upon reasonable notice and during normal business hours, to review and audit the books and records of Company and Parent relating to the Coastal Obligations, including the status of the Collateral, to confirm compliance with this Section.

ARTICLE 6 MANAGEMENT

Section 6.1 Management of the Company.

(a) The Company shall be managed by a Board of Managers (the “Board” or “Board of Managers”), which shall initially be comprised of five (5) members, as follows: (i) two members of the Board of Managers shall be designated by CPC (collectively, the “CPC Managers” and each, a “CPC Manager”), which shall initially be vacant; and (ii) three members of the Board of Managers shall be designated by PHP (collectively, the “PHP Managers” and each, a “PHP Manager”), who shall initially be Aric Coffman, Shelly Martin, and Gen Gillespie. The Members agree that the Board of Managers shall be responsible for the day-to-day decisions on behalf of the Company in accordance with and subject to all of the provisions of this Agreement.

(b) Each member of the Board of Managers shall serve until (i) he or she is removed or replaced as provided in Section 6.1(c); or (ii) the earlier of his or her death, resignation, or incapacity. A member of the Board of Managers may resign at any time by giving written notice to all the other members of the Board of Managers, and, unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective. The resignation of a member of the Board of Managers shall not affect his or her rights as a Member, if applicable, and shall not constitute his or her withdrawal or expulsion as a Member.

(c) Any member of the Board of Managers may be removed or replaced only by the Designating Party that has the right to designate the respective member of the Board as set forth in Section 6.1(a). Any vacancy occurring in the Board of Managers may be filled only by the Designating Party that has the right to designate the respective member of the Board as set forth in Section 6.1(a).

(d) The Board shall meet as often as may be reasonably necessary, as determined in the reasonable discretion of the Board of Managers. No member of the Board of Managers, acting alone or with any other member of the Board of Managers, will have the power to act for or on behalf of, or to bind the Company in his or her capacity as a Manager unless otherwise Approved by the Board of Managers. No member of the Board of Managers will have any rights or powers beyond the rights and powers granted to such member of the Board in this Agreement.

(e) A majority of the members of the Board of Managers shall constitute a quorum for the transaction of business of the Board of Managers; provided that the presence of at least one CPC Manager and one PHP Manager shall be required for a quorum to be present. No quorum, once present, shall be broken by the departure of any member of the Board of Managers. If a quorum shall not be present at any meeting of the Board of Managers, then the members of the Board of Managers present at the meeting may adjourn the meeting until a quorum shall be present.

(f) Except as otherwise provided in this Agreement, no decision of the Board of Managers shall be made except at a meeting duly called with at least three (3) days written notice, specifying the agenda for the meeting (which notice may be waived by any member of the Board of Managers, and such notice and agenda requirements will be deemed to have been waived if the member of the Board of Managers participates in the meeting and has been provided with an agenda for the meeting, unless the member of the Board of Managers objects at the outset of such meeting). Meetings may be held telephonically whereby each member of the Board of Managers participating can hear each of the other members. Any action to be taken at any meeting of the Board of Managers may be taken without a meeting, and without prior notice, if a consent in writing, setting forth the action so taken, shall be signed by all members of the Board of Managers. The Company's Secretary shall be responsible for taking minutes of the meetings and safekeeping them on behalf of the Company. In the case of an emergency, a meeting of the Board of Managers may be called without notice.

(g) The Board of Managers may appoint individuals with such officer titles as it may select, including the titles of Chairman, Chief Executive Officer, President, Vice President, Treasurer, and Secretary, to act on behalf of the Company, with such power and authority with respect to the Company as the Board of Managers may delegate to any such Person. No officer need be a resident of the state of Delaware, a Member, or a member of the Board of Managers. Any officers so designated shall have such authority and perform such duties as the Board of Managers may, from time to time, delegate to such officer. Unless the Board of Managers otherwise decides, if an officer title assigned to a particular individual is one commonly used for officers of a business corporation, the assignment of such title shall constitute the delegation to such officer of the authority and duties that are normally associated with that office, subject to (i) any specific delegation or limitation of authority and duties made to such officer by the Board of Managers pursuant to this Section 6.1(g), or (ii) any limitation on the authority of the Board of Managers pursuant to Section 6.5. Each officer shall hold office until his or her successor shall be duly designated and shall qualify or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided. Any number of offices may be held by the same individual. The salaries or other compensation, if any, of the officers and agents of the Company shall be fixed from time to time as Approved by the Board of Managers. Any officer may be removed at any time, with or without cause, with the Approval of the Board of Managers and his or her replacement may be selected and Approved by the Board of Managers at the time of or subsequent to such removal.

(h) Each member of the Board of Managers agrees that each of the other members of the Board shall be accountable to the Company and other members of the Board and shall have the same duties of care and loyalty that the law imposes on general partners in a partnership. In carrying out their duties, each member of the Board shall act in good faith to maximize value for the Company, CPC, and PHP, without disproportionately benefiting one Member at the expense of the other.

Section 6.2 Powers of the Board of Managers. The Members agree that the Board of Managers (or, as applicable, any officers appointed by the Board of Managers to which such authority has been delegated), shall be responsible for the day-to-day management of the Business of the Company in accordance with and subject to all of the provisions of this

Agreement. Subject to any other provision of this Agreement requiring Approval of the Members, the Board of Managers shall have the power and authority to take all actions necessary, appropriate, or convenient for the day-to-day activities to further the Business; provided, however, all actions outside of the ordinary course of business of the Company to be taken by or on behalf of the Company will require the Approval of the Members.

Section 6.3 No Management by Other Persons. Except as described in this Agreement or as authorized by further action Approved by the Board of Managers under the provisions of this Agreement, no Person other than the Members, to the extent each is authorized by this Agreement, and the duly authorized officers, employees, and agents of the Company, if any, shall take part in the management or the operation or control of the business and affairs of the Company or have any right, power, or authority to transact any business in the name of the Company or to act for or on behalf of or to bind the Company.

Section 6.4 Approval of the Board of Managers.

(a) Powers of the Board. Subject to the terms and conditions of this Agreement, the management of the Company will be vested exclusively in the Board of Managers, and the Board of Managers will have full control over the business and affairs of the Company. The Board of Managers will have the sole, full, and exclusive right, power, and authority on behalf and in the name of the Company to (i) carry out any and all of the objects and purposes of the Company; (ii) perform all acts and things it deems necessary or advisable on behalf of the Company; and (iii) perform all contracts and other undertakings that, in its sole and absolute discretion, it deems necessary or advisable or incidental thereto.

(b) Specified Matters Requiring Approval of Board of Managers. If CPC is entitled to elect one or more CPC Managers, the Company hereby covenants and agrees with each of the Members that it shall not, without Approval of the Board of Managers (none of which shall be delegated to any officer pursuant to Section 6.1(g)):

(i) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(ii) make, or permit any subsidiary to make, any loan or advance to any person, including, without limitation, any employee or director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business;

(iii) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(iv) incur any aggregate indebtedness in excess of \$500,000 that is not already included in the Budget, other than trade credit incurred in the ordinary course of business;

(v) hire, terminate, or change the compensation of the executive officers and any employee receiving compensation in excess of \$250,000 under an employment agreement with the Company, including any option grants or stock awards to such executive officers or employee subject to such an employment agreement;

(vi) change the principal business of the Company, enter new lines of business, or exit the current line of business;

(vii) sell, assign, license, pledge, or encumber material technology or intellectual property, other than licenses granted in the ordinary course of business or in connection with a Deemed Liquidation Event (as defined in the Certificate of Incorporation);

(viii) enter into any corporate strategic relationship involving the payment, contribution, or assignment by the Company or to the Company of money or assets greater than five hundred thousand (\$500,000);

(ix) approve the annual operating budget or business plan for each of the Company, PHP, or CPC and any amendments, supplements, modifications, or waivers thereto, provided, however, any Approval of the Board of the action set forth in this Section 6.4(b)(ix) must include the affirmative approval of both CPC Managers; or

(x) increase, or decrease the management fees accruing to the Company, and amend, or suspend, extend, or terminate any ACO Management Agreement or the P3 Management Agreement, provided, however, any Approval of the Board of the action set forth in this Section 6.4(b)(x) must include the affirmative approval of both CPC Managers.

Section 6.5 Approval of the Members. The following actions with respect to the Company shall require the Approval of the Members (the approval of which shall include the affirmative approval of both CPC and PHP):

(a) approving or consummating a transaction qualifying as a Company Sale (other than an Enterprise Sale) or CPC Change of Control;

(b) any transaction between the Company and any of its Members or their Affiliates, or other related party transaction;

(c) the determination to dissolve the Company pursuant to Section 13.2;

(d) commencing any Bankruptcy proceeding with respect to the Company;

(e) amending this Agreement or the Certificate as set forth in Section 5.5;

(f) knowingly perform any act that would subject any Member to personal liability in any jurisdiction, except as provided for herein approving or ratifying any of the actions that required the Approval of the Board of Managers, after disclosure of all material facts to the Members voting thereon, if such action would otherwise constitute a breach of a duty of the Board of Managers as prescribed by the Act, including the duty of loyalty, duty of care, or other fiduciary duty; or

(h) doing any act in for which this Agreement specifically requires the consent of the Members or which would make it impossible or unreasonably burdensome to carry on the business of the Company.

Section 6.6 Reliance by Third Parties. Any Person dealing with the Company or the Board of Managers may rely upon a certificate signed by the Board of Managers as to:

(a) the identity of the Board of Managers;

(b) the existence or non-existence of any fact or facts which constitute a condition precedent to acts by the Board of Managers in any other manner germane to the affairs of the Company;

(c) the Persons who are authorized to execute and deliver any instrument or document of or on behalf of the Company;

(d) or any act or failure to act by the Company or as to any other matter whatsoever involving the Company or any Member.

Section 6.7 Enterprise Sale.

(a) Approval. Notwithstanding anything to the contrary in this Agreement, Parent has the sole and exclusive authority to approve any transaction qualifying as an Enterprise Sale to a third party that is not a Member or an Affiliate of a Member and, if applicable, cause the Company to effect a Drag Along under Section 5.7; provided that, CPC shall have the authority to approve such transaction if, and only if, the other Members are not compliant with their obligations under this Agreement.

(b) Company Allocation; Expert Determination. In connection with an Enterprise Sale, Parent shall allocate a portion of Enterprise Sale Proceeds to the Company (the "Company Allocation"). The Company Allocation shall be determined by an independent nationally or regionally recognized valuation firm with substantial experience valuing businesses comparable to Parent and the Company (the "Appraiser"). The Appraiser shall value any non-cash consideration, determine treatment of deferred or contingent consideration consistent with the definition of Enterprise Sale Proceeds, and calculate any deductions. At least thirty (30) calendar days in advance of the consummation of an Enterprise Sale (or promptly upon receipt of any contingent consideration thereafter), Parent shall deliver to the Members a written statement (the "Enterprise Sale Statement") setting forth Parent's calculation of Enterprise Sale Proceeds and the Appraiser's calculation of the Company Allocation, together with reasonable supporting detail and underlying materials used by the Appraiser. CPC may

deliver a written objection within ten (10) calendar days and specify each disputed item or amount and the basis for CPC's disagreement ("Disputed Items"). If such written objection is not received by Parent within such ten-day period, the Enterprise Sale Statement delivered by Parent shall be construed as final and binding. If an objection is timely made, CPC may engage a national or regional independent third-party valuation firm (with substantial experience valuing businesses comparable to Parent and the Company), mutually agreed upon by CPC and PHP, to resolve the Disputed Items and make any resulting adjustments to the Company Allocation and the Enterprise Sale Statement. The determination of the independent accounting firm shall be final, binding, and non-appealable (as between CPC and the Parent) absent manifest error. If the Company Allocation, as determined by the independent third-party valuation firm, is less than 110% of the Company Allocation as determined by Parent pursuant to this Section 6.7(b), the expenses of the third-party valuation firm shall be borne by CPC. In all other cases, the expenses of such valuation firm shall be borne by the Company.

(c) Distribution of Company Allocation. Simultaneously with closing of an Enterprise Sale (or, for contingent consideration, promptly upon receipt), Parent shall fund (or irrevocably instruct escrow for) the Company Allocation for distribution to Members in an amount not less than what each Member would receive if the assets of the Company were sold on the same terms and conditions and the proceeds were distributed to the Members in accordance with Section 13.4.

Section 6.8 "Bad Actor" Matters.

(a) Designating Party Representation. Each Person with the right to designate or participate in the designation (each, a "Designating Party") of a member of the Board of Managers pursuant to Section 6.1(a) (each, a "Designee") of this Agreement hereby represents that (i) such Designating Party has exercised reasonable care to determine whether any Disqualification Event is applicable to such Designating Party, any Designee, or any of such Person's Rule 506(d) Related Parties, and (ii) no Disqualification Event is applicable to such Designating Party, any Designee, or any of such Person's Rule 506(d) Related Parties, in each case, except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

(b) Company Representation. The Company hereby represents and warrants to the Members that no Disqualification Event is applicable to the Company or, to the Company's knowledge, any Company Covered Person, except for a Disqualification Event as to which Rule 506(d)(2)(ii)-(iv) or (d)(3) is applicable.

(c) Covenants. Each Designating Party covenants and agrees (i) not to designate or participate in the designation of any Designee who, to such the knowledge of such Designating Party, is a Disqualified Designee, (ii) to exercise reasonable care to determine whether any Designee is a Disqualified Designee, (iii) that in the event such Designating Party becomes aware that any Designee previously designated by any such Designating Party is or has become a Disqualified Designee, such Designating Party shall as promptly as practicable take such actions as are necessary to remove such Disqualified Designee from the Board and designate a replacement Designee who is not a Disqualified Designee, and (iv) to notify the Company promptly in writing in the event a

Disqualification Event becomes applicable to such Designating Party or any of its Rule 506(d) Related Parties, or, to such Person's knowledge, to such Person's initial Designee named in Section 6.1(a), except, if applicable, for a Disqualification Event as to which Rule 506(d)(2)(ii) or (iii) or (d)(3) is applicable.

ARTICLE 7 TRANSFER OF MEMBER INTERESTS

Section 7.1 Restrictions on Transfer; Permitted Transfers.

(a) No Member may Transfer any Units without the written Approval of the Board of Managers or as otherwise permitted in this Article 7.

(b) Notwithstanding the foregoing, the Approval of the Board of Managers shall not be required in connection with any of the following Transfers: (a) Transfers by the Members pursuant to Section 5.7 (Drag-Along), Section 5.8 (Tag-Along), Section 5.11 (Redemption Right), Section 6.7 (Enterprise Sale), Section 7.2 (Right of First Refusal); and (b) any Transfer by a Member to a Permitted Transferee. Such Permitted Transferee shall be admitted to the Company effective immediately prior to the effective date of the assignment (as set forth in Section 7.4 hereof), and, immediately following such admission, the assigning Member shall cease to be a Member of the Company to the extent of the portion of the Interest assigned hereunder.

(c) If a Member Transfers its Units in accordance with this Article 7, such Transfer shall, nevertheless, not entitle the assignee to become a substitute Member or to be entitled to exercise or receive any of the rights, powers, or benefits of a Member other than the right to receive distributions to which the assigning Member would be entitled, unless (x) the assigning Member designates, in a written instrument delivered to the Company, its assignee to become a substitute Member, and (y) such assignee executes a Joinder Agreement.

Section 7.2 Right of First Refusal.

(a) Grant. Each Member hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of the Units that such Member may propose to Transfer in a Proposed Member Transfer (the "Transfer Units"), at the same price and on the same terms and conditions as those offered to the Person to whom such Member desires to assign the Transfer Units (the "Prospective Transferee").

(b) Notice. Each Member proposing to make a Proposed Member Transfer must deliver a Proposed Transfer Notice to the Company and each other Member not later than twenty (20) days prior to the consummation of such Proposed Member Transfer. Such Proposed Transfer Notice, which is delivered in connection with the Transfer of Transfer Units, shall contain the material terms and conditions (including price and form of consideration) of the Proposed Member Transfer, the identity of the Prospective Transferee, and the intended date of the Proposed Member Transfer. To exercise its Right of First Refusal under this Section 7.2, the Company (or its designee) must deliver written notice to the selling Member within ten (10) days after the

Company's receipt of the Proposed Transfer Notice specifying the number of Transfer Units to be purchased by the Company (the "Company Notice").

(c) Forfeiture of Rights. Notwithstanding the foregoing, if the total number of Transfer Units that the Company (or its designee) has agreed to purchase in the Company Notice is less than the total number of Transfer Units, then the Company shall be deemed to have forfeited its right to purchase such Transfer Units, and the selling Member shall be free to sell any or all of such Transfer Units to the Prospective Transferee on terms and conditions substantially similar to (and in no event more favorable than) the terms and conditions set forth in the Proposed Transfer Notice, provided, however, the selling Member understands and agrees that (i) any such sale or transfer shall be subject to the other terms and restrictions of this Agreement; (ii) any future Proposed Member Transfer shall remain subject to the terms and conditions of this Agreement; and (iii) such sale of such Transfer Units shall be consummated within forty five (45) days after receipt of the Proposed Transfer Notice by the Company and, if such sale is not consummated within such forty-five (45) day period, such sale shall again become subject to the Right of First Refusal on the terms set forth herein, notwithstanding anything to the contrary contained herein.

(d) Consideration; Closing. If the consideration proposed to be paid for the Transfer Units is in property, services, or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Board of Managers and as set forth in the Company Notice. If the Company cannot for any reason pay for the Transfer Units in the same form of non-cash consideration, the Company may pay the cash value equivalent thereof, as determined in good faith by the Board of Managers and as set forth in the Company Notice. The closing of the purchase of Transfer Units by the Company shall take place, and all payments from the Company shall have been delivered to the selling Member, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Member Transfer; and (ii) forty-five (45) days after receipt of the Proposed Transfer Notice by the Company.

Section 7.3 Recognition of Assignment by Company or Other Members. No Transfer of an Interest that is in violation of this Article 7 shall be valid or effective, and the Company shall not recognize the same for any purpose of this Agreement, including the purpose of making distributions of Net Cash Flow pursuant to this Agreement with respect to such Interest or part thereof. No liability shall be incurred as a result of refusing to make any such distributions to the assignee of any such invalid assignment.

Section 7.4 Effective Date of Assignment. Any valid Transfer of a Member's Interest (or part thereof) pursuant to the provisions of this Article 7 shall be effective as of the close of business on the day preceding the closing of the transaction evidencing the Transfer. The Company shall, from the effective date of such Transfer, thereafter pay all further distributions on account of the Interest (or part thereof) so assigned to the assignee of such Interest (or part thereof). As between any Member and its assignee, the profits and losses of the Company for federal, state, and local income tax purposes for the Fiscal Year of the Company in which such assignment occurs shall be apportioned for federal income tax purposes in accordance with any convention permitted under Section 706(d) of the Code and selected by the Board of Managers.

Section 7.5 Limitations on Transfer. No Transfer of Interest may be effectuated unless in the opinion of the Company's counsel the Transfer (a) would not result in the close of the Company's tax year or the termination of the Company within the meaning of Section 708(b) of the Code; (b) would comply with the Securities Act of 1933, as amended, and applicable securities laws of any other jurisdiction; and (c) would not violate any other applicable laws, provided that the provisions of this Section 7.5 may be waived by the Board of Managers.

ARTICLE 8 DISTRIBUTIONS TO MEMBERS

Section 8.1 Distributions of Net Cash Flow.

(a) Subject to Section 8.5 hereof, Net Cash Flow shall be distributed to the Members in the sole discretion of the Board, at such times and in such amounts as Approved by the Board of Managers. Except as otherwise provided in this Article 8, all such approved distributions of Net Cash Flow (other than a distribution upon liquidation, as set forth in Section 13.4(b)) shall be distributed to the Members pro rata in accordance with their Percentage Interests.

(b) Holders of Units subject to a Hurdle Amount shall not be entitled to receive any distributions pursuant to this Section 8.1 in respect of such Units unless and until the aggregate distributions by the Company in respect of all Units entitled to distributions (other than distributions in respect of Units with higher Hurdle Amounts) exceeds the Hurdle Amount applicable to such Units (determined immediately prior to such distribution). After all other Units have received such applicable Hurdle Amount, such Unit holder shall be entitled to receive his, her, or its Percentage Interest of such distributions in excess of the Hurdle Amount in accordance with Section 8.1. No distributions, other than the distributions pursuant to Section 8.2, shall be made with respect to any Units that are non-vested and instead, such distributions shall be held by the Company and recorded on the books and records of the Company as the "Unvested Distribution Amount" until such Units are vested and, at such time as such Units become vested, any Unvested Distribution Amount with respect to such Units shall be distributed to such Member; provided, however, if the Units to which the Unvested Distribution Amount is attributable become expired, are cancelled, are repurchased, are forfeited, cease to vest, or are otherwise acquired by the Company, then such Unvested Distribution Amount shall be forfeited by such Member and shall be retained by the Company.

Section 8.2 Tax Distributions. Notwithstanding the foregoing, to the extent Net Cash Flow is available, the total distributions ("Minimum Distributions") to a Member for each Fiscal Year (and the 90-day period following such Fiscal Year) shall not be less than an amount equal to the product of (a) the Company's net taxable income allocated to such Member for such Fiscal Year and all prior Fiscal Years for federal income tax purposes, multiplied by (b) the highest marginal federal tax rate for an individual set forth in Section 1 of the Code for ordinary income or capital gain, as the case may be, plus the rate of tax for residents of the state of Nevada, after taking into account the federal income tax deduction for such taxes, reduced by all prior distributions pursuant to Section 8.1, regardless of the actual federal tax rates applicable to the Members. The Company will use commercially reasonable efforts to cause such distributions to be made in a manner which permits such Member to use the proceeds of such distributions to

make on a timely basis all required estimated payments of income taxes in respect of the taxable income so allocated to them (including as soon as is reasonably feasible following the end of each calendar quarter, but in no event later than March 31, June 30, September 30, and December 31 of each calendar year). To the extent that such Minimum Distributions requirement increases the amount of distributed Net Cash Flow beyond the amount to which a Member would be entitled in the absence thereof, the excess portion shall be considered a prepayment of future distributions of Net Cash Flow allocable to such Member; provided, that adjustments to any such future distributions to that Member shall not decrease his, her, or its aggregate Net Cash Flow distributions below an amount necessary to meet the Minimum Distribution requirement for such Member for subsequent Fiscal Years.

Section 8.3 Withholding. All amounts withheld pursuant to the Code or any provision of any foreign, state, or local tax law or treaty with respect to any payment, distribution, or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Article 8 for all purposes of this Agreement. The Company is authorized to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, foreign, state, or local government any amounts required to be so withheld pursuant to the Code or any provision of any other federal, foreign, state, or local law or treaty and shall allocate such amounts to those Members with respect to which such amounts were withheld.

Section 8.4 Limitations on Distribution. Except as provided in this Agreement, no Member shall be entitled to any distribution of cash or other property from the Company. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Interest in the Company if such distribution would violate the Act or other applicable law. Notwithstanding anything to the contrary herein, Members admitted or withdrawing during a Performance Year shall have no right to receive any distribution attributable to such partial period unless otherwise agreed in writing by the Members.

Section 8.5 Admission or Withdrawal During a Performance Year. If a Person is admitted as a Member after the commencement of a Performance Year, such Member shall not be entitled to any portion of the revenues, profits, or distributions attributable to that Performance Year; and, if a Member withdraws, is removed, or otherwise ceases to be a Member before the conclusion of a Performance Year, such Member shall forfeit any right to distributions or allocations of income for that year, in each case, except as may otherwise be Approved by the Members. For the avoidance of doubt, only Members who have been continuously admitted as Members for the full duration of the applicable Performance Year shall participate in distributions or allocations related to that year.

ARTICLE 9 TAX ALLOCATIONS

Section 9.1 Profits and Losses.

(a) The rules set forth below in this Section 9.1 shall apply for the purpose of determining each Member's allocable share of the items of income, gain, loss, and expense of the Company comprising Profits or Losses of the Company for each taxable year, determining special allocations of other items of income, gain, loss, and expense, and adjusting the balance of each Member's Capital Account to reflect the aforementioned general and special allocations. For each taxable year, the special allocations in Section 9.2 shall be made immediately prior to the general allocations of Section 9.1.

(b) For each Fiscal Year of the Company, after adjusting each Member's Capital Account for all distributions during such Fiscal Year and all special allocations pursuant to Section 9.2 with respect to such Fiscal Year, all Profits and Losses (other than Profits and Losses specially allocated pursuant to Section 9.2) shall be allocated to the Members in accordance with their Percentage Interests, as of the end of such Fiscal Year.

(c) Notwithstanding anything to the contrary in this Section 9.1, the amount of items of Company expense and loss allocated pursuant to this Section 9.1 to any Member shall not exceed the maximum amount of such items that can be so allocated without causing such Member to have an Adjusted Capital Account Deficit at the end of any taxable year. All such items in excess of the limitation set forth in this Section 9.1(c) shall be allocated first to Members who would not have an Adjusted Capital Account Deficit, pro rata in accordance with their Percentage Interests.

Section 9.2 Special Allocations. Special allocations of items of income, expense, gain, loss or credit shall be allowed among the members if the Board of Managers determines it is in the best interest of the Members and as long as the allocations have substantial economic effect under Code Section 704(b) and the regulations thereunder. To the extent special allocations are made to a member, on the termination of that member's interest and to the extent that member has a negative capital amount, a gain shall be charged to that member to eliminate the negative capital account balance. Unless otherwise determined by the Board of Managers, the following special allocations shall be made in the following order:

(a) If there is a net decrease in Company Minimum Gain during a Company fiscal year so that an allocation is required by Treasury Regulation Section 1.704-2(f), then each Member shall be specially allocated items of income and gain for such year (and, if necessary, subsequent fiscal years) equal to such Member's share of the net decrease in Company Minimum Gain as determined by Treasury Regulation Section 1.704-2(g). Such allocations shall be made in a manner and at a time which will satisfy the minimum gain chargeback requirements of Treasury Regulation Section 1.704-2(f) and this Section shall be interpreted consistently therewith.

(b) If there is a net decrease in the Member Nonrecourse Debt Minimum Gain during any Company fiscal year, any Member who has a share of such Member Nonrecourse Debt Minimum Gain (as determined in the same manner as partner nonrecourse debt minimum gain under Treasury Regulation Section 1.704-2(i)(5)) shall be specially allocated items of income or gain for such year (and, if necessary, subsequent fiscal years) equal to such Member's share of the net decrease in the Member Nonrecourse Debt Minimum Gain in the manner and to the extent required by Treasury

Regulation Section 1.704-2(i)(4). This Section shall be interpreted in a manner consistent with such Treasury Regulations.

(c) If a Member unexpectedly receives an adjustment, allocation, or distribution described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5), or (6), any of which causes or increases an Adjusted Capital Account Deficit in such Member's Capital Account, then such Member will be specially allocated items of income and gain in an amount and manner sufficient to eliminate such deficit balance created or increased by such adjustment, allocation, or distribution as quickly as possible; provided, however, an allocation pursuant to this Section 9.2(c) will be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 9 have been tentatively made as if this Section 9.2(c) were not in the Agreement.

(d) Deductions attributable to any Nonrecourse Liability, as defined in accordance with Section 1.704-2(b)(3) of the Treasury Regulations, shall be allocated among the Members in proportion to their respective Percentage Interests.

(e) Deductions attributable to any Member Nonrecourse Debt shall be allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such deductions are attributable in accordance with Treasury Regulation Section 1.704-2(i).

(f) To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Treasury Regulation Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if such gain or loss increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(g) If any Member makes a loan to the Company, or the Company makes a loan to any Member, and interest in excess of the amount actually payable is imputed under Code Sections 7872, 483, or 1271 through 1288 or corresponding provisions of subsequent federal income tax law, then any item of income or expense attributable to any such imputed interest shall be allocated solely to the Member who made or received the loan and shall be credited or charged to its Capital Account, as appropriate.

(h) In the event that a guaranteed payment to a Member is ultimately recharacterized (as the result of an audit of the Company's return or otherwise) as a distribution for federal income tax purposes, and if such recharacterization has the effect of disallowing a deduction or reducing the adjusted basis of any asset of the Company or a Member, then an amount of Company gross income equal to such disallowance or reduction shall be allocated to the recipient of such payment. In the event that a distribution to a Member is ultimately recharacterized (as a result of an audit of the Company's return or otherwise) as a guaranteed payment for federal income tax

purposes, and if any such recharacterization gives rise to a deduction, such deduction shall be allocated to the recipient of the distribution.

(i) For purposes of calculating a Member's share of "excess nonrecourse liabilities" of the Company (within the meaning of Treasury Regulation Section 1.752-3(a)(3)), the Members intend that they be considered as sharing profits of the Company in proportion to their respective Percentage Interests.

(j) The allocations set forth in this Section 9.2(j) (collectively the "Regulatory Allocations") are intended to comply with certain requirements of Treasury Regulation Section 1.704-1 and Section 1.704-2. Notwithstanding any other provisions of this Article 9 (other than the Regulatory Allocations), the Members shall, with the advice and assistance of the Company's tax accountants, take the Regulatory Allocations into account in allocating other Profits, Losses, and items of income, gain, loss, deduction, and Code Section 705(a)(2)(B) expenditures among the Members so that, to the extent possible, the net amount of such allocations of other Profits, Losses, and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred.

Section 9.3 Allocation and Other Rules.

(a) In the event Members are admitted to the Company pursuant to this Agreement on different dates, the Profits or Losses allocated to the Members for each Fiscal Year during which Members are so admitted shall be allocated among the Members in proportion to their Percentage Interests during such Fiscal Year in accordance with Section 706 of the Code, using any convention permitted by law and selected by the Board of Managers.

(b) For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Board of Managers using any method that is permissible under Section 706 of the Code and the Treasury Regulations thereunder.

(c) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Members in accordance with their Percentage Interests the Fiscal Year in question. Distributions made to Members to cover their income tax liabilities attributable to the Company shall be treated solely as advances on such Members' future distributions based on their Percentage Interests and shall not reduce their Capital Accounts or be considered a return of Capital Contributions.

(d) Income, gain, loss, or deduction with respect to any property contributed by a Member shall, solely for tax purposes, be allocated among the Members, to the extent required by Code Section 704(c) and the related Treasury Regulations under Code Sections 704(b) and 704(c), to take account of the variation between the adjusted tax basis of such property and its Gross Asset Value at the time of its contribution to the Company. If the Gross Asset Value of any Company property is adjusted, as provided in

Treasury Regulation Section 1.704-1 (b)(2)(iv), then subsequent allocations of income, gain, loss, and deduction shall be as provided in Code Section 704(c) and the related Treasury Regulations. Allocations under this Section 9.3(d) shall be made in accordance with the traditional method set forth in Treasury Regulation Section 1.704-3(b) and are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, or other items or distributions under any provision of this Agreement.

(e) All other tax elections required or permitted by law or Treasury Regulation or similar state or local rule or regulation shall be made by the Board of Managers. The Members are aware of the income tax consequences of the allocations made by this Article 9 and hereby agree to be bound by the provisions of this Article 9 in reporting their Units of Company income and loss for income tax purposes.

ARTICLE 10 BOOKS AND RECORDS

Section 10.1 Inspection Rights.

(a) The Company shall maintain at its principal office complete and accurate books of account and records of its operations showing the assets, liabilities, costs, expenditures, receipts, profits, and losses of the Company (which books of account and records will include provision for separate Capital Accounts for the Members), together with copies of all documents executed on behalf of the Company. The Company also shall maintain at its principal office or in electronic or other form (if such electronic or other form is capable of conversion into paper form within a reasonable time): (i) true and full information regarding the status of the business and financial condition of the Company; (ii) promptly after becoming available, a copy of the Company's federal, state, and local income tax returns for each year; (iii) a current list of the name and last known business, residence, or mailing address of each Member and member of the Board of Managers; (iv) a copy of any written limited liability company agreement and Certificate of Formation and all amendments thereto, together with executed copies of any written powers of attorney pursuant to which the limited liability company agreement and any Certificate of Formation and all amendments thereto have been executed; and (v) true and full information regarding the amount of cash and a description and statement of the agreed value of any other property or services contributed by each Member and that each Member has agreed to contribute to the Company in the future, and the date on which each such Person became a Member.

(b) Subject to Section 10.1(d) and Section 10.1(d), and the other limitations set forth in the Act, the Company shall permit each Member and its duly authorized representative, at such Member's expense, to visit, during normal business hours and without disruption to the Company's business, the property of the Company at which such information is stored, to inspect and copy the records set forth in Section 10.1(a), all at reasonable times and upon reasonable notice.

(c) Any demand to inspect, examine, or copy records of the Company pursuant to Section 10.1(b), or as otherwise agreed to by the Company, shall, in each

case, be subject to any limitation, restriction, or condition established by the Board of Managers in accordance with the Act, including, but not limited to, the following limitations, restrictions, and conditions:

(i) The information sought must be for a purpose reasonably related to the rights and duties of the requesting party under this Agreement or the Act;

(ii) The requesting party must make a demand in a written record received by the Company describing with reasonable particularity the records sought and the purpose for seeking the records;

(iii) The records sought must be directly connected to the requesting party's purpose and must be necessary and essential to achieving that purpose; and

(iv) The Company may charge the requesting party the reasonable costs of copying or producing such records including the costs of labor and materials.

(v) Only to the extent a Member has the right to inspect, examine, or copy records of the Company as set forth in this Section 10.1, each Member agrees that as a condition for receiving information pursuant to (and as limited by) this Section 10.1, that it and its designees shall execute a confidentiality agreement with the Company whereby such Member and its designees shall keep confidential and shall not disclose, divulge, or use any confidential, proprietary, or secret information which such Member may obtain from the Company pursuant to financial statements, reports, and other materials submitted by the Company to such Member pursuant to this Agreement, or pursuant to inspection rights granted hereunder, unless such information is known to the public through no fault of any Member or its designees or representatives; provided, however, a Member may disclose such information, if applicable, (a) to its attorneys, accountants, and other professionals to the extent necessary to obtain their services in connection with its investment in the Company, (b) to any prospective Permitted Transferee of Units, so long as the Permitted Transferee does not have a conflict of interest with the Company and agrees to be bound by the provisions of this Section 10.1, and (c) to any general partner, officer, or other Affiliate of such Member, so long as such general partner or Affiliate agrees to be bound by the provisions of this Section 10.1.

(d) The rights of any dissociated Members or any transferee who is not a Member shall be limited as set forth in the Act.

Section 10.2 Books and Records. At all times during the continuance of the Company, the Company shall maintain at its registered office and principal place of business all records and materials the Company is required to maintain at such location under the Act.

Section 10.3 Financial Statements. The Company shall deliver to each Member the following financial statements:

(a) as soon as practicable, but in any event within ninety (90) days after the end of each Fiscal Year, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (A) the actual amounts as of and for such Fiscal Year and (B) the comparable amounts for the prior year, and (iii) a statement of members' equity as of the end of such Fiscal Year, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP), provided all such financial statements shall be audited and certified by a nationally or regionally recognized independent public accountants selected by the Board of Managers;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each quarter of each Fiscal Year, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of members' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable following a written request from a Member, but in any event within fifteen (15) days following such request, an unaudited income statement for such month, and an unaudited balance sheet and statement of members' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (A) be subject to normal year-end audit adjustments and (B) not contain all notes thereto that may be required in accordance with GAAP);

(d) as soon as practicable following a written request from a Member, but no sooner than forty-five (45) days after the end of each quarter of each Fiscal Year, an up-to-date capitalization table of the Company showing the number of outstanding Units on a Fully Diluted Basis, in sufficient detail as to permit the Member to calculate its Percentage Interest; and

(e) such other information relating to the financial condition, business, or corporate affairs of the Company as any Member may from time to time reasonably request, provided, however, that the Company shall not be obligated under this Section to provide information (i) that the Company reasonably determines in good faith to be a trade secret; or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

Section 10.4 Budget. The Company shall be required to prepare a consolidated budget and business plan for each Performance Year applicable to each CMS ACO Program in which CPC or PHP participates (each, the "Budget"). As soon as practicable, but in any event within forty-five (45) calendar days following the commencement of each Performance Year to which such Budget relates, the Company shall submit to the Board for review and approval, a proposed Budget for the for the next such Performance Year, provided, however, the Budget for the 2026 Performance Year must be approved by the Board and each Member no later than March 31, 2026. The CPC and PHP will agree upon detailed procedures for the preparation, review, and

approval of annual budgets, the authority to reallocate funds within approved budgets, and the resolution of budget disputes.

Section 10.5 Accounting Method. For both financial and tax reporting purposes and for purposes of determining Profits and Losses, the books and records of the Company shall be kept in accordance with GAAP and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

Section 10.6 Limitations. Notwithstanding anything to the contrary set forth in this Article 10, the Company shall not be obligated under this Article 10 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney client privilege between the Company and its counsel.

ARTICLE 11 TAX MATTERS

Section 11.1 Taxation as Company. The Company shall be treated as a partnership for U.S. federal income tax purposes. The Members intend that the Company not be operated or treated as a "partnership" for purposes of Section 303 of the Federal Bankruptcy Code.

Section 11.2 Federal Tax Returns. The Company shall cause the Company's independent public accountants to prepare, at the expense of the Company, for each Fiscal Year (or part thereof), federal tax returns in compliance with the provisions of the Code and any required state and local tax returns. The Board of Managers has the sole and absolute authority to cause the Company to make all decisions and elections under the Code.

Section 11.3 Member Tax Return Information. The Company, at its expense, shall cause to be delivered to each Member not later than April 1 of the subsequent year such information as shall be necessary (including a statement for that year of each Member's share of net income, net losses, and other items of the Company) for the preparation by the Members of their federal, state, and local income and other tax returns.

Section 11.4 Partnership Representative.

(a) Partnership Representative. Pursuant to Section 6223(a) of the Code, the Company's partnership representative shall be any Member or other person with a substantial presence in the United States designated by PHP. The Partnership Representative shall have the sole authority to act on behalf of the Company under Subchapter C of Section 63 of the Code (relating to IRS partnership audit proceedings) and in any tax proceedings brought by other taxing authorities, and the Company and all Members shall be bound by the actions taken by the Partnership Representative in such capacity. The Partnership Representative shall be reimbursed by the Company for all expenses incurred in connection with all examinations of the Company's affairs by tax authorities, including resulting proceedings, and is authorized to expend Company funds for professional services and costs associated therewith. If an audit results in an imputed underpayment by the Company as determined under Section 6225 of the Code, the

Partnership Representative may make the election under Section 6226(a) of the Code within 45 days after the date of the notice of final partnership adjustment in the manner provided by the Internal Revenue Service. If such an election is made, the Company shall furnish to each Member of the Company for the year under audit a statement reflecting the Member's share of the adjusted items as determined in the notice of final partnership adjustment, and each such Member shall take such adjustment into account as required under Section 6226(b) of the Code and shall be liable for any related interest, penalty, addition to tax, or additional amount.

(b) Cooperation with Tax Reporting. Each Member will provide such cooperation and assistance, including executing and filing forms or other statements and providing information about the Member, as is reasonably requested by the Partnership Representative, as applicable, to enable the Company to satisfy any applicable tax reporting or compliance requirements, to make any tax election or to qualify for an exception from or reduced rate of tax or other tax benefit or be relieved of liability for any tax regardless of whether such requirement, tax benefit or tax liability existed on the date such Member was admitted to the Company. If a Member fails to provide any such forms, statements, or other information requested by the Partnership Representative, as applicable, such Member will be required to indemnify the Company for the share of any tax deficiency paid or payable by the Company that is due to such failure (as reasonably determined by the Board of Managers). The obligations of each Member or former Member set forth in this Section 11.4 will survive such Member's ceasing to be a Member in the Company and/or the termination, dissolution, liquidation and winding up of the Company.

Section 11.5 Right to Make Section 754 Election. At the request of any Member, the Company, in the sole discretion of the Board of Managers, may make an election in accordance with Section 754 of the Code, so as to adjust the basis of Company property in the case of a distribution of property within the meaning of Section 734 of the Code, and in the case of a transfer of a Company Interest within the meaning of Section 743 of the Code. In the case of a Transfer of an Interest, the incremental costs incurred by the Company as a result of the Section 754 election shall be borne by the transferring Member, unless the transfer is a result of default by the transferee, in which case the transferee shall bear such costs.

ARTICLE 12 LIABILITY, EXCULPATION, AND INDEMNIFICATION

Section 12.1 Liability.

(a) Except as otherwise provided by the Act or any other provision of this Agreement, including, without limitation, Section 12.7, the debts, obligations, and liabilities of the Company, whether arising in contract, tort, or otherwise, shall be solely the debts, obligations, and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation, or liability of the Company solely by reason of being a Covered Person.

(b) Except as otherwise expressly required by law, a Member, in its capacity as Member, shall have no liability in excess of (i) the amount of its Capital Contributions;

(ii) its share of any assets and undistributed profits of the Company; (iii) its obligation to make other payments expressly provided for in this Agreement; and (iv) the amount of any distributions wrongfully distributed to it.

Section 12.2 Exculpation.

(a) No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage, claim, liability, demand, action, suit, proceeding, or right of action (collectively “Damages”) incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any Damages incurred by reason of such Covered Person’s fraud, gross negligence, or willful misconduct or for any Damages for which the Covered Person has obligations to indemnify under Section 12.7.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports, or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person’s professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports, or statements as to the value and amount of the assets, liabilities, Profits or Losses, or Net Cash Flow or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

Section 12.3 Indemnification. To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any Damages incurred by such Person by reason of any act or omission performed or omitted by such Person provided that: (a) any such action was undertaken in good faith on behalf of the Company and in a manner reasonably believed to be in, or not opposed to, the best interests of the Company; (b) any such action was reasonably believed to be within the scope of authority conferred on such Person by this Agreement; and (c) with respect to any criminal action or proceeding, such Person had no reasonable cause to believe his, her, or its action or omission was unlawful, except that no Person shall be entitled to be indemnified in respect of any Damages incurred by such Person by reason of fraud, gross negligence, or willful misconduct with respect to such acts or omissions or for any Damages for which it has obligations to indemnify under Section 12.7; provided, however, that any indemnity under this Section 12.3 shall be provided out of and to the extent of Company assets only (including the proceeds of any insurance policy obtained pursuant to Section 12.5 hereof), and no Person shall have any personal liability on account thereof, including without limitation, any obligation to contribute money or other property to the Company.

Section 12.4 Expenses. To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Person described in Section 12.3 in defending against any claim, demand, action, suit, or proceeding that would result in Damages shall, from time to time, be advanced by the Company prior to the final disposition of such claim for Damages upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in Section 12.3 hereof.

Section 12.5 Insurance. The Company may purchase and maintain insurance on behalf of Covered Persons and such other Persons against any Damages that may be asserted against or that may be incurred by any such Person in connection with the activities of the Company or such indemnities, regardless of whether the Company would have the power to indemnify such Person against such Damages under the provisions of this Agreement. The Company may enter into indemnity contracts with Covered Persons and such other Persons and adopt written procedures pursuant to which arrangements are made for the advancement of expenses and the funding of obligations under Section 12.4 hereof and containing such other procedures regarding indemnification as are appropriate. Without limiting the generality of the foregoing, commencing no later than fifteen (15) days following the date of this Agreement, the Company will procure and maintain a Director's & Officers insurance policy with limits not less than Two Million Dollars (\$2,000,000) (or such other amount that is mutually Approved by the Board).

Section 12.6 Certain Liabilities. Each Member agrees to be liable for the Capital Contributions required to be made by such Member.

Section 12.7 Acts Performed Outside the Scope of the Company. Each Member who performs any act or thing done or omitted to be done outside the scope of, or in breach of this Agreement (the "Indemnitor") shall indemnify, defend, save, and hold harmless the Company and the other Members (the "Indemnitees") from any and all Damages that shall or may arise by virtue of any act or thing done or omitted to be done by the Indemnitor (directly or through agents or employees) outside the scope of, or in breach of, the terms of this Agreement; provided, however, that the Indemnitor shall be properly notified of the existence of the asserted Damages, and shall be given reasonable opportunity to cure any act or omission causing Damages, and participate in the defense thereof. The Indemnitees' failure to give such notice shall not affect the Indemnitor's obligations hereunder, except to the extent of any actual prejudice arising therefrom.

Section 12.8 Liability of Members to Company. Unless otherwise provided in this Agreement, no Member shall be liable to any other Member or to the Company by reason of such Member's actions in connection with the Company, except in the event of a violation of any provision of this Agreement, fraud, gross negligence, or willful misconduct.

Section 12.9 Attorneys' Fees. All of the indemnities provided in this Agreement shall include reasonable attorneys' fees, including appellate attorneys' fees and litigation expenses, and court costs.

Section 12.10 Subordination of Other Rights to Indemnity. The interests of the Members in any proceeds of the Company by way of repayment of loans, return of any Capital Contributions, or any distributions from the Company, shall be subordinated to the right of Member to the indemnities provided by this Article 12.

Section 12.11 Survival of Indemnity Provisions. Except as otherwise specifically provided herein, all of the indemnity provisions contained in this Agreement shall survive a Member's ceasing to be a Member hereunder.

ARTICLE 13
DISSOLUTION, LIQUIDATION, AND TERMINATION

Section 13.1 No Dissolution. The Company shall not be dissolved by the admission of Additional Members or substitute Members in accordance with the terms of this Agreement, or the withdrawal of a Member.

Section 13.2 Events Causing Dissolution. The Company shall be dissolved and its affairs shall be wound up upon the occurrence of any of the following events:

- (a) The determination of both (i) the Board, subject to the Approval of the Board, and (ii) the Members, subject to Approval of the Members;
- (b) at such time as there are no Members;
- (c) the entry of a decree of judicial dissolution under the Act;
- (d) or on the sale of all or substantially all of the assets of the Company.

Section 13.2 Notice of Dissolution. Upon the dissolution of the Company, the Members shall be notified of such dissolution.

Section 13.3 Liquidation. Upon dissolution of the Company, the Board of Managers (in such capacity, the “Liquidating Trustee”) shall carry out the winding up of the Company and shall immediately commence to wind up the Company’s affairs; provided, however, that a reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the satisfaction of liabilities to creditors so as to enable the Members to minimize the normal losses attendant upon a liquidation. During the period of winding up all of the provisions of this Agreement shall remain in full force and effect, other than those provisions that are clearly inconsistent with the winding up process, such as distributions in accordance with Section 8.1. No Member may take any action during the winding up period not otherwise permitted by this Agreement. The proceeds of liquidation shall be distributed in the following order and priority:

- (a) first, to payment of all expenses and debts of the Company and purchasing insurance policies that will provide for any contingent liabilities or obligations of the Company, the amount of such insurance to be based on the experience of the Company for such liabilities and obligations; provided, that the unpaid principal of and interest on any loans made to the Company by Members (and their Affiliates) shall be distributed pro rata to the Members (and their Affiliates) who made such loans, in proportion to the total amount of principal and interest payable on such loans, such distributions being treated first as a payment of accrued interest on such loans and next as in payment of principal on such loans; and
- (b) second, to all Members pro rata in accordance with their Unrecovered Capital, until the Unrecovered Capital of all Members is zero; and
- (c) third, to the Members pro rata in accordance with their Percentage Interests.

Section 13.5 Termination. The Company shall terminate when all of the assets of the Company, after payment of or due provision for all debts, liabilities, and obligations of the Company, shall have been distributed to the Members in the manner provided for in this Article 13 and the Certificate shall have been canceled in the manner required by the Act.

Section 13.6 Claims of the Members or Third Parties. The Members and former Members shall look solely to the Company's assets for the return of their Capital Contributions, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities, and obligations of the Company are insufficient to return such Capital Contributions, the Members and former Members shall have no recourse against the Company or any other Member; provided, however, that nothing contained herein shall be deemed to limit the rights of a Member under applicable law. In the event any Member has a deficit balance in its Capital Account at the time of the Company's dissolution, it shall not be required to restore such account to a positive balance or otherwise make any payments to the Company or its creditors or other third parties in respect of such deficiency.

Section 13.7 Distributions In-Kind. If any assets of the Company shall be distributed in kind, such assets shall be distributed to the Member(s) entitled thereto as tenants-in-common in the same proportions as such Member(s) would have been entitled to cash distributions if (a) such assets had been sold for cash by the Company at the fair market value of such property (taking Code Section 7701(g) into account) on the date of distribution; (b) any unrealized income, gain, loss, and deduction inherent in such property (that has not been reflected in the Capital Accounts previously) that would be realized by the Company from such sale were allocated among the Member(s); and (c) the cash proceeds were distributed to the Member(s) in accordance with this Article 13. The Capital Accounts of the Member(s) shall be increased by the amount of any unrealized income or gain inherent in such property or decreased by the amount of any loss or deduction inherent in such property that would be allocable to them, and shall be reduced by the fair market value of the assets distributed to them under the preceding sentence.

ARTICLE 14 MISCELLANEOUS

Section 14.1 Notices. All notices, demands, and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered or sent by electronic mail (provided that there has been no "bounceback" or other evidence the transmission was not received by the intended recipient) or telecopy (with hard copy to follow); (b) one Business Day after being sent by reputable overnight express courier (charges prepaid), provided that such notice shall be delivered simultaneously by electronic mail (provided that there has been no "bounceback" or other evidence the transmission was not received by the intended recipient); or (c) five Business Days following mailing by certified or registered mail, postage prepaid and return receipt requested, provided that such notice shall be delivered simultaneously by electronic mail. Unless another address is specified in writing, notices, demands, and communications to the parties shall be sent to the addresses indicated below:

- (i) if given to the Company at the principal place of business of the Company set forth in Section 2.4 hereof; or
- (ii) if given to any Member, at such address as set forth in Schedule A or at any address (or email address) as such Member may hereafter designate by written notice to the Company.

Section 14.2 Failure to Pursue Remedies. The failure of any party to seek redress for violation of, or to insist upon the strict performance of, any provision of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

Section 14.3 Cumulative Remedies. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

Section 14.4 Binding Effect. This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, legal representatives, and assigns.

Section 14.5 Interpretation. Throughout this Agreement, nouns, pronouns, and verbs shall be construed as masculine, feminine, neuter, singular, or plural, whichever shall be applicable. Except as expressly provided in this Agreement, all references herein to "Certificate," "Sections," and "Paragraphs" shall refer to corresponding provisions of this Agreement.

Section 14.6 Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

Section 14. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one instrument.

Section 14.8 Integration. This Agreement and the Schedules to the Agreement constitute the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 14.9 Governing Law. This Agreement and the rights of the parties hereunder shall be interpreted exclusively in accordance with the laws of the state of Delaware and all rights and remedies shall be governed by such laws without regard to principles of conflict of laws. The parties to this Agreement hereby expressly consent to the exclusive personal jurisdiction of the state and federal courts located in the state of Delaware for any lawsuit filed on behalf of or against the Company arising from or related to this Agreement.

Section 14.10 Partition of Property. Each Member agrees that it shall have no right to partition the property of the Company, or any portion thereof, and each Member agrees that it

shall not make application to any court or authority having jurisdiction in the matter to commence or prosecute any action or proceeding for partition of the property, or any portion thereof. Upon the breach of this Section 14.10 by any Member, the other Members, in addition to all other rights and remedies in law and equity, shall be entitled to a decree or order dismissing application, action, or proceeding.

Section 14.11 Third Party Beneficiaries. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person, firm, or corporation other than the parties hereto any rights, remedies, obligations, or liabilities under or by reason of this Agreement, or result in their being deemed a third party beneficiary of this Agreement.

Section 14.12 Effect of Waiver or Consent. A waiver or consent, express or implied, to or of any breach or default by any Person in the performance by that Person of its obligations with respect to the Company is not a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person with respect to the Company. Failure on the part of a Person to complain of any act of any Person or to declare any Person in default with respect to the Company, irrespective of how long that failure continues, does not constitute a waiver by that Person of its rights with respect to that default until the applicable statute-of-limitations period has run.

Section 14.13 Mandatory Mediation. Before a Member may file suit against another Member of the Company, one or more members of the Board of Managers, or the Company alleging a breach of this Agreement or other claim for damages arising from the operation of the Company, the parties shall Complete a mediation hearing before a mutually agreeable mediator in Phoenix, Arizona. The mediation shall be initiated and conducted as follows:

(a) A mediation shall be initiated by the delivery of written notice by a Member to the Company and other Members or by the Company to the Members briefly identifying a dispute and demanding mediation pursuant to this Section 14.13.

(b) The Members shall cooperate with each other to promptly identify a mutually agreeable and neutral mediator in Phoenix, Arizona to hear the dispute and in scheduling the mediation proceedings. Time is of the essence with respect to the resolution of any disputes between the Members or between a Member and the Company.

(c) The party alleging a breach of this Agreement or any other claim for damages against another party in connection with the operation of the Company shall promptly submit a short statement (not to exceed five pages) to the selected mediator and the other party(ies) setting forth the subject of the dispute and the relief requested. The responding party shall have an opportunity to provide the mediator and the other party(ies) with a short statement (not to exceed five pages) responding to the alleging party's statement.

(d) The parties covenant that they shall use commercially reasonable efforts in participating in the mediation. The parties agree that the mediator's fees and expenses and the costs incidental to the mediation shall be shared equally between the parties. The parties further agree that all offers, promises, conduct and statements, whether oral or

written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator are confidential, privileged, and inadmissible for any purpose, including impeachment, in any litigation, arbitration, or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

(e) The mediation shall be “Complete” when the parties have participated, in person, in a mediation hearing, before the mutually selected mediator for at least eight hours or, if in the reasonable opinion of the mediator the dispute cannot be resolved by mediation, the time period required by the mediator. The parties shall cooperate with one another in selecting a neutral mediator and in scheduling the mediation proceedings.

Section 14.14 Waiver of Jury Trial. NO PARTY TO THIS AGREEMENT OR ANY ASSIGNEE, SUCCESSOR, HEIR, OR PERSONAL REPRESENTATIVE OF A PARTY SHALL SEEK A JURY TRIAL IN ANY LAWSUIT, PROCEEDING, COUNTERCLAIM, OR ANY OTHER LITIGATION PROCEDURE BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE OTHER AGREEMENTS OR THE DEALINGS OR THE RELATIONSHIP BETWEEN THE PARTIES. NO PARTY WILL SEEK TO CONSOLIDATE ANY SUCH ACTION, IN WHICH A JURY TRIAL HAS BEEN WAIVED, WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT OR HAS NOT BEEN WAIVED. THE PROVISIONS OF THIS SECTION HAVE BEEN FULLY DISCUSSED BY THE PARTIES HERETO, AND THESE PROVISIONS SHALL BE SUBJECT TO NO EXCEPTIONS. NO PARTY HERETO HAS IN ANY WAY AGREED WITH OR REPRESENTED TO ANY OTHER PARTY HERETO THAT THE PROVISIONS OF THIS SECTION WILL NOT BE FULLY ENFORCED IN ALL INSTANCES.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

COMPANY:

P3 COMMONWEALTH INNOVATION MSO, LLC

By: /s/ Aric Coffman

Aric Coffman, Manager

SIGNATURE PAGE
TO
LIMITED LIABILITY COMPANY AGREEMENT
OF
P3 COMMONWEALTH INNOVATION MSO, LLC

The undersigned hereby executes and delivers the Limited Liability Company Agreement (the "Agreement") to which this Signature Page is attached, effective as of the date of the Agreement, which Agreement and Signature Page, together with all counterparts of the Agreement and Signature Pages of the other parties named in the Agreement, shall constitute one and the same document in accordance with the terms of the Agreement.

MEMBER:
COMMONWEALTH PRIMARY CARE ACO, LLC
By: /s/ Lance Donkerbrook

Lance Donkerbrook, Chief Executive Officer

Agreed and Acknowledged:

P3 COMMONWEALTH INNOVATION MSO, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Manager

SIGNATURE PAGE
TO
LIMITED LIABILITY COMPANY AGREEMENT
OF
P3 COMMONWEALTH INNOVATION MSO, LLC

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MEMBER:

P3 HEALTH PARTNERS REACH ACO, LLC

By: /s/Aric Coffman
Name: Aric Coffman
Title: President

Agreed and Acknowledged exclusively for purposes of Section 5.7,
Section 5.8, Section 5.12, and Section 6.7 hereof

P3 HEALTH GROUP, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: President

Agreed and Acknowledged:

P3 COMMONWEALTH INNOVATION MSO, LLC

By: /s/ Aric Coffman
Name: Aric Coffman
Title: Manager

MANAGEMENT SERVICES AGREEMENT

This MANAGEMENT SERVICES AGREEMENT (this “Agreement”) is entered into on November 11, 2025, but is effective as of January 1, 2026 (the “Effective Date”), by and among the COMMONWEALTH PRIMARY CARE ACO LLC, an Arizona limited liability company (“CPC”), P3 HEALTH PARTNERS REACH ACO, LLC, a Nevada limited liability company (“PHP”) and P3 COMMONWEALTH INNOVATION MSO, LLC, a Delaware limited liability company (the “Manager”). From time to time in this Agreement, CPC, PHP and the Manager may be individually referred to as a “Party” and collectively, the “Parties.”

RECITALS:

WHEREAS, P3 Health Group, LLC, a Delaware limited liability company and its Affiliates (collectively, “P3 Health Group”), operate a population health management company for the purpose of aligning clinical outcomes, care experience, and economic incentives for patients, providers, and payors, that endeavors to produce efficient care that meets the needs of the population through their care management model, which includes reporting and revenue cycle management support for accountable care organizations (either owned or managed, or both, by Manager) and, in furtherance thereon, are engaged in the business of providing a comprehensive range of non-clinical administrative, business, facilities, equipment, information technology, infrastructure, management, and other support services required for the operation of accountable care organizations, so as to enhance the ability of such accountable care organizations and their individual Participating Providers to render high quality medical services;

WHEREAS, CPC is an accountable care organization comprised of independent physicians in Phoenix and throughout Arizona, among other states, whose primary purpose is to afford its participants with the opportunity to develop the competencies and the capabilities to effectively manage quality and cost;

WHEREAS, P3 Health Group and CPC believe it is in their respective best interests to combine their resources and capabilities to form Integrated Unit (defined below) that (a) participates in the Medicare Shared Savings Program and other CMS Innovation Center models such as ACO REACH, (b) engages in Medicare Advantage and value-based arrangements with commercial payors, and (c) enhances population health management, quality performance, and cost efficiencies for a network of independent primary care physicians; and

WHEREAS, in furtherance of the foregoing, PHP and CPC jointly formed the Manager to serve as the management entity for the Integrated Unit for the purpose of achieving the foregoing objectives; and, in furtherance thereof, CPC desires to engage the Manager to provide such non-clinical support services described in this Agreement so that CPC and its Participating Providers may focus on rendering high quality medical services, and the Manager desires to provide such services, all upon the terms and subject to the conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and obligations contained herein and for other good and valuable consideration, the receipt, adequacy, and legal sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound hereby, agree as follows:

1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 or otherwise in this Agreement shall, for the purposes of this Agreement and the schedules and exhibits attached hereto, have the meanings herein specified.

“ACO(s)” means, individually or collectively, as the context dictates, CPC or PHP.

“ACO Operating Expenses” means, with respect to an ACO, those expenses incurred by or on behalf of such ACO in connection with its respective participation in one or more CMS ACO Programs.

“Affiliates” means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with, the specified Person. The term “control” (including the terms “controlled by” and “under common control with”) means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“CMS” means Centers for Medicare & Medicaid Services.

“CMS ACO Programs” means any governmental model or arrangement that is designed to reward or penalize, in whole or in part, a participant’s performance thereunder based on the cost, quality, efficiency, or outcomes of care furnished to an attributed patient population, and that may, depending on the program design, require an accountable care organization or similar entity to assume financial responsibility for actual or potential losses or to share in savings based on such performance, including without limitation any CMS Innovation Center model, such as the ACO REACH model and the Medicare Shared Savings Program (any track).

“CMS Proceeds” means, with respect to a performance year during the Term, those cash proceeds received by an ACO from CMS in connection with an ACO’s participation in a CMS ACO Program, including without limitation cash proceeds from shared savings, quality incentive payments, or similar performance-based payments owing from CMS to such ACO.

“Coastal” means Coastal Carolina Health Care, P.A., a North Carolina professional association.

“Coastal Agreement” means that certain ACO Realizing Equity, Access, and Community Health Model (REACH) Program Participation and Financial Term Agreement, dated as of August 1, 2024, and the Addendum to ACO REACH Program Participation and Financial Term Agreement, dated as of August 1, 2024, by and between Coastal and CPC.

“Contracted Services” has the meaning given to such term in Section 2.

“EBITDA” means has the meaning given to such term in the MSO LLC Agreement.

“External Reconciliation Results” means one or more reconciliation reports, payment notices, or repayment demands issued by CMS to an ACO following the close of each performance year of any CMS ACO Program in which the applicable ACO participates.

“Incentive Program” means any commercial value-based program, model, or arrangement (whether with a health care facility, third-party commercial payor, accountable care organization, Medicare Advantage plan, or otherwise) that is designed to reward or penalize, in whole or in part, a participant’s performance thereunder based on the cost, quality, efficiency, or outcomes of care furnished to an attributed patient population, and that may, depending on the program design, require an accountable care organization or similar entity to assume financial responsibility for actual or potential losses or to share in savings based on such performance.

“Independent Actuary” means a regionally or nationally recognized independent actuarial firm with substantial experience in the analysis of value-based healthcare arrangements, population health risk adjustment, shared savings and shared losses calculations, and Medicare or commercial payor reconciliation methodologies, which firm is mutually agreed upon by the Parties and is not, and has not been within the preceding three (3) years, an employee, contractor, or advisor of either Party or their Affiliates.

“Integrated Unit” means the clinically and financially integrated, risk-bearing arrangement formed by and among CPC, PHP, and the jointly owned management entity, the Manager, for the purpose of coordinating and managing participation in CMS ACO Programs or, if applicable, Incentive Programs, or both, all in an effort to achieve the Strategic Objective.

“Manager Members” means those members of the Manager identified in the MSO LLC Agreement.

“Manager Operating Expenses” has the meaning given to the term “Operating Expenditures” defined in the MSO LLC Agreement.

“MSO LLC Agreement” means that certain Limited Liability Company Agreement of the Manager, dated as of November 11, 2025, by and among the Manager, CPC, and PHP.

“Net Cash Flow” shall have the meaning given to such term in the MSO LLC Agreement.

“Net Shared Savings” means, with respect to a performance year during the Term, (i), with respect to the applicable ACO, the aggregated amount of CMS Proceeds actually received by such ACO from CMS in connection with such ACO’s participation in CMS ACO Programs, which CMS Proceeds represent an amount equal to such ACO’s Shared Savings, less such ACO’s Shared Losses, in each case, under such CMS ACO Programs, as is reflected in the External Reconciliation Results, (A) less, any advance, enhanced, or prospective payments received by such ACO in connection with its participation in such CMS ACO Programs, (B) less any CMS Proceeds distributed or payable by such ACO to its Participating Providers, and (C)

less any other amounts held, reserved, accrued, or otherwise retained by such ACO from any advance or CMS Proceeds for any purpose (but in no event shall any such amounts be unreasonably withheld, conditioned, or delayed from distribution), including administrative reserves, withholdings, or contingent liabilities (such as reserves for potential future obligations, disputes, or CMS clawbacks); and (ii) with respect to the Integrated Unit, the aggregate amount of the CMS Proceeds actually received by both ACOs, on a consolidated basis, from CMS in connection with each ACO's participation in their respective CMS ACO Programs, which CMS Proceeds represent an amount equal to the combined Shared Savings less the combined Shared Losses for both ACOs under their respective CMS ACO Programs; (A) less any advance, enhanced, or prospective payments received by either ACO in connection with their respective participation in such CMS ACO Programs, (B) less any CMS Proceeds distributed or payable by either ACO to its Participating Providers, and (C) less any other amounts held, reserved, accrued, or otherwise retained by such ACO from the advance or CMS Proceeds for any purpose (but in no event shall any such amounts be unreasonably withheld, conditioned, or delayed from distribution in accordance with the MSO LLC Agreement), including administrative reserves, withholdings, or contingent liabilities (such as reserves for potential future obligations, disputes, or CMS clawbacks) (such net shared savings with respect to the "Integrated Unit Net Savings").

"P3 Health Group" has the meaning given to such term in the introductory paragraphs to this Agreement.

"Participating Provider" has the meaning given to such term in Section 12.

"Percentage Interests" has the meaning given to such term in the MSO LLC Agreement.

"Performance Year" means, with respect to any CMS ACO Program, the twelve (12) month period (or such other period as may be designated by the Centers for Medicare & Medicaid Services ("CMS") or the Center for Medicare and Medicaid Innovation ("CMMI") that is established as the performance year for such program, during which the cost, quality, efficiency, and outcomes of care for the attributed patient population are measured for purposes of determining financial performance, shared savings, or shared losses; provided, however, in the event the Company participates in more than one CMS ACO Program, or in any other value-based care arrangement with a defined performance period, the term "Performance Year" shall refer to the applicable measurement period established by the governing body of each such program, and if no such program period applies, "Performance Year" shall mean the calendar year.

"Person" means any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company, or other legal entity or organization.

"Reconciliation Statement" has the meaning given to such term in Section 9(c).

"Shared Losses" means, with respect to a performance year during the Term, (i) with respect to an ACO, any withholdings, repayment obligations, reconciliation adjustments, penalties, or other financial obligations imposed by CMS upon or otherwise assessed against such ACO as a result of expenditures exceeding established benchmarks or targets, or otherwise arising from such ACO's performance under each CMS ACO Program in which such ACO

participates, and (ii) with respect to the Integrated Unit, the aggregate amount, on a consolidated basis, of the withholdings, repayment obligations, reconciliation adjustments, penalties, or other financial obligations imposed upon or assessed against each ACO in connection with its participation in any CMS ACO Program.

“Shared Savings” means, with respect to a performance year during the Term, (i) with respect to an ACO, the gross shared savings amount attributable to such ACO, as determined by CMS under the CMS ACO Program in which such ACO participates, before application of any Shared Losses or other offsets related thereto, or (ii) with respect to the Integrated Unit, the aggregate amount, on a consolidated basis, of the gross shared savings amounts attributable to each ACO, as determined by CMS under the CMS ACO Program in which each such ACO participates, before application of any Shared Losses or other offsets related thereto.

“Strategic Objective” means the shared objective of PHP, CPC, and the Manager to: (i) coordinate their respective participation in the Medicare Shared Savings Program, the ACO REACH Model, Medicare Advantage risk-sharing arrangements, and other governmental or commercial value-based programs, in each case, through their respective ACO contracts, and to pool, aggregate, and manage, through the Manager, the collective financial results, risk obligations, and operational activities arising from such program; (ii) promote alignment among their respective Participating Providers through unified population-health management, quality improvement, and cost-efficiency strategies, in an effort to enhance population health management, quality performance, and cost efficiencies for a network of independent primary care physicians; (iii) enable shared clinical and financial accountability across the participating ACOs and the Manager; and (iv), with respect to CMS ACO Programs, serve as the operational structure through which Integrated Unit Net Shared Savings are received, aggregated, and distributed, and through which the Manager assumes financial responsibility for any downside risk or related obligations arising under such programs.

“Term” has the meaning given to such term in Section 15.

2. Engagement of Manager.

(a) Contracted Services. CPC and PHP acknowledge and agree they jointly formed the Manager to serve as the management entity for the Integrated Unit for the purpose of achieving the Strategic Objective, and, in connection therewith, CPC and PHP hereby engages the Manager, and the Manager hereby accepts the engagement by CPC and PHP, to provide any non-clinical management, administrative, finance, and operational support services, in each case, to the extent relating to the achievement of the Strategic Objective (collectively, the “Contracted Services”), including without limitation the Contracted Services set forth on Exhibit A attached hereto.

(b) Active Participation in CMS ACO Programs. The Manager shall, as part of the Contracted Services and, subject to each ACO’s prior written approval, (i) prepare, submit, and prosecute all applications, certifications, and renewals necessary for each ACO’s participation in CMS ACO Programs (including MSSP and ACO REACH); (ii) monitor deadlines and eligibility criteria, (iii) coordinate responses to CMS inquiries and audits; and (iv) use commercially reasonable efforts to maintain each ACO’s good standing under the CMS ACO Programs in

which such ACO participates. Notwithstanding the foregoing or anything to the contrary contained herein, if program rules or eligibility criteria materially change, the Parties shall confer in good faith to revise the Manager's duties and the applicable Budget to reflect such changes.

(c) Subcontracts. CPC and PHP expressly acknowledge that the Manager may subcontract with third parties for the performance of the Contracted Services, provided the Manager remains solely responsible for the performance of all Contracted Services, whether performed directly or through subcontractors.

3. Accounts.

(a) Generally. To facilitate the billing and collection authority granted hereunder, each ACO shall designate or otherwise establish and maintain, in its own name and for its own benefit, one or more bank accounts (collectively, the "Bank Accounts"), including one or more designated the "Segregated Account(s)" and one or more designated the "Joint Operating Account(s)". Each Bank Account will be titled in the name of such ACO, and each ACO will, at all times, be the sole legal and beneficial owner of each Bank Account.

(b) Segregated Accounts. All gross revenue collected by or on behalf of each ACO ("Revenue") shall be deposited into the designated Segregated Account. Each ACO agrees to (i) facilitate the collection, negotiation, and deposit of Revenue made to the order of such ACO into the Segregated Account(s); and (ii) on a monthly basis, transfer from the designated Segregated Account(s) to the designated Joint Operating Account an amount of CMS Proceeds equal to the immediately preceding month's ACO Operating Expenses. Notwithstanding anything to the contrary contained herein, each ACO will retain ownership and oversight of each Segregated Account and retain all rights, title, and interest in its Revenue that does not qualify as CMS Proceeds.

(c) Joint Operating Accounts. To facilitate the Manager's performance of Contracted Services under this Agreement, each ACO hereby authorizes the Manager to exercise operational authority over CMS Proceeds on deposit in the Joint Operating Account solely for the purpose of managing each ACO's cash flow, expenses, and financial obligations in accordance with this Agreement and any Budget approved by each ACO. Each ACO hereby agrees to execute such documentation as the applicable depository institution may reasonably require, including, without limitation, a limited power of attorney authorizing the Manager to: (i) access and initiate transactions from each ACO's designated Joint Operating Account; (ii) receive, deposit, and withdraw CMS Proceeds; (iii) endorse or sign checks, drafts, notes, money orders, insurance payments, and other instruments relating to the Joint Operating Account; and (iv) make payments from the Joint Operating Account for ACO Operating Expenses, or as otherwise approved by each ACO pursuant to the Budget. For the avoidance of doubt, (x) the Manager shall use the Joint Operating Account solely to pay amounts in accordance with this Agreement; (y) the Manager shall maintain accurate accounting records for all deposits and disbursements; and (z) each ACO shall retain ultimate ownership of, and oversight authority over, all Joint Operating Account(s) and the funds therein.

(d) Monthly Report. During the Term and for a period of six (6) months thereafter, the Manager will furnish to CPC and PHP, no later than the fifteenth (15th) day of each month, a

written statement for the preceding calendar month showing all deposits to and disbursements from the Joint Operating Account(s), together with a reconciliation of such activity against the approved Budget and the prior month's statement.

4. Budget Development. With respect to CMS ACO Programs, the Manager will present to each ACO a proposed annual budget for the Integrated Unit within forty-five (45) calendar days following the commencement of each Performance Year to which such budget relates; provided, however, the initial budget for the Integrated Unit for the 2026 Performance Year shall be agreed upon in writing by the Manager and each ACO no later than March 31, 2026. Each ACO and the Manager will collaborate to establish and adopt a final budget for the Integrated Unit, preapproved in writing by each ACO and the Manager, that relates to the performance obligations of each ACO under its respective CMS ACO Programs in which it participates (the "Budget"). In the event of any dispute with respect to a proposed Budget, such dispute shall be referred to a committee of two designees (i) one appointed by PHP, who shall initially be Aric Coffman and (ii) one appointed by CPC, who shall be designated hereafter by CPC, and such designees shall work together in good faith to resolve such dispute and finalize the Budget. If the aforementioned designees are unable to reach an agreement within a reasonable amount of time after referral of any dispute, the Budget for the applicable Performance Year shall default to the Budget for the immediately preceding Performance Year, adjusted for inflation based on the Consumer Price Index for All Urban Consumers or such other mutually agreed-upon inflation index.

5. Assumption of ACO Operating Expenses and Downside Risk. Except as otherwise provided in MSO LLC Agreement, the Manager hereby assumes, and shall be solely responsible for, all ACO Operating Expenses (including all amounts owed to Coastal under the Coastal Agreement) incurred by or on behalf of, and all Shared Losses imposed upon or assessed against, each ACO ("ACO Assumed Liabilities"); and PHP hereby guarantees the Manager's payment, performance, and satisfaction of all ACO Assumed Liabilities. The Manager shall timely fund, satisfy, and discharge all such ACO Assumed Liabilities directly from the Manager's own resources, without recourse to CPC, PHP or any of its members, Participating Providers, or their respective Affiliates (collectively, "ACO Related Parties"). None of the ACO Related Parties shall have any obligation to advance, reimburse, or otherwise satisfy, in whole or in part, the ACO Assumed Liabilities, except to the extent expressly required by applicable law. The Manager hereby agrees to maintain financial resources (which may include a combination of cash reserves, a letter of credit issued by a creditworthy financial institution, a performance bond, reinsurance coverage, or other financial security substantially equivalent to the foregoing) reasonably sufficient to satisfy its obligations under this Agreement. If and to the extent CMS requires that payments or repayments must be made directly to CMS by an ACO, the Manager agrees to cause such ACO to make such payment or repayment and provide CPC and PHP with cash proceeds from which to make such payment or repayment.

6. Compensation.

(a) Management Fee. In consideration of the Manager's performance of the Contracted Services and its assumption of the ACO Assumed Liabilities, each ACO shall pay a management fee to the Manager equal to the amount of their respective ACO Assumed Liabilities, in fact, satisfied by the Manager during the Term, plus a fair market value margin

applied to those certain ACO Assumed Liabilities (the “Management Fee”). The Management Fee shall not include or duplicate any amounts payable as part of the Surplus Allocation described in Section 8(b).

(i) Management Fee Components. For the avoidance of doubt, the Management Fee is comprised of two components: (A) a cost component equal to the ACO Assumed Liabilities that are, in fact, satisfied by the Manager in performing Contracted Services during the Term (the “Cost Component”), and (B) a markup component representing the Manager’s fair market value margin for its assumption of ACO Assumed Liabilities and performance of Contracted Services (the “Mark-Up Component”), subject to the annual approval of each ACO as set forth on Section 6.2(a)(ii), provided, however, the Mark-Up Component for the 2026 Performance Year shall be agreed upon in writing by the Manager and each ACO prior to the commencement of such Performance Year. For purposes of the internal reconciliation described in Section 9, the full amount of the Management Fee shall be classified and accounted for as a Manager Operating Expense. The Manager shall accrue the Cost Component of the Management Fee as an expense in the period in which the related Contracted Services are performed, and such accrual shall be construed hereunder as payment in full and satisfaction of the Management Fee as of the effective date of such accrual. The Mark-Up Component shall be accounted for as a non-cash deduction from the Integrated Unit’s Net Shared Savings prior to the PY Special Distribution, and construed to be included in the Manager’s gross revenue, subject to a future Net Cash Flow distribution to the Manager Members in accordance with their Percentage Interests and the MSO LLC Agreement. Accordingly, each ACO shall not be required to make a cash payment of the Management Fee to the Manager whatsoever, it being understood that the Management Fee is fully satisfied through the reconciliation and distribution process provided herein, but the Manager shall nevertheless deliver, on a monthly basis, a detailed written accounting of the Management Fee.

(ii) Mark-Up Component Analysis. The Mark-Up Component of the Management Fee shall be subject to annual review and approval by the Manager and each ACO and, if applicable, adjustment to ensure that it reflects the fair market value of the Contracted Services and complies with all applicable federal and state healthcare laws, including those governing fraud and abuse, fee-splitting, and physician self-referral. No later than ninety (90) calendar days prior to the beginning of each calendar year during the Term (excluding the Mark-Up Component for the 2026 Performance Year, which shall be approved prior to the commencement thereof as provided above), the Parties shall review the scope of the Contracted Services and the then Mark-Up Component. If either Party reasonably believes that an adjustment is necessary to ensure the Mark-Up Component remains consistent with fair market value and commercially reasonable under then-current market conditions to remain in compliance with applicable law or at the request of any governmental agency, the Parties agree to negotiate in good faith to determine a revised Mark-Up Component.

(b) Surplus Allocation. Commencing with the 2026 performance year and for each performance year thereafter during the Term, the Manager shall also be entitled to receive 100% of Net Shared Savings earned by each ACO (the “Surplus Allocation”). The Surplus Allocation

shall be distributed in accordance with the MSO LLC Agreement, and in each case, the amounts included in the Surplus Allocation shall not duplicate or overlap with any compensation already paid to the Manager as part of the Management Fee.

(c) Accounting and Oversight. The Manager shall maintain complete and accurate books and records of all revenues, expenses, and calculations relating to the Management Fee and the Surplus Allocation, and each ACO shall have the right, upon reasonable notice, to audit or to engage a third party to audit such records.

7. Integrated Unit Reconciliation.

(a) Internal Reconciliation. Promptly following receipt by each ACO of Net Shared Savings, each ACO shall deliver to the Manager copies of all External Reconciliation Results received by such ACO. The External Reconciliation Results shall be final and binding upon the Parties for purposes of this Agreement, subject only to any rights of appeal or dispute that accrue to each ACO. Each ACO hereby grants to the Manager the right to exercise on behalf of each ACO such rights to appeal or dispute the External Reconciliation Results, in each case, in accordance with the applicable law and program rules governing such appeal or dispute rights. Each ACO agrees to cooperate with the Manager in connection with any such appeal or dispute of External Reconciliation Results, including by providing data, documents, and personnel as reasonably requested by the Manager, provided nothing herein shall obligate each ACO to pursue an appeal that is prohibited under applicable law or program requirements. For clarity, any amounts of CMS Proceeds or related Shared Savings held, reserved, withheld, or otherwise retained by either ACO (including for timing, reconciliation, or contingent liability purposes) shall be treated as deductions in calculating Net Shared Savings for purposes of this Agreement, whether or not such amounts are reflected in the External Reconciliation Results, until such time as they are actually distributed or released by each ACO.

(b) Reconciliation Calculation: PY Special Distribution. Following the Manager's receipt of the External Reconciliation Results from both ACOs with respect to a particular performance year, the Manager shall conduct an internal reconciliation for the Integrated Unit. As part of such reconciliation, the Manager shall calculate, with respect to the Integrated Unit, the aggregate amounts of Shared Savings and Shared Losses attributable to both ACOs for the applicable performance year, and calculate the resulting Net Shared Savings of the Integrated Unit (defined above as the "Integrated Unit Net Savings"). When the amount of the Integrated Unit Net Savings for the applicable performance year becomes final in accordance with this Agreement, the Manager shall thereupon and simultaneously therewith make a special distribution of its available Net Cash Flow to the Manager Members in accordance with the MSO LLC Agreement and this Agreement (the "PY Special Distribution"). The PY Special Distribution shall constitute each ACO's final cash flow entitlement with respect to the CMS ACO Programs for the applicable performance year. In performing the reconciliation, the Management Fee shall be characterized as a Manager Operating Expense as determined pursuant to Section 8(a). The Manager shall account for such amounts as deductions prior to calculating the Net Cash Flow available for distribution to the Manager Members, so that CPC's portion of the Net Shared Savings reflects the net result after satisfaction of the Management Fee.

(c) Reconciliation Statement and Finalization. Within sixty (60) days following the Manager's receipt of Net Shared Savings from each ACO, the Manager shall deliver to each ACO a written statement setting forth the Manager's calculation of the Integrated Unit Net Savings and the PY Special Distribution, in each case, together with reasonable supporting detail and underlying materials used by the Manager to determine such calculation (the "Reconciliation Statement"). CPC may deliver a written objection to the Reconciliation Statement within thirty (30) calendar days of its receipt thereof ("Objection Notice"). If such Objection Notice is not received by the Manager within such thirty-day period, the Reconciliation Statement delivered by the Manager to CPC shall be construed as final and binding. If such Objection Notice is timely made and not resolved within fifteen (15) days following the Manager's receipt thereof, CPC may engage an Independent Actuary to resolve the disputed items in the Objection Notice and make any resulting adjustments to the Integrated Unit Net Savings, the PY Special Distribution, or the Reconciliation Statement, as applicable. The determination of the Independent Actuary shall be final, binding, and non-appealable (as between CPC and the Manager) absent manifest error. If the Integrated Unit Net Savings, as determined by the Independent Actuary, is less than 110% of the Integrated Unit Net Savings as determined by the Manager pursuant to this Section 7(c), the expenses of the Independent Actuary shall be borne by CPC. In all other cases, the expenses of such valuation firm shall be borne by the Manager.

(d) Disproportionate Assessment. In the event the Integrated Unit Net Savings results in either ACO receiving more or less than its proportionate interest in the Integrated Unit Net Savings, which is equivalent to each ACO's Percentage Interest in the Manager, (i) the Integrated Unit Net Savings shall be construed hereunder as "disproportionately assessed" and (ii), thereupon, the Manager shall reallocate such amounts so that, after such reallocation, the net economic benefit or burden, with respect to the Integrated Unit, is borne by each ACO in accordance with its Percentage Interests in the Manager. The Manager is hereby authorized to withhold, offset, or adjust distributions of Net Cash Flow otherwise payable to either ACO under the MSO LLC Agreement to effectuate such reconciliation, and no direct payment between the ACOs shall be required.

8. Information and Inspection Rights. No later than thirty (30) calendar days following the end of each calendar quarter, the Manager must provide each ACO with the financial and performance reports with respect to the Integrated Unit for such calendar quarter, which must include updates on projected Shared Savings or Shared Losses, quality performance scores, and benchmarks provided by CMS, to enable each ACO to monitor ongoing performance of the Integrated Unit. Each ACO shall have the right upon reasonable prior notice, to audit and inspect the books, records, data, and accounts maintained by the Manager that are relevant to the calculation, reporting, and distribution of Integrated Unit Net Savings or the PY Special Distribution, as applicable. The Manager shall retain all such records for a period of not less than seven (7) years (or longer if required by law or program rules) and shall cooperate fully with each ACO in connection with any audit.

9. Compliance.

(a) Generally. The Parties further acknowledge and agree that all arrangements contemplated by this Agreement shall be conducted in compliance with all applicable federal, state, and local laws, rules, and regulations, including without limitation the Medicare Shared

Savings Program requirements, CMS Innovation Center model participation rules, Anti-Kickback Statute, physician self-referral law (Stark Law), HIPAA, and any applicable state corporate practice of medicine or fee-splitting prohibitions. No payments made or received under this Agreement shall be conditioned upon, or subject to adjustment based on, the volume or value of any patient referrals or other business generated between the Parties.

(b) Exclusive Authority Over Medical Services. Notwithstanding anything to the contrary herein, each ACO and its Participating Providers are each and shall remain solely responsible for the full and independent control over the (a) provision of medical, health, and other clinical services and related aspects of their respective operations, and (b) the information disseminated to the public through any advertising or other commercial medium when such information relates to such clinical services provided by each ACO. The Manager shall not direct the professional medical judgment of either ACO or participating providers, or exercise any control or authority over the means, manner, or method by which any ACO or any Participating Provider performs medical, health, and other clinical services. Each Party, at all times, is acting and performing as an independent contractor, and not as an employer, employee, joint venturer, franchisor or franchisee, of the other Party.

(c) No Control Over Referrals or Patient Flow. No amount paid or advanced under this Agreement, whether for Contracted Services, reimbursable expenses, or otherwise, is intended to be, nor shall it be interpreted or construed as, an inducement, condition, reward, or payment for patient referrals from or to an ACO or Participating Providers. This includes, without limitation, referrals by the Manager to an ACO or any member of an ACO's staff, or referrals by an ACO to the Manager or any of its Affiliates. All compensation and financial arrangements under this Agreement are intended to reflect the fair market value of the services provided and are not based, directly or indirectly, on the volume or value of any referrals or other business generated between the Parties. Nothing in this Agreement shall be construed to authorize or require the Manager to exercise control or direction over the professional judgment or clinical decision-making of an ACO or Participating Providers, or the number, type, or recipient of patient referrals. Each ACO and its Participating Providers shall retain sole and independent responsibility for all aspects of patient care, including decisions related to the diagnosis, treatment, and referral of patients, consistent with applicable law and standards of practice.

10. Incentive Program Contracts. Manager or its designated Affiliate may advise each ACO with respect to, and may, as appropriate and permitted by applicable law, negotiate in the name of and at the expense of the applicable ACO, contracts to participate in Incentive Programs ("Incentive Program Contracts") as are reasonably necessary and appropriate for the achievement of the Strategic Objective, in each case, in consultation with the applicable ACO. Manager or its designated Affiliate shall use commercially reasonable efforts to include each of ACO's participating and preferred providers (each, a "Participating Provider") in such Incentive Program Contracts, provided the addition of any Participating Provider to an Incentive Program Contract shall require the prior written approval of the applicable ACO and such Participating Provider. Provided the Manager obtains the prior written consent of the applicable ACO and the applicable Participating Provider(s), the Manager or its designated Affiliate is hereby expressly authorized, as an agent of each ACO and at the applicable ACO's expense, (a) to execute and deliver any such Incentive Program Contracts; and (b) modify, supplement, amend, or terminate,

or grant waivers or releases of obligations under, any of such Incentive Program Contracts, in each case, in the name and on behalf of such ACO and such Participating Provider. In connection therewith, the Manager or its applicable Affiliate: (i) shall comply with all federal and state laws, including any antitrust laws; (ii), to the extent such information is known to the Manager, disclose to the applicable ACO, use as a basis for recommendations to the applicable ACO, or use in negotiations on behalf of the respective ACO, any fee or pricing information relating to any other medical practice, surgery center, or hospital in a market area that overlaps, in whole or in part, the market area served by the applicable ACO; (iii) shall not engage in any conduct or activity which might be construed to constitute price fixing or collusion; and (iv) shall not obligate either ACO or its Participating Providers in any manner that impedes their independent medical judgment or practice decisions. The Manager shall not provide services contemplated by this Section 12 to the extent that the provision of such services would violate applicable law.

11. Use of Trademarks. Each Party (“Licensor”) hereby grants to the other Party (“Licensee”) a limited, non-exclusive, non-transferable, royalty-free license to use the Licensor’s name, logos, and trademarks (“Marks”) solely in connection with the performance of this Agreement and for marketing and promotional purposes related to the subject matter hereof. All use of a Licensor’s Marks by the Licensee shall inure to the benefit of the Licensor, and the Licensee shall use such Marks in accordance with the Licensor’s reasonable trademark usage guidelines provided in writing. Upon written notice from the Licensor, the Licensee shall promptly cease all use of the Licensor’s Marks, including in marketing and promotional materials, websites, and other public-facing communications. Except as expressly provided in this Section 11, neither Party shall use the other Party’s Marks without such Party’s prior written consent.

12. Insurance. CPC shall carry professional liability insurance coverage for itself and its physicians and other licensed healthcare providers with which it contracts or has an employment arrangement with limits of at least \$1,000,000.00 per occurrence and \$3,000,000.00 in the annual aggregate. At CPC’s request, the Manager may evaluate coverage options and obtain and advance payment for such insurance for CPC as described in the Budget.

13. Business Associates Agreement. The Parties acknowledge that the Manager is a Business Associate of each ACO as defined under HIPAA. The Parties incorporate by reference into the Agreement the Business Associate Agreement (“Business Associates Agreement”) contained herein as Exhibit A.

14. Term and Termination. This Agreement shall have an initial term of three (3) years commencing on the Effective Date (the “Initial Term”) and shall automatically renew for successive one (1) year terms (each, a “Renewal Term,” and together with the Initial Term, the “Term”) unless terminated in accordance with Section 14.(a)-(c). Except as expressly provided in this Section 14 or by mutual written agreement of the Parties, neither Party shall have the right to terminate this Agreement without cause during the Initial Term or any Renewal Term. During any applicable cure period, the Parties shall cooperate in good faith to mitigate the impact of any alleged breach and to preserve the continuity of operations under any CMS ACO Programs.

(a) ACO Termination for Cause. Each ACO may terminate this Agreement upon the occurrence of any of the following events: (i) the Manager materially breaches any payment or

other material obligation under this Agreement that remains uncured for one hundred eighty (180) days following either ACO's delivery of written notice specifying such breach in reasonable detail; (ii), at the end of the 2028 performance year or any subsequent performance year, the EBITDA of the Manager is negative, in each case, as determined based on preliminary estimates released by CMS; or (iii) the Manager and each ACO, through their collective efforts, fail to execute in a material manner any mutually agreed-upon business plan of the Manager, which is formally adopted in accordance with the MSO LLC Agreement, the initial adoption of which by the Manager, together with the approval thereof by each ACO, shall occur no later than March 31, 2026.

(b) Manager Termination for Cause. The Manager may terminate this Agreement upon CPC's material breach of this Agreement that remains uncured for one hundred eighty (180) days following written notice specifying such breach in reasonable detail.

(c) Automatic Termination. This Agreement shall terminate automatically and immediately upon (i) the dissolution or liquidation of the Manager; (ii) the consummation of a redemption or repurchase, in whole, of CPC's or PHP's ownership interest in the Manager pursuant to the MSO LLC Agreement; or (iii) the termination or expiration of the MSO LLC Agreement in accordance with its terms. For the avoidance of doubt, any termination of this Agreement resulting from the redemption or repurchase of CPC's or PHP's ownership interest in the Manager shall be deemed to occur concurrently with the closing of such redemption or repurchase transaction.

15. Effect of Termination. The expiration or earlier termination of this Agreement shall not release or discharge either Party from any obligation, debt, or liability which has accrued and remains unsatisfied as of the effective date of termination, including, without limitation, any amounts due and payable to the Manager under this Agreement. Without limiting the foregoing, upon the expiration or earlier termination of this Agreement: (a) CPC and PHP shall pay in full all compensation then owing to the Manager, including any earned but unpaid Management Fees and Surplus Allocations; (b) the Manager shall deliver to CPC and PHP all records, reports, and materials belonging to each of CPC and PHP in the Manager's possession, other than internal working papers; and (c) the Parties shall cooperate in good faith to ensure an orderly transition of services and to complete any final reconciliation under Section 9.

16. Representations and Warranties. Each Party represents and warrants to the other that: (a) neither such Party nor any of its employees or agents is excluded from participation under any federal health care program for the provision of items or services for which payment may be made under a federal health care program; (b) no final adverse action, as such term is defined under 42 U.S.C. § 1320(a)-7(c), has occurred or is pending or threatened against such Party or any of its employees or agents; and (c) neither such Party nor any of its employees or agents are under investigation by any federal or state governmental agency in connection with billings submitted to any federal health care program (collectively "Exclusions/Adverse Actions"). During the Term, each Party agrees to notify the other in writing of any Exclusions/Adverse Actions within ten (10) days of learning of any such Exclusions/Adverse Actions and provide the basis of the Exclusions/Adverse Actions.

17. Books and Records. All Client and billing records maintained in connection with clinical services provided at or through each ACO shall be the property of such ACO. Subject to any applicable state or federal law or regulation, each ACO shall make such Client and billing records available to the Manager as may be required for any appropriate use in providing the Contracted Services pursuant to this Agreement. Expenses of maintaining such records, including (but not limited to) expenses of providing copies or data to Clients on request or to other providers, is a Management Service.

18. Confidential Information. The Parties recognize that due to the nature of this Agreement, each Party may have access to information of a proprietary and/or confidential nature owned by the other (the "Disclosing Party"), including but not limited to manuals, policies, procedures, methods of doing business, administrative or marketing techniques or strategies, financial affairs, mailing lists, employee lists, and other information (collectively, the "Confidential Information"). Each Party acknowledges and agrees that it shall have no right, title, or interest in the Confidential Information of the Disclosing Party. The existence and terms of this Agreement also shall be considered to be Confidential Information as to both Parties. Except as required by law, each Party, during the Term and following expiration or earlier termination of the Term, shall strictly maintain the confidentiality of the Confidential Information. Each Party shall take necessary and reasonable precautions to prevent unauthorized disclosure of the Confidential Information and shall require all of its owners, directors, managers, officers, employees, agents, consultants, and contractors to whom it is necessary to disclose the same, or to whom the same has been disclosed, to keep such Confidential Information confidential. Furthermore, each Party agrees that it will not: (a) disclose any Confidential Information to any person or entity whatsoever, except to such Party's owners, directors, managers, officers, employees, agents, consultants, or contractors with a bona fide "need to know," without the other Party's prior written consent; or (b) use any Confidential Information for any purpose whatsoever other than in connection with the performance of its duties and obligations under this Agreement. Notwithstanding the foregoing, in the event a Party is requested or required in a judicial, administrative, or other governmental proceeding to disclose any Confidential Information, such Party shall provide the other Party reasonable advance notice of the disclosure such that such other Party may seek an appropriate protective order or waive compliance with this Section 18, and such Party shall disclose only that portion of the Confidential Information that it is legally required to disclose. Immediately upon expiration or earlier termination of the Term, each Party shall promptly deliver to the other Party all written or tangible material containing or reflecting any Confidential Information of such other Party. Notwithstanding anything in this Section 18, Confidential Information does not include protected health information pursuant to federal and state law, which the Parties shall maintain, use, and dispose of in compliance with applicable laws regarding private of individually identifiable health information.

19. Indemnification.

(a) Indemnification by the Manager. The Manager shall indemnify, defend, and hold harmless CPC, PHP and their respective members, Participating Providers, directors, officers, employees, and agents, and their respective Affiliates, for, from, and against any and all losses, liabilities, damages, fines, penalties, costs, and expenses (including reasonable attorneys' fees) (collectively, "Losses") arising out of or resulting from: (i) any breach by the Manager of this

Agreement or the MSO LLC Agreement; (ii) the gross negligence, willful misconduct, or fraud of the Manager or its employees, contractors, or agents in the performance of the Contracted Services; (iii) the Manager's failure to satisfy or discharge the ACO Assumed Liabilities, including any Shared Losses or other financial obligations that the Manager has agreed to assume hereunder; or (iv) any violation of applicable law by the Manager or its employees, contractors, or agents.

(b) Indemnification by CPC. CPC shall indemnify, defend, and hold harmless the Manager, PHP, and their respective members, directors, officers, employees, and agents and their respective Affiliates, for, from, and against any and all Losses arising out of or resulting from: (i) CPC's breach of this Agreement or the MSO LLC Agreement; (ii) the gross negligence, willful misconduct, or fraud of CPC or its employees, contractors, or agents; or (iii) CPC's violation of applicable law, including any failure to maintain compliance with CMS or other payor participation requirements.

(c) Indemnification by PHP. PHP shall indemnify, defend, and hold harmless the Manager, CPC, and their respective members, directors, officers, employees, and agents and their respective Affiliates, for, from, and against any and all Losses arising out of or resulting from: (i) PHP's breach of this Agreement or the MSO LLC Agreement; (ii) the gross negligence, willful misconduct, or fraud of PHP or its employees, contractors, or agents; or (iii) PHP's violation of applicable law, including any failure to maintain compliance with CMS or other payor participation requirements.

(d) Indemnification Procedure. The Party seeking indemnification (the "Indemnified Party") shall provide prompt written notice to the Party from whom indemnification is sought (the "Indemnifying Party") upon becoming aware of any claim, action, or proceeding for which indemnification may be sought. The Indemnifying Party shall have the right to assume the defense of such claim with counsel reasonably acceptable to the Indemnified Party. The Indemnified Party may participate in such defense at its own expense. No settlement or compromise shall be made without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld.

(e) Limitation. Notwithstanding the foregoing, neither Party shall be liable for any indirect, consequential, special, punitive, or exemplary damages, except to the extent arising from a third-party claim that is indemnifiable under this Section 19.

20. Notices. Each notice, request, demand, approval or other communication which is permitted or required to be given under this Agreement must be in writing and shall be deemed to have been properly given when: (a) delivered personally at the address set forth below for the intended Party during normal business hours at such address; (b) sent by e-mail to the e-mail address set forth below, provided there has been no bounce back or evidence that the transmission was not received by its intended recipient; (c) sent by recognized overnight courier to the address set forth below; or (d) sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to CPC: Commonwealth Primary Care ACO, LLC
4742 North 24th Street, Suite 300

Phoenix, Arizona 85016
Attn: Lance Donkerbrook
E-mail: ldonkerbrook@commonwealthaco.com

If to PHP: P3 Health Partners REACH ACO, LLC
2370 Corporate Cir
Suite 300
Henderson, NV 89074
Attn: Todd Smith
E-mail: todd.smith@p3hp.org

If to the Manager: P3 Commonwealth Innovation MSO, LLC
2370 Corporate Cir
Suite 300
Henderson, NV 89074
Attn: Todd Smith
E-mail: todd.smith@p3hp.org

Notices shall be given to such other addressee or address, or both, or by other means as a particular Party may from time to time designate by written notice (including through other electronic transmission) to the other Party in the manner specified in this Section 20. Each notice, request, demand, approval or other communication which is sent in accordance with this Section 21 shall be deemed delivered, given, and received for all purposes of this Agreement: (a) three (3) business days after the date of deposit thereof for mailing in a duly constituted United States post office or branch thereof; (b) one (1) business day after deposit with a recognized overnight courier service; or (c) one (1) business day after email or other electronic transmission. Notice given to a Party to this Agreement by any other method shall only be deemed to be delivered, given and received when actually received by such Party.

21. Miscellaneous.

(a) Time Is of the Essence; Further Assurance. Time is of the essence with respect to the duties and performance of the covenants and promises of this Agreement. Each Party will take all further actions, and execute and deliver all further documents, that are necessary to comply with the terms of this Agreement.

(b) Binding Effect; Benefit. This Agreement will inure to the benefit of and bind the Parties and each of their permitted successors and permitted assigns. Nothing in this Agreement, express or implied, may be construed to give any third party and their respective successors and permitted assigns any right, remedy, claim, obligation or liability arising from or related to this Agreement.

(c) Entire Agreement; Amendment. The MSO LLC Agreement, this Agreement, the Agreement in Principle, between CPC and P3 Health Group, and each of their respective schedules, exhibits and addenda hereto and thereto, collectively constitutes the entire agreement between the Parties, and supersedes all other prior agreements and undertakings, both written and oral, with respect to the subject matter of this Agreement. In the event of any conflict or

inconsistency between this Agreement and such Agreement in Principle, the terms of this Agreement shall govern and be controlling, but such Agreement in Principle shall not otherwise be affected or the rights therein impaired. All representations, promises, and prior or contemporaneous understandings between the Parties with respect to the subject matter of this Agreement are merged into and expressed hereby and thereby, and all prior agreements between the Parties with respect to the subject matter of this Agreement are hereby canceled. This Agreement may be modified or amended only by an agreement in writing signed by all Parties to this Agreement.

(d) Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Arizona, without giving effect to the conflicts of laws provisions thereof.

(e) Waiver of Trial by Jury. EACH PARTY HEREBY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY SUIT, ACTION, OR PROCEEDING IN CONNECTION WITH ANY MATTER RELATING TO THIS AGREEMENT.

(f) Assignment. Neither this Agreement nor any of the Parties' rights, interests, or obligations hereunder may be assigned or otherwise transferred by either Party without the prior written consent of the other Party; provided, however, as provided in Section 2(c) above, the Manager may subcontract with third parties for any of the Contracted Services.

(g) Waiver. Any term or provision of this Agreement may be waived in writing at any time by the Party entitled to the benefit thereof. Unless specifically waived in writing, the failure of either Party at any time to require performance of any provision of this Agreement shall in no manner affect such Party's right at a later time to enforce the same. No waiver by any Party of a condition or the breach of any term, covenant, representation or warranty of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or breach or a waiver of any other condition or of the breach of any other term, covenant, representation or warranty of this Agreement.

(h) Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be illegal, invalid, or unenforceable under present or future laws effective during the Term, the legality, validity, and enforceability of the remaining provisions of this Agreement shall not be affected thereby.

(i) Counterparts. The Parties may execute this Agreement in multiple counterparts, each of which will constitute an original and all of which, when taken together, will constitute one and the same agreement. Any xerographic PDF, or similar electronic copy of this Agreement, with all signatures reproduced on one or more sets of signature pages, will be considered for all purposes as if it were an executed counterpart of this Agreement. The Parties may deliver executed signature pages to this Agreement by facsimile or email transmission, or execute through electronic signatures or by electronic means such as DocuSign. No Party may raise (i) the use of electronic signatures or a facsimile or email transmission to deliver a signature or (ii) the fact that any signature, agreement, or instrument was signed and subsequently

transmitted or communicated through the use of a facsimile or email transmission as a defense to the formation or enforceability of a contract, and each Party forever waives any such defense.

(j) References. The headings of Sections are provided for convenience only and will not affect the construction or interpretation of this Agreement. Unless otherwise provided, references to “Section(s)” and “Exhibit(s)” refer to the corresponding section(s) and exhibit(s) of or to this Agreement. Each Exhibit is hereby incorporated into this Agreement by reference. Reference to a statute refers to the statute, any amendments or successor legislation, and all rules and regulations promulgated under or implementing the statute, as in effect at the relevant time. Reference to a contract, instrument, or other document as of a given date means the contract, instrument, or other document as amended, supplemented, and modified from time to time through such date. All pronouns and any variation thereof will be construed to refer to such gender and number as the identity of the subject may require. The terms “include” and “including” indicate examples of a predicate word or clause and not a limitation on that word or clause. The term “business day” means a day that is not a Saturday, Sunday or legal holiday on which banks are authorized or required to be closed in Phoenix, Arizona.

(k) Legal Representation. Each Party hereto acknowledges that such Party (i) was either represented by legal counsel (or had the opportunity to be represented by legal counsel) in connection with this Agreement and that such Party and his counsel have reviewed and revised this Agreement, or (ii) had an opportunity to do so, and, in each case, any rule of construction to the effect that ambiguities are to be resolved against the drafting Party will not be employed in the interpretation of this Agreement or any amendments or any Exhibits or Schedules hereto or thereto.

(l) Attachments. Attached hereto, and hereby incorporated into this Agreement by this reference, are the following exhibits:

Exhibit A Management Services
Exhibit B Business Associates Agreement

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

CPC:

COMMONWEALTH PRIMARY CARE ACO, LLC

By: /s/ Lance Donkerbrook
Lance Donkerbrook, Chief Executive Officer

MANAGER:

P3 COMMONWEALTH INNOVATION MSO, LLC

By: /s/ Aric Coffman
Aric Coffman, Manager

PHP:

P3 HEALTH PARTNERS REACH ACO, LLC

By: /s/ Aric Coffman
Aric Coffman, President

Acknowledged and Agreed to by:

P3 HEALTH GROUP, LLC

By: /s/ Aric Coffman
Aric Coffman, President

Exhibit 21.1

Listed below are the significant subsidiaries (as defined in Rule 1-02(w) of Regulation S-X) of P3 Health Partners Inc. as of December 31, 2025. This list does not include Company subsidiaries that did not meet the conditions required to be deemed a significant subsidiary as of December 31, 2025.

Subsidiaries of the Registrant

Entity Name	Jurisdiction of Organization
P3 Health Partners, LLC	Delaware
P3 Health Partners-Nevada, LLC	Delaware
P3 Health Partners-Oregon LLC	Delaware

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-275457 and 333-280287) and Form S-8 (Nos. 333-267966, 333-279254 and 333-286290) of P3 Health Partners Inc. (the Company) of our report dated March 26, 2026, relating to the consolidated financial statements, which appears in this Annual Report on Form 10-K. Our report contains an explanatory paragraph regarding the Company's ability to continue as a going concern.

/s/ BDO USA, P.C.

Las Vegas, Nevada
March 26, 2026

CERTIFICATION

I, Aric Coffman, M.D., certify that:

1. I have reviewed this Annual Report on Form 10-K of P3 Health Partners Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 26, 2026

/s/ Aric Coffman, M.D.
Aric Coffman, M.D.
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, Leif Pedersen, certify that:

1. I have reviewed this Annual Report on Form 10-K of P3 Health Partners Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 26, 2026

/s/ Leif Pedersen

Leif Pedersen

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of P3 Health Partners Inc. (the "Company") for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Aric Coffman, M.D., Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: March 26, 2026

/s/ Aric Coffman, M.D.

Aric Coffman, M.D.

Chief Executive Officer

(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of P3 Health Partners Inc. (the "Company") for the year ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Leif Pedersen, Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: March 26, 2026

/s/ Leif Pedersen

Leif Pedersen
Chief Financial Officer
(Principal Financial Officer)