P3 Health Partners

People. Passion. Purpose.

September 2023

Disclaimer and Forward-Looking Statements

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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. Words such as "anticipate," "believe," "budget," "contemplate," "continue," "could," "estimate," "expect," "indicate," "intend," "may," "might," "plan," "possibly," "potential," "predict," "probably," "project," "seek," "should," "target," or "will," or the negative or other variations thereof, and similar words or phrases or comparable terminology, are intended to identify forward-looking statements. These forward-looking statements address various matters, including the Company’s future expected growth strategy and operating performance, market trends and opportunities, the Company’s outlook as to revenue, Medical Margin, Medical Margin PMPM, at-risk Medicare Advantage membership and Adjusted EBITDA loss the full-year 2023, our anticipated long-term Adjusted EBITDA target, and our expectation to achieve Adjusted EBITDA profitability in 2024, all of which reflect the Company’s expectations based upon currently available information and data. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected or estimated and you are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions, or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company's control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements.

Important risks and uncertainties that could cause our actual results and financial condition to differ materially from those indicated in forward-looking statements include, among others, our ability to continue as a going concern; our potential need to raise additional capital to fund our existing operations or develop or commercialize new services or expand our operations; our ability to achieve or maintain profitability; our ability to maintain compliance with our debt covenants in the future, or obtain required waivers from our lenders if future operating performance were to fall below current projections of if there are material changes to management’s assumptions, we could be required to recognize non-cash charges to operating earnings for goodwill and/or other intangible asset impairment; our ability to identify and develop successful new geographies, physician partners, payors and patients; changes in market or industry conditions, regulatory environment, competitive conditions, and receptivity to our services; our ability to fund our growth and expand our operations; changes in laws and regulations applicable to our business; our ability to maintain our relationships with health plans and other key payers; the impact of COVID-19, including the impact of new variants of the virus, or another pandemic, epidemic or outbreak of infectious disease on our business and results of operation; increased labor costs; our ability to recruit and retain qualified team members and independent physicians; and other factors discussed in

Part I, Item 1A. “Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the U.S. Securities and Exchange Commission (“SEC”) on March 31, 2023, as updated by Part II, Item 1A. “Risk Factors” in the Company’s Quarterly Report on Form 10-Q for the period ended June 30, 2023 filed with the SEC, and in the Company’s other filings with the SEC. All information in this presentation is as of the date hereof, and we undertake no duty to update or revise this information unless required by law. You are cautioned not to place undue reliance on any forward-looking statements contained in this presentation.

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Non-GAAP Metrics

In addition to the financial results prepared in accordance with U.S. Generally Accepted Accounting Principles ("GAAP"), this presentation contains certain non-GAAP financial measures as defined by the SEC rules, including Adjusted EBITDA, Adjusted EBITDA PMPM, medical margin, medical margin PMPM and adjusted operating expense PMPM. EBITDA is defined as GAAP net income (loss) before (i) interest, (ii) income taxes and (iii) depreciation and amortization. Adjusted EBITDA is defined as EBITDA, further adjusted to exclude the effect of certain supplemental adjustments, such as (i) mark-to-market warrant gain/loss, (ii) premium deficiency reserves, (iii) equity-based compensation expense and (iv) certain other items that we believe are not indicative of our core operating performances. Adjusted EBITDA PMPM is defined as Adjusted EBITDA divided by the number of Medicare Advantage members each month divided by the number of months in the period. We believe these non-GAAP financial measures provide an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with other similar companies. Medical margin represents the amount earned from capitation revenue after medical claims expenses are deducted and medical margin PMPM is defined as medical margin divided by the number of Medicare Advantage members each month divided by the number of months in the period. Medical claims expenses represent costs incurred for medical services provided to our members. As our platform grows and matures over time, we expect medical margin to increase in absolute dollars; however, medical margin PMPM may vary as the percentage of new members brought onto our platform fluctuates. New membership added to the platform is typically dilutive to medical margin PMPM. Adjusted operating expense is defined as operating expense adjusted to exclude the effect of certain supplemental adjustments, such as (i) mark-to-market warrant gain/loss, (ii) premium deficiency reserves, (iii) equity-based compensation expense and (iv) certain other items that we believe are not indicative of our core operating performance. Adjusted operating expense PMPM is defined as adjusted operating expense divided by the number of Medicare Advantage members each month divided by the number of months in the period. We do not consider these non- GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. In addition, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. The tables in the Appendix to this presentation present reconciliations of Adjusted EBITDA to net income (loss), medical margin to gross profit, and adjusted operating expense to operating expense, which are the most directly comparable financial measures calculated in accordance with GAAP.

We have also provided revenue, Adjusted EBITDA, medical margin and medical margin PMPM guidance for the fiscal year ended December 31, 2023 and guidance as to our long-term Adjusted EBITDA margin target. A reconciliation of the Company's forecasted full-year 2023 Adjusted EBITDA, medical margin and medical margin PMPM, and forecasted long-term Adjusted EBITDA margin to the most directly comparable GAAP financial measures cannot be provided without unreasonable efforts and are not provided herein because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.

Industry and Market Data

Certain information contained in this presentation relates to or is based on studies, publications, surveys and other data obtained from third-party sources and the Company's own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources. In addition, all of the market data included in this presentation involves a number of assumptions and limitations, and there can be no guarantee as to the accuracy or reliability of such assumptions. Finally, while we believe our own internal estimates and research are reliable, such estimates and research have not been verified by any independent source.

Management introduction

P3 Founders are deeply experienced with more than 30 years in population health

Sherif Abdou, MD, MMM, FACP, FACPE

Chief Executive Officer & Co-Founder P3 Health Partners

Former Experience:

- ❖ Co-Founder & CEO, HealthCare Partners Nevada
- ❖ Co-Founder & CEO, Pinnacle Health System

Amir Bacchus, MD, MBA

Chief Medical Officer & Co-Founder P3 Health Partners

Former Experience:

- ❖ Co-Founder & CMO, HealthCare Partners Nevada
- ❖ Co-Founder & CMO, Pinnacle Health System

Atul Kavthekar

Chief Financial Officer P3 Health Partners

Former Experience:

- ❖ CFO, Eyecare Partners
- ❖ CFO, Diplomat Pharmacy

The P3 Investment Thesis

The Right Space

- Rapidly growing markets with plenty of whitespace and room to grow organically

The Right Model

- Capital efficient, easy to deploy model addresses the biggest issues facing providers and patients

The Right Team

- Physician led with 30+ years of experience and long-standing relationships with key payors

The Right Time

- Continued growth in the Medicare Advantage membership

The Right Investment

- Laser focused on robust value creation for all stakeholders

P3 at-a-Glance

Physician led and patient centered care model

30+ Years
of value-based care experience working with providers to enable them with
Teams, Tools and Technologies

~130K Total Lives
on the P3 platform

2023 Projected Revenues
of
$1.20B- $1.25B

Operates in 18 Counties In 5 Sates
Arizona, Nevada, California, Oregon and Florida

Long-Term Adjusted EBITDA Target[1]
20%+

[1] Represents long-term target

P3 Solution: Today's healthcare faces significant challenges that P3 addresses

Challenges	P3 Solution
Independent Providers: ▪ Fee For Service is not working ▪ Need help transitioning to Value-Based Care	**Partner with Provider Groups:** P3 provides the tools necessary to help providers transform to Value-Based Care while maintaining their independence
Payors: ▪ Need higher engagement between providers and patients for better outcomes ▪ Need more effective provider network management	**Partner with Payors:** Implement a physician led Value Based Care model that lowers costs, improves funding, and improves quality metrics
Health System Employed Providers: ▪ Typically not profitable ▪ Need help transitioning to VBC	**Partner with Health Systems:** JV and/or MSO model to drive profitability
Inefficient Local Markets: ▪ Fragmented PCP groups ▪ Lack of coordinated care	**Network:** Aggregation of local providers enables a cohesive and high-performing network

The P3 model is flexible based on local market dynamics

The Economic Model Works: improving costs and outcomes

P3 aligns the payors, patients, and providers to create a “win” scenario for all

Payors contract with P3 to take on full risk for a % of the CMS funding they receive, generally roughly 85%. Improved clinical outcomes lead to enhanced quality scores and improved funding

P3 contracts with high-quality **Providers** and supports them with teams, tools and technologies to improve clinical outcomes. In turn they share 50/50 in savings*

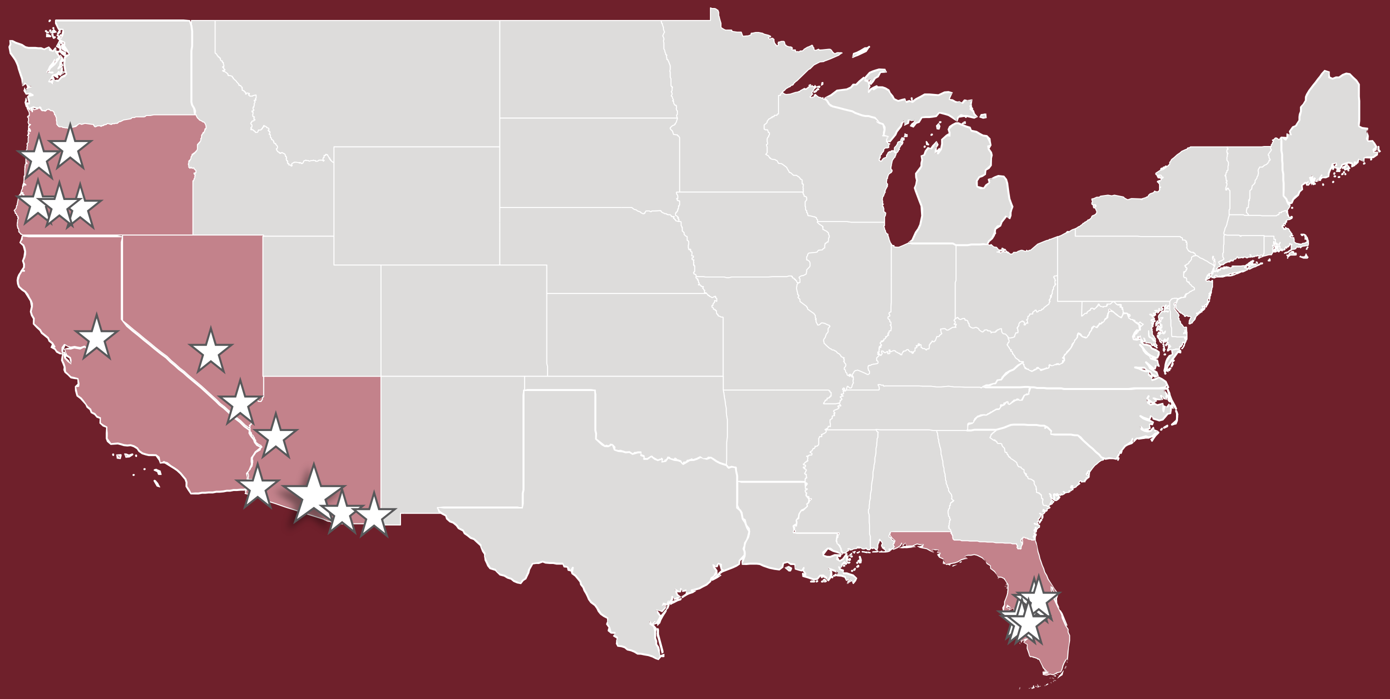
Patients are supported across the care continuum and are given resources like longitudinal care plans to achieve better outcomes

P3 aligns the payors, providers, and patients to lower healthcare costs and improve clinical outcomes

* Sharing after administrative fees

P3 is Capital Efficient and Scalable

P3 Health Partners Network in 5 States and 18 Markets



Current states

Current counties

P3 Foothold in Existing States Translates into Organic Growth +3 Counties in Q2 2023

Internal Catalysts

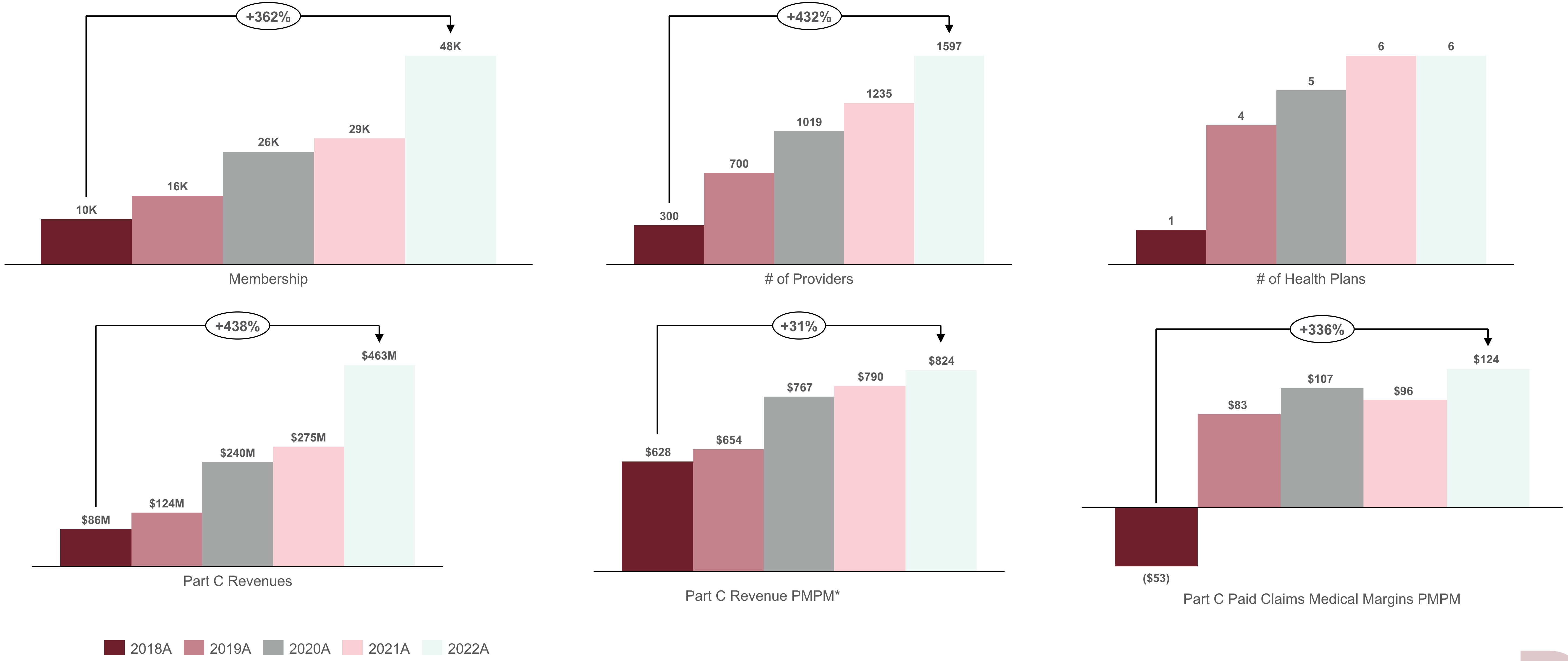
- Team with 30+ years in VBC
- Longstanding relationships with payors
- Long-term alignment with leading provider groups

External Catalysts

- Payor demand for P3 services
- Large and growing markets
- PCP groups are embracing the model and can increase their income by roughly 50%

The P3 Value-Based Care Model Works: as demonstrated by the Arizona case study

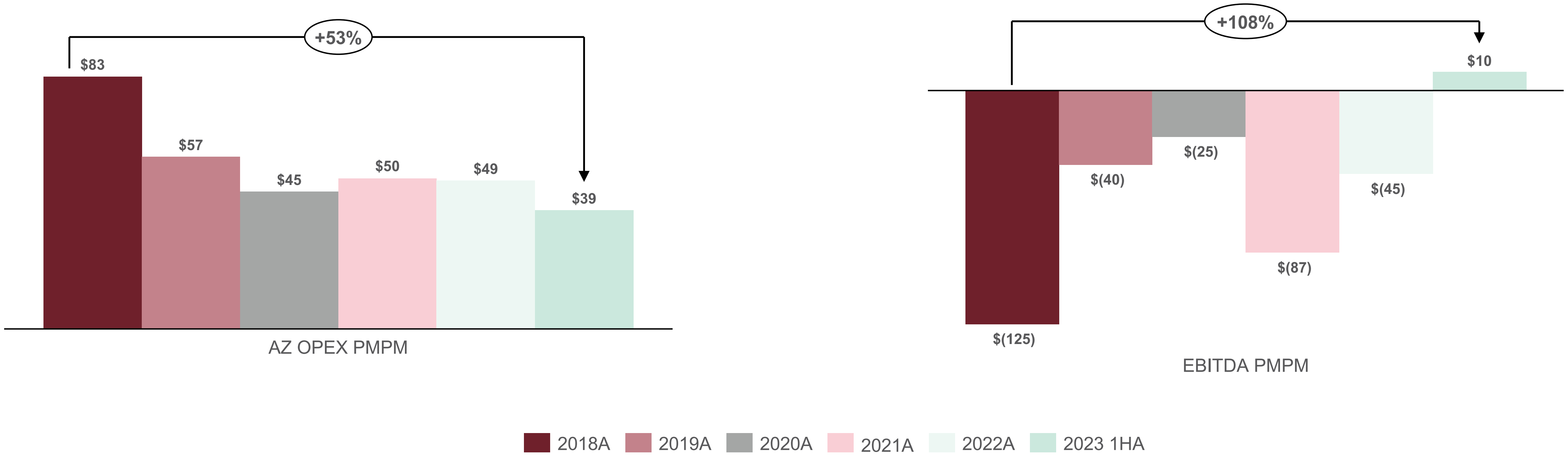
AZ Case Study Elements (2018-2022)



* Updated September 2023 to reflect retroactive adjustments

The P3 Value-Based Care Model Works: as demonstrated by the Arizona case study

AZ Case Study Elements- Opex and EBITDA (2018- YTD 2023)

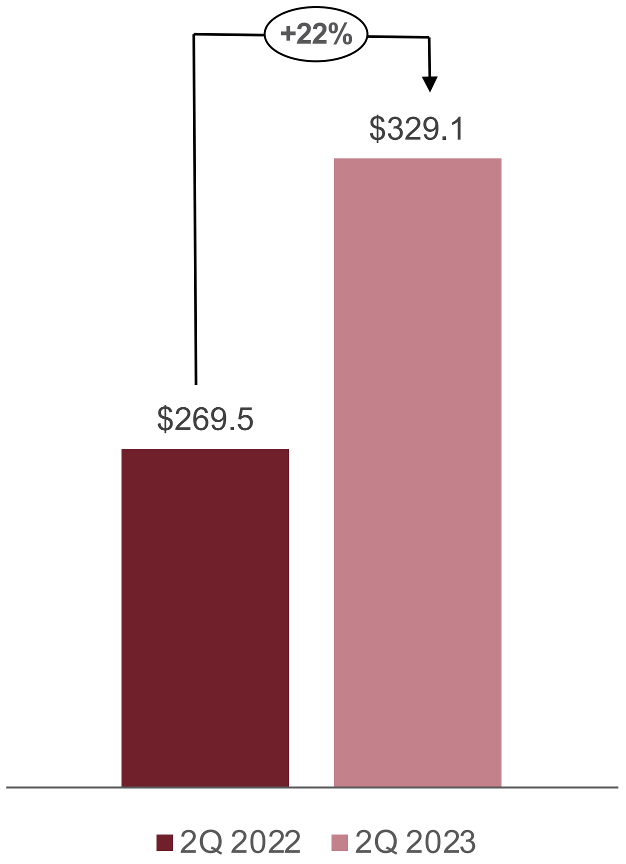


* Updated September 2023 to reflect retroactive adjustments

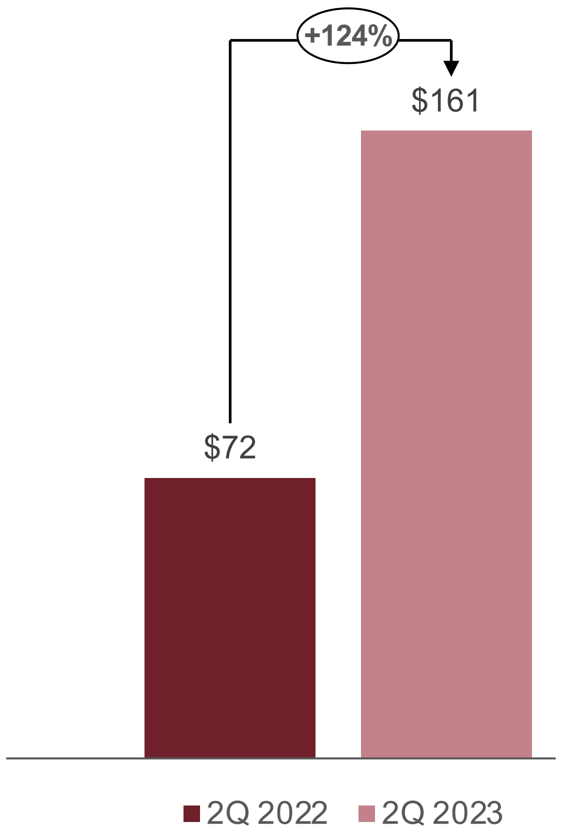
Q2 2023 Results: Solid progress towards stable profitability

(in millions, except PMPM)

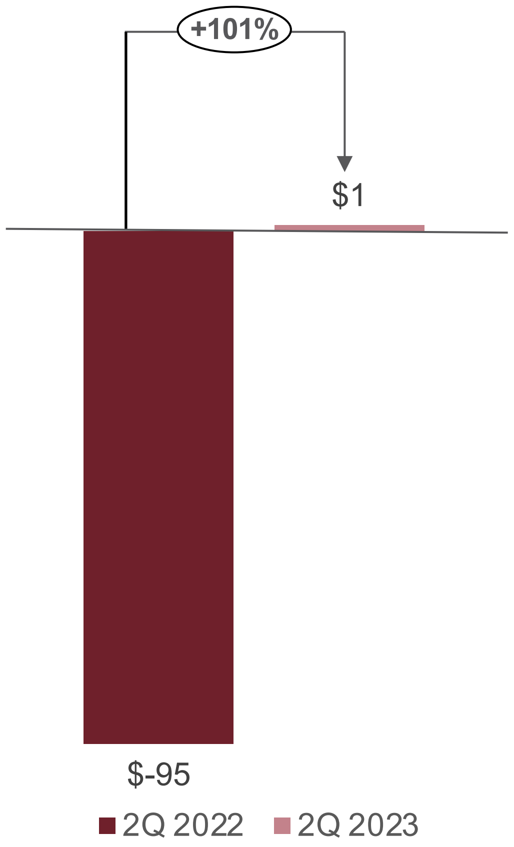
Total Revenue



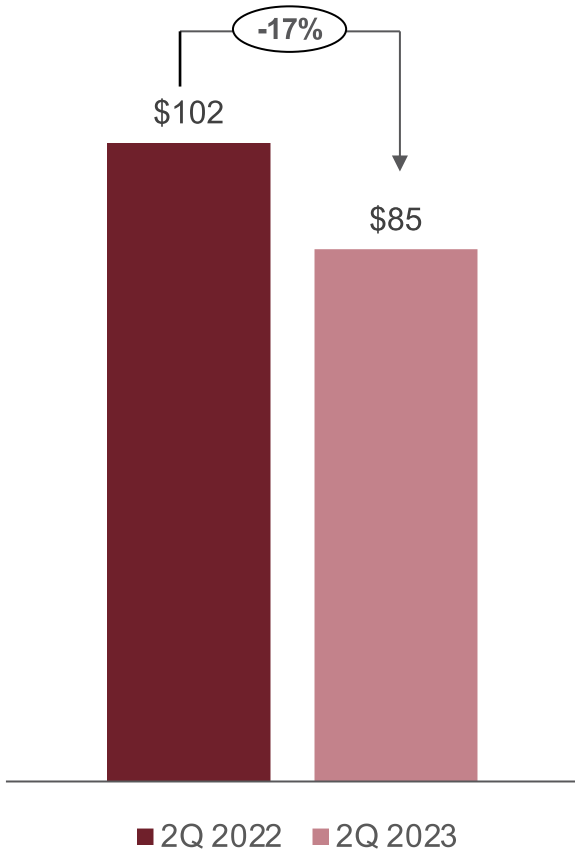
Medical Margin PMPM



Adjusted EBITDA PMPM

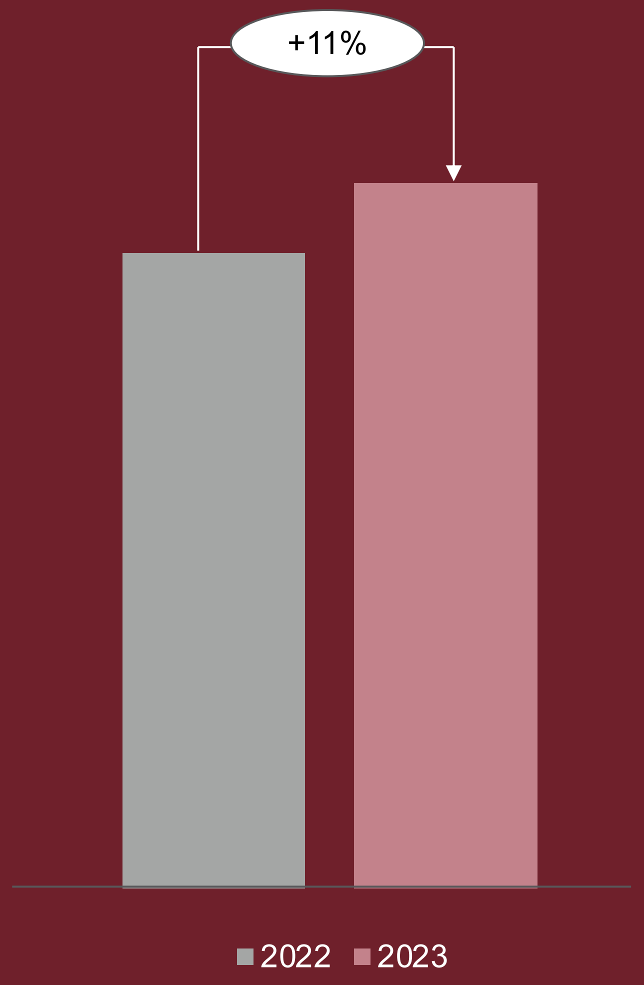


Adjusted Operating Expense PMPM



The Path to Sustainable Profitable Growth: The levers to pull

Funding Growth



Lives at +36 Months

Profitability Drivers

1. Increased funding
2. Maturation of the patient base
3. Continued improvement in medical margin across existing markets
4. Continued focus on operating expense efficiencies
5. Continued disciplined growth that leverages the existing infrastructure

Driving to Expected Adjusted EBITDA Profitability by 2024

Culminating in a strong financial outlook for full-year 2023*

2023 Membership Guidance

- Expecting to exit 2023 with 115,000 - 120,000 Medicare Advantage Risk members
- Expecting >150,000 total members on the P3 platform

2023 Total Revenue Guidance

- 2023 Revenue ranging between $1.20B and $1.25B

Medical Margin and Medical Margin PMPM Guidance

- Expecting medical margin in the range of $155M to $175M
- Expecting medical margin PMPM of $120 to $130

2023 Adjusted EBITDA Guidance

- Adjusted EBITDA between ($50M) and ($30M) (increased guidance on the 8/7/23 earnings call)
- Expecting to be Adjusted EBITDA positive in 2024

*Guidance as of the Q2 2023 earnings call

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The Right Investment

➢ Laser focused on robust value creation for all stakeholders

Questions

Appendix

Medical Margin

MEDICAL MARGIN

(in thousands, except PMPM)

(unaudited)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
	(in thousands)			
Capitated revenue	$ 325,616	$ 267,102	$ 624,320	$ 536,787
Less: medical claims expense	(275,121)	(245,344)	(534,579)	(490,202)
Medical margin	$ 50,495	$ 21,758	$ 89,741	$ 46,585
Medical margin PMPM	$ 161	$ 72	$ 145	$ 78

RECONCILIATION OF GROSS PROFIT TO MEDICAL MARGIN

(in thousands)

(unaudited)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
	(in thousands)			
Gross profit(1)	$ 26,815	$ 2,006	$ 43,322	$ 9,729
Other patient service revenue	(3,470)	(2,352)	(6,843)	(6,211)
Other medical expense	27,150	22,104	53,262	43,067
Medical margin	$ 50,495	$ 21,758	$ 89,741	$ 46,585

(1) Effective for the quarter ended June 30, 2023, we modified the method by which we reconcile medical margin. Previously, we reconciled medical margin to operating loss as the most directly comparable measure calculated in accordance with GAAP. In the current period and on a go-forward basis we will reconcile to gross profit as we have determined that gross profit is the most directly comparable GAAP measure.

Adjusted EBITDA

RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA (LOSS)

(in thousands, except PMPM)

(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(in thousands)			
Net loss	$ (27,582)	$ (903,106)	$ (80,030)	$ (963,896)
Interest expense, net	3,851	2,700	7,937	5,455
Depreciation and amortization expense	21,780	21,720	43,320	43,472
Provision for income taxes	226	—	516	—
Mark-to-market of stock warrants	1,731	(11,815)	1,082	(5,954)
Premium deficiency reserve	(2,012)	(1,490)	3,128	(2,814)
Equity-based compensation	1,031	3,716	2,008	15,427
Transaction and other related costs[(1)]	—	8,010	70	9,112
Goodwill impairment	—	851,456	—	851,456
Other[(2)]	1,192	143	3,053	149
Adjusted EBITDA (loss)	$ 217	$ (28,666)	$ (18,916)	$ (47,593)
Adjusted EBITDA (loss) PMPM	$ 1	$ (95)	$ (30)	$ (80)

(1) Transaction and other related costs during the six months ended June 30, 2023 consisted of legal fees incurred related to acquisition-related litigation.

(2) Other during the three and six months ended June 30, 2023 consisted of (i) interest income offset by (ii) cybersecurity incident loss, (iii) restructuring and other charges, including severance and benefits paid to employees pursuant to workforce reduction plans, (iv) the disposition of our Pahrump operations, (v) expenses for third-party consultants to assist us with the development, implementation, and documentation of new and enhanced internal controls and processes for compliance with Sarbanes-Oxley Section 404(b) with respect to the six months ended June 30, 2023, (vi) a legal settlement outside of the ordinary course of business with respect to the six months ended June 30, 2023, and (vii) valuation allowance on our notes receivable.

Adjusted Operating Expense

	Three Months Ended	
	June 30, 2023	June 30, 2022
Total Operating Expense	$ 350,119	$ 1,181,641
Medical expense	(302,271)	(267,448)
Premium deficiency reserve	2,012	1,490
Depreciation and amortization	(21,780)	(21,720)
Equity based compensation	(1,031)	(3,716)
Goodwill impairment	-	(851,456)
Transaction and other related costs	-	(8,010)
Other[(1)]	(446)	(173)
Total Adjusted Operating Expense	$ 26,603	$ 30,608
Total Adjusted Operating Expense PMPM	$ 85	$ 102

(1) Other during the three months ended June 30, 2023 consisted of (i) restructuring and other charges, including severance and benefits paid to employees pursuant to workforce reduction plans and (ii) the disposition of our Pahrump operations.