

March 31, 2023



P3 Health Partners Inc. Announces Approximately \$90 Million Private Placement

HENDERSON, Nev.--(BUSINESS WIRE)-- P3 Health Partners Inc. (Nasdaq: PIII), a patient-centered and physician-led population health management company (the “Company”), today announced that it has entered into definitive agreements to sell securities in a private placement with a group of institutional investors. The lead institutional investors in the private placement are affiliates of Chicago Pacific Founders (“CPF”) and Leavitt Partners. The transaction is expected to result in gross proceeds of approximately \$90 million, before deducting placement agent fees and offering expenses, including \$71 million of gross proceeds from purchases by affiliates of CPF.

The Company plans to use the net proceeds from the financing for general corporate purposes.

Pursuant to the terms of the securities purchase agreements, the Company will issue 79.9 million units at a price of approximately \$1.12 per unit for institutional investors, and a purchase price of approximately \$1.19 per unit for employees and consultants. Each unit consists of one share of common stock and 0.75 of a warrant to purchase one share of common stock at an exercise price of \$1.13. Certain institutional investors have elected to receive pre-funded warrants to purchase common stock in lieu of a portion of their common stock. The closing of the private placement is subject to certain conditions and is expected to occur on April 6, 2023.

CPF has agreed to limit its exercise of the warrants to the extent that after giving effect to the exercise, CPF and its affiliates would beneficially own in excess of 49.99% of the Company’s common stock and has also agreed to a standstill restriction from the date of the closing of the private placement to June 30, 2024 that limits the ownership of CPF to 49.99% of the Company’s common stock.

The offer and sale of the foregoing securities are being made in a transaction not involving a public offering and the securities have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or applicable state securities laws. The securities being issued in the private placement may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy the foregoing securities, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or other jurisdiction.

Advisors

J.P. Morgan Securities LLC (“J.P. Morgan”) is acting as exclusive placement agent to the Company in connection with the private placement.

Latham & Watkins LLP is acting as legal counsel to the Company, Mayer Brown LLP is acting as legal counsel to J.P. Morgan, Locke Lord LLP is acting as legal counsel to CPF and Sidley Austin LLP is acting as legal counsel to the special independent committee of the Company’s board of directors.

About the Company:

The Company is a leading population health management company committed to transforming healthcare by improving the lives of both patients and providers. Founded and led by physicians, the Company has an expansive network of more than 2,500 affiliated primary care providers across the country. Our local teams of health care professionals manage the care of thousands of patients in 18 counties across five states. The Company supports primary care providers with value-based care coordination and administrative services that improve patient outcomes and lower costs. Through partnerships with these local providers, the Company’s care team creates an enhanced patient experience by navigating, coordinating, and integrating the patient’s care within the healthcare system. For more information, visit www.p3hp.org and follow us on @p3healthpartners and [Facebook.com/p3healthpartners](https://www.facebook.com/p3healthpartners).

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act, 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,” “envision,” “estimate,” “expect,” “guidance,” “indicate,” “intend,” “may,” “might,” “plan,” “possibly,” “potential,” “predict,” “probably,” “pro-forma,” “project,” “seek,” “should,” “target,” or “will,” or the negative or other variations thereof, and similar words or phrases or comparable terminology, are intended to identify forward-looking statements. These forward-looking statements address various matters, including statements regarding the closing of the private placement, which reflect the Company’s expectations based upon currently available information and data. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, actual results may differ materially from those projected or estimated and you are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, many of which are outside the Company’s control, that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements.

Important risks and uncertainties that could cause our actual results and financial condition to differ materially from those indicated in forward-looking statements include, among others, changes in market or industry conditions, regulatory environment, competitive conditions, and receptivity to our services; our ability to continue our growth and expand our operations; changes in laws and regulations applicable to our business; our ability to maintain our

relationships with health plans and other key payers; the impact of COVID-19, including the impact of new variants of the virus, or another pandemic, epidemic or outbreak of infectious disease on our business and results of operation; increased labor costs; our ability to recruit and retain qualified team members and independent physicians; and other factors discussed in Part I, Item 1A. "Risk Factors" of the Company's Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission (the "SEC") on October 21, 2022, and in the Company's other filings with the SEC. All information in this press release is as of the date hereof, and the Company undertakes no duty to update or revise this information unless required by law. You are cautioned not to place undue reliance on any forward-looking statements contained in this press release.

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