

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): May 7, 2024

ASTRANA HEALTH, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37392
(Commission
File Number)

95-4472349
(I.R.S. Employer
Identification No.)

1668 S. Garfield Avenue, 2nd Floor, Alhambra, California 91801
(Address of Principal Executive Offices) (Zip Code)

(626) 282-0288
Registrant's Telephone Number, Including Area Code

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	ASTH	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 7, 2024, Astrana Health, Inc. (the “Company”) issued a press release announcing its financial results for the three months ended March 31, 2024. A copy of the press release and supplemental data is furnished with this Current Report on Form 8-K as [Exhibit 99.1](#) and [Exhibit 99.2](#), respectively, and incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 2.02, including Exhibit 99.1 and Exhibit 99.2 furnished herewith, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release of Astrana Health, Inc. Regarding its Financial Results for the Three Months Ended March 31, 2024, dated May 7, 2024.
99.2	Supplemental Data of Astrana Health, Inc., dated May 7, 2024.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ASTRANA HEALTH, INC.

Date: May 7, 2024

By: /s/ Brandon Sim
Name: Brandon Sim
Title: Chief Executive Officer and President



Astrana Health, Inc. Reports First Quarter 2024 Results
Company to Host Conference Call on Tuesday, May 7, 2024, at 2:30 p.m. PT/5:30 p.m. ET

ALHAMBRA, Calif., **May 7, 2024** /PRNewswire/ -- Astrana Health, Inc. (“Astrana,” and together with its subsidiaries and affiliated entities, the “Company”) (NASDAQ: ASTH), a leading provider-centric, technology-powered healthcare company enabling providers to deliver accessible, high-quality, and high-value care to all, today announced its consolidated financial results for the first quarter ended March 31, 2024.

“We believe our strong first quarter performance continues to demonstrate the uniqueness of our platform, care model, and technology. Revenue growth of 20%, net income attributable to Astrana growth of 13% and adjusted EBITDA growth of 42% relative to the prior year quarter were primarily driven by solid membership growth across all lines of business and successful management of total cost of care for our members. Additionally, organic membership growth of 10% year-to-date increased our total number of lives managed to approximately one million. We also made further progress transitioning our members into full-risk arrangements, which expect to account for approximately 60% of our total capitation revenue as of April 1, 2024. We believe our consistent execution against our strategic roadmap has set the stage for continued growth this year as we bring high-quality, high-value care to the communities we serve,” said Brandon K. Sim, President and Chief Executive Officer of Astrana Health.

Financial Highlights for First Quarter Ended March 31, 2024:

All comparisons are to the quarter ended March 31, 2023 unless otherwise stated.

- Total revenue of \$404.4 million, up 20% from \$337.2 million
- Care Partners revenue of \$397.1 million, up 26% from \$314.7 million
- Net income attributable to Astrana of \$14.8 million, up 13% from \$13.1 million
- Adjusted EBITDA of \$42.2 million, up 42% from \$29.8 million
- Earnings per share - diluted (“EPS - diluted”) of \$0.31 per share, up 11% from \$0.28 per share

Recent Operating Highlights

- We successfully closed the second and final part of our Community Family Care (“CFC”) acquisition on March 31, 2024. This acquisition marks the largest in Astrana’s history and allows the Company to take on greater responsibility for the outcomes of the patients we serve with CFC’s full-risk Medicaid Restricted Knox-Keene license.
- We also completed the acquisition of Prime Community Care of Central Valley (“PCCCV”) on March 29, 2024. PCCCV is a risk-bearing provider organization with over 150 primary care and multi-specialty care providers which serves around 26,000 primarily Medicaid members in the Central Valley of California.
- We opened two new de novo clinics in Nevada in April.

Segment Results for the First Quarter Ended March 31, 2024:

<i>(in thousands)</i>	Three Months Ended March 31, 2024						
	Care Partners	Care Delivery	Care Enablement	Other	Intersegment Elimination	Corporate Costs	Consolidated Total
Total revenues	\$ 397,095	\$ 30,719	\$ 33,274	\$ —	\$ (56,732)	\$ —	\$ 404,356
<i>% change vs. prior year quarter</i>	26%	21%	9%				20%
Cost of services	314,966	24,794	17,373	—	(26,734)	—	330,399
General and administrative ⁽¹⁾	38,933	6,163	12,397	—	(30,075)	16,400	43,818
Total expenses	353,899	30,957	29,770	—	(56,809)	16,400	374,217
Income (loss) from operations	\$ 43,196	\$ (238)	\$ 3,504	\$ —	\$ 77 ⁽²⁾	\$ (16,400)	\$ 30,139
<i>% change vs. prior year quarter</i>	94%	(75)%	(39)%				35%

⁽¹⁾ Balance includes general and administrative expenses and depreciation and amortization.

⁽²⁾ Income from operations for the intersegment elimination represents rental income from segments renting from other segments. Rental income is presented within other income which is not presented in the table.

2024 Guidance:

Astrana is reiterating the following guidance for total revenue, net income attributable to Astrana, Adjusted EBITDA, and EPS - diluted, based on the Company’s existing business, current view of existing market conditions and assumptions for the year ending December 31, 2024.

<i>(\$ in millions)</i>	2024 Guidance Range	
	Low	High
Total revenue	\$ 1,650.0	\$ 1,850.0
Net income attributable to Astrana Health, Inc.	\$ 61.0	\$ 73.0
Adjusted EBITDA	\$ 165.0	\$ 185.0
EPS – diluted	\$ 1.28	\$ 1.52

See “Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA” and “Use of Non-GAAP Financial Measures” below for additional information. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. See “Forward-Looking Statements” below for additional information.

Conference Call and Webcast Information:

Astrana will host a conference call at 2:30 p.m. PT/5:30 p.m. ET today (Tuesday, May 7, 2024), during which management will discuss the results of the first quarter ended March 31, 2024. To participate in the conference call, please use the following dial-in numbers about 5 minutes prior to the scheduled conference call time:

U.S. & Canada (Toll-Free): +1 (888) 437-3179
International (Toll): +1 (862) 298-0702

The conference call can also be accessed via webcast at: <https://event.choruscall.com/mediaframe/webcast.html?webcastid=y3Hig4E8>.

An accompanying slide presentation will be available in PDF format on the “IR Calendar” page of the Company’s website (<https://ir.astranahealth.com/news-events/ir-calendar>) after issuance of the earnings release and will be furnished as an exhibit to Astrana’s current report on Form 8-K to be filed with the SEC, accessible at www.sec.gov.

Those who are unable to attend the live conference call may access the recording at the above webcast link, which will be made available shortly after the conclusion of the call.

Note About Consolidated Entities

The Company consolidates entities in which it has a controlling financial interest. The Company consolidates subsidiaries in which it holds, directly or indirectly, more than 50% of the voting rights, and variable interest entities (“VIEs”) in which the Company is the primary beneficiary. Noncontrolling interests represent third party equity ownership interests in the Company’s consolidated entities (including certain VIEs). The amount of net income attributable to noncontrolling interests is disclosed in the Company’s consolidated statements of income.

Note About Stockholders’ Equity, Certain Treasury Stock and Earnings Per Share

As of the date of this press release, 41,048 holdback shares have not been issued to certain former shareholders of the Company’s subsidiary, Astrana Health Management, Inc. (“AHM”), formerly known as Network Medical Management, Inc., who were AHM shareholders at the time of closing of the merger, as they have yet to submit properly completed letters of transmittal to Astrana in order to receive their pro rata portion of Astrana’s common stock as contemplated under that certain Agreement and Plan of Merger, dated December 21, 2016, among Astrana, AHM, Apollo Acquisition Corp. (“Merger Subsidiary”) and Kenneth Sim, M.D., as amended, pursuant to which Merger Subsidiary merged with and into AHM, with AHM as the surviving corporation. Pending such receipt, such former AHM shareholders have the right to receive, without interest, their pro rata share of dividends or distributions with a record date after the effectiveness of the merger. The Company’s consolidated financial statements have treated such shares of common stock as outstanding, given the receipt of the letter of transmittal is considered perfunctory and Astrana is legally obligated to issue these shares in connection with the merger.

Shares of Astrana’s common stock owned by Allied Physicians of California, a Professional Medical Corporation (“APC”), a VIE of the Company, are legally issued and outstanding but excluded from shares of common stock outstanding in the Company’s consolidated financial statements, as such shares are treated as treasury shares for accounting purposes. Such shares, therefore, are not included in the number of shares of common stock outstanding used to calculate the Company’s earnings per share.

About Astrana Health, Inc.

Astrana is a leading provider-centric, technology-powered healthcare company enabling providers to deliver accessible, high-quality, and high-value care to all. Leveraging its proprietary end-to-end technology solutions, Astrana operates an integrated healthcare delivery platform that enables providers to successfully participate in value-based care arrangements, thus empowering them to deliver high quality care to patients in a cost-effective manner.

Headquartered in Alhambra, California, Astrana serves over 10,000 providers and 1.0 million patients in value-based care arrangements. Its subsidiaries and affiliates include management services organizations (MSOs), affiliated independent practice associations (IPAs), accountable care organizations (ACOs), and care delivery entities across primary, multi-specialty, and ancillary care. For more information, please visit www.astranahealth.com.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements about the Company’s guidance for the year ending December 31, 2024, ability to meet operational goals, ability to meet expectations in deployment of care coordination and management capabilities, ability to decrease cost of care while improving quality and outcomes, ability to deliver sustainable revenue and EBITDA growth as well as long-term value, ability to respond to the changing environment, and successful implementation of strategic growth plans, acquisition strategy, and merger integration efforts. Forward-looking statements reflect current views with respect to future events and financial performance and therefore cannot be guaranteed. Such statements are based on the current expectations and certain assumptions of the Company’s management, and some or all of such expectations and assumptions may not materialize or may vary significantly from actual results. Actual results may also vary materially from forward-looking statements due to risks, uncertainties and other factors, known and unknown, including the risk factors described from time to time in the Company’s reports to the SEC, including, without limitation the risk factors discussed in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, and any subsequent quarterly reports on Form 10-Q.

FOR MORE INFORMATION, PLEASE CONTACT:

Investor Relations
(626) 943-6491
investors@astranahealth.com

	March 31, 2024 (Unaudited)	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 334,796	\$ 293,807
Investment in marketable securities	2,490	2,498
Receivables, net	120,106	76,780
Receivables, net – related parties	62,354	58,980
Income taxes receivable	—	10,657
Other receivables	1,783	1,335
Prepaid expenses and other current assets	17,281	17,450
Total current assets	538,810	461,507
Non-current assets		
Land, property and equipment, net	7,985	7,171
Intangible assets, net	119,707	71,648
Goodwill	410,267	278,831
Income taxes receivable	15,943	15,943
Loans receivable, non-current	47,412	26,473
Investments in other entities – equity method	35,893	25,774
Investments in privately held entities	6,396	6,396
Restricted cash	645	345
Operating lease right-of-use assets	39,152	37,396
Other assets	4,067	1,877
Total non-current assets	687,467	471,854
Total assets⁽¹⁾	\$ 1,226,277	\$ 933,361
Liabilities, mezzanine equity and equity		
Current liabilities		
Accounts payable and accrued expenses	\$ 146,473	\$ 59,949
Fiduciary accounts payable	7,792	7,737
Medical liabilities	136,494	106,657
Income taxes payable	5,522	—
Dividend payable	638	638
Finance lease liabilities	636	646
Operating lease liabilities	5,007	4,607
Current portion of long-term debt	20,750	19,500
Other liabilities	31,960	18,940
Total current liabilities	355,272	218,674
Non-current liabilities		
Deferred tax liability	3,756	4,072
Finance lease liabilities, net of current portion	1,015	1,033
Operating lease liabilities, net of current portion	37,716	36,289
Long-term debt, net of current portion and deferred financing costs	368,448	258,939
Other long-term liabilities	7,652	3,586
Total non-current liabilities	418,587	303,919
Total liabilities⁽¹⁾	773,859	522,593
Mezzanine equity		
Noncontrolling interest in Allied Physicians of California, a Professional Medical Corporation ("APC")	(205,557)	(205,883)
Stockholders' equity		
Series A Preferred stock, par value \$0.001; 5,000,000 shares authorized (inclusive of Series B Preferred stock); 1,111,111 issued and zero outstanding	—	—
Series B Preferred stock, par value \$0.001; 5,000,000 shares authorized (inclusive of Series A Preferred stock); 555,555 issued and zero outstanding	—	—
Common stock, par value \$0.001; 100,000,000 shares authorized, 47,458,264 and 46,843,743 shares outstanding, excluding 10,584,340 and 10,584,340 Treasury shares, at March 31, 2024 and December 31, 2023, respectively	48	47
Additional paid-in capital	395,473	371,037
Retained earnings	257,969	243,134
Total Stockholders' equity	653,490	614,218
Non-controlling interest	4,485	2,433

Total equity	657,975	616,651
Total liabilities, mezzanine equity, and stockholders' equity	\$ 1,226,277	\$ 933,361

(1) The Company's consolidated balance sheets include the assets and liabilities of its consolidated VIEs. The consolidated balance sheets include total assets that can be used only to settle obligations of the Company's consolidated VIEs totaling \$717.5 million and \$540.8 million as of March 31, 2024 and December 31, 2023, respectively, and total liabilities of the Company's consolidated VIEs for which creditors do not have recourse to the general credit of the primary beneficiary of \$179.6 million and \$146.0 million as of March 31, 2024 and December 31, 2023, respectively. The VIE balances do not include \$299.5 million of investment in affiliates and \$110.1 million of amounts due to affiliates as of March 31, 2024 and \$273.2 million of investment in affiliates and \$107.3 million of amounts due to affiliates as of December 31, 2023 as these are eliminated upon consolidation and not presented within the consolidated balance sheets.

ASTRANA HEALTH, INC.
CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE AMOUNTS)
(UNAUDITED)

	Three Months Ended March 31,	
	2024	2023
Revenue		
Capitation, net	\$ 365,910	\$ 300,204
Risk pool settlements and incentives	17,377	13,462
Management fee income	4,078	9,896
Fee-for-service, net	15,937	12,062
Other revenue	1,054	1,620
Total revenue	404,356	337,244
Operating expenses		
Cost of services, excluding depreciation and amortization	330,399	289,397
General and administrative expenses	38,722	21,182
Depreciation and amortization	5,096	4,292
Total expenses	374,217	314,871
Income from operations	30,139	22,373
Other income (expense)		
Income from equity method investments	632	2,484
Interest expense	(7,585)	(3,269)
Interest income	3,996	3,009
Unrealized gain (loss) on investments	1,099	(6,392)
Other (loss) income	(4,277)	1,204
Total other expense, net	(6,135)	(2,964)
Income before provision for income taxes	24,004	19,409
Provision for income taxes	7,142	6,921
Net income	16,862	12,488
Net income (loss) attributable to non-controlling interest	2,027	(644)
Net income attributable to Astrana Health, Inc.	\$ 14,835	\$ 13,132
Earnings per share – basic	\$ 0.31	\$ 0.28
Earnings per share – diluted	\$ 0.31	\$ 0.28

EBITDA

Set forth below are reconciliations of Net Income to EBITDA and Adjusted EBITDA as well as the reconciliation to Adjusted EBITDA margin for the three months ended March 31, 2024 and 2023. The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue.

**Three Months Ended
March 31,**

<i>(in thousands)</i>	2024	2023
Net income	\$ 16,862	\$ 12,488
Interest expense	7,585	3,269
Interest income	(3,996)	(3,009)
Provision for income taxes	7,142	6,921
Depreciation and amortization	5,096	4,292
EBITDA	32,689	23,961
Income from equity method investments	(632)	(249)
Other, net	4,440 ⁽¹⁾	1,402 ⁽²⁾
Stock-based compensation	5,748	3,445
APC excluded asset costs	—	1,266
Adjusted EBITDA	\$ 42,245	\$ 29,825
Total revenue	\$ 404,356	\$ 337,244
Adjusted EBITDA margin	10%	9%

⁽¹⁾ Other, net for the three months ended March 31, 2024 relates to a financial guarantee via a letter of credit that we provided almost three years ago in support of two local provider-led ACOs, non-cash changes related to change in the fair value of our financing obligation to purchase the remaining equity interests in one of our investments, non-cash changes related to change in the fair value of the Company's Collar Agreement, and transaction costs incurred for our investments and tax restructuring fees.

⁽²⁾ Other, net for the three months ended March 31, 2023 relates to changes in the fair value of our financing obligation to purchase the remaining equity interest in one of our investments.

Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	2024 Guidance Range	
	Low	High
Net income	\$ 71,500	\$ 85,500
Interest expense	14,500	12,500
Provision for income taxes	36,500	44,500
Depreciation and amortization	14,500	14,500
EBITDA	137,000	157,000
Income from equity method investments	(5,000)	(5,000)
Other, net	6,000	6,000
Stock-based compensation	27,000	27,000
Adjusted EBITDA	\$ 165,000	\$ 185,000

Use of Non-GAAP Financial Measures

This press release contains the non-GAAP financial measures EBITDA, Adjusted EBITDA and Adjusted EBITDA margin, of which the most directly comparable financial measure presented in accordance with U.S. generally accepted accounting principles ("GAAP") is net income. These measures are not in accordance with, or alternatives to GAAP, and may be calculated differently from similar non-GAAP financial measures used by other companies. The Company uses Adjusted EBITDA as a supplemental performance measure of our operations, for financial and operational decision-making, and as a supplemental means of evaluating period-to-period comparisons on a consistent basis. Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation, and amortization, excluding income or loss from equity method investments, non-recurring and non-cash transactions, stock-based compensation, and APC excluded assets costs. The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue.

The Company believes the presentation of these non-GAAP financial measures provides investors with relevant and useful information, as it allows investors to evaluate the operating performance of the business activities without having to account for differences recognized because of non-core or non-recurring financial information. When GAAP financial measures are viewed in conjunction with non-GAAP financial measures, investors are provided with a more meaningful understanding of the Company's ongoing operating performance. In addition, these non-GAAP financial measures are among those indicators the Company uses as a basis for evaluating operational performance, allocating resources, and planning and forecasting future periods. Non-GAAP financial measures are not intended to be considered in isolation, or as a substitute for, GAAP financial measures. Other companies may calculate both EBITDA and Adjusted EBITDA differently, limiting the usefulness of these measures for comparative purposes. To the extent this release contains historical or future non-GAAP financial measures, the Company has provided corresponding GAAP financial measures for comparative purposes. The reconciliation between certain GAAP and non-GAAP measures is provided above.

 Astrana Health

Q1 2024 Update

Q1 2024 Earnings Supplement

May 2024

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements include any statements about the Company's business, financial condition, operating results, plans, objectives, expectations and intentions, expansion plans, estimates of our total addressable market, integration of acquired companies and any projections of earnings, revenue, EBITDA, Adjusted EBITDA or other financial items, such as the Company's projected capitation and future liquidity, and may be identified by the use of forward-looking terms such as "anticipate," "could," "can," "may," "might," "potential," "predict," "should," "estimate," "expect," "project," "believe," "plan," "envision," "intend," "continue," "target," "seek," "will," "would," and the negative of such terms, other variations on such terms or other similar or comparable words, phrases or terminology. Forward-looking statements reflect current views with respect to future events and financial performance and therefore cannot be guaranteed. Such statements are based on the current expectations and certain assumptions of the Company's management, and some or all of such expectations and assumptions may not materialize or may vary significantly from actual results. Actual results may also vary materially from forward-looking statements due to risks, uncertainties and other factors, known and unknown, including the risk factors described from time to time in the Company's reports to the U.S. Securities and Exchange Commission (the "SEC"), including without limitation the risk factors discussed in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and subsequent Quarterly Reports on Form 10-Q.

Because the factors referred to above could cause actual results or outcomes to differ materially from those expressed or implied in any forward-looking statements, you should not place undue reliance on any such forward-looking statements. Any forward-looking statements speak only as of the date of this presentation and, unless legally required, the Company does not undertake any obligation to update any forward-looking statement, as a result of new information, future events or otherwise.

Use of Non-GAAP Financial Measures

This presentation contains the non-GAAP financial measures EBITDA and Adjusted EBITDA, of which the most directly comparable financial measure presented in accordance with U.S. generally accepted accounting principles ("GAAP") is net income. These measures are not in accordance with, or alternatives to, GAAP, and may be calculated differently from similar non-GAAP financial measures used by other companies. The Company uses Adjusted EBITDA as a supplemental performance measure of our operations, for financial and operational decision-making, and as a supplemental means of evaluating period-to-period comparisons on a consistent basis. Adjusted EBITDA is calculated as earnings before interest, taxes, depreciation, and amortization, excluding income or loss from equity method investments, non-recurring and non-cash transactions, stock-based compensation, and APC excluded assets costs. Beginning in the third quarter ended September 30, 2022, the Company has revised the calculation for Adjusted EBITDA to exclude provider bonus payments and losses from recently acquired IPAs, which it believes to be more reflective of its business.

The Company believes the presentation of these non-GAAP financial measures provides investors with relevant and useful information, as it allows investors to evaluate the operating performance of the business activities without having to account for differences recognized because of non-core or non-recurring financial information. When GAAP financial measures are viewed in conjunction with non-GAAP financial measures, investors are provided with a more meaningful understanding of the Company's ongoing operating performance. In addition, these non-GAAP financial measures are among those indicators the Company uses as a basis for evaluating operational performance, allocating resources, and planning and forecasting future periods. Non-GAAP financial measures are not intended to be considered in isolation, or as a substitute for, GAAP financial measures. Other companies may calculate both EBITDA and Adjusted EBITDA differently, limiting the usefulness of these measures for comparative purposes. To the extent this Presentation contains historical or future non-GAAP financial measures, the Company has provided corresponding GAAP financial measures for comparative purposes. The reconciliation between certain GAAP and non-GAAP measures is provided in the Appendix.

The Company has not provided a quantitative reconciliation of applicable non-GAAP measures, such as EBITDA margin targets, to the most comparable GAAP measure, such as net income, on a forward-looking basis within this presentation because the Company is unable, without unreasonable efforts, to provide reconciling information with respect to certain line items that cannot be calculated. These items, which could materially affect the computation of forward-looking GAAP net income, are inherently uncertain and depend on various factors, some of which are outside of the Company's control.

ApolloMed is now Astrana Health

Q1 2024 Earnings Supplement

May 2024

 Astrana Health

ApolloMed is now Astrana Health

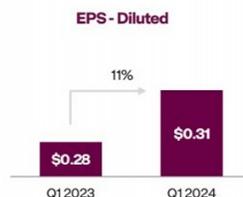
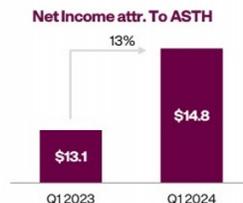
- ◆ ApolloMed became Astrana Health and trades under the ticker ASTH on the NASDAQ, effective February 26, 2024
- ◆ Astrana Health represents a unifying brand that reflects our rapidly expanding national footprint and our deep commitment to providing high-quality care to local communities across the country
- ◆ New name pays homage to our founding physicians and represents our star providers and teammates, who work together to create a constellation of quality care
- ◆ We are excited to unite our entire team under the new brand and further accelerate our mission to deliver exceptional patient experiences and to provide quality care to all



Q1 2024 Performance Highlights

(\$ in millions, except for per share information)

Q1 2024 financial results	
Revenue	\$404.4
Net Income attr. to ASTH	\$14.8
Adjusted EBITDA ¹	\$42.2
EPS - Diluted	\$0.31



Q1 2024 Highlights



Care Partners

- ◆ Community Family Care Health Plan acquisition closed March 31, 2024
- ◆ Prime Community Care of Central Valley joins our Care Partners segment
- ◆ Started full risk delegated contract in Nevada
- ◆ 60% revenue in full risk arrangements¹

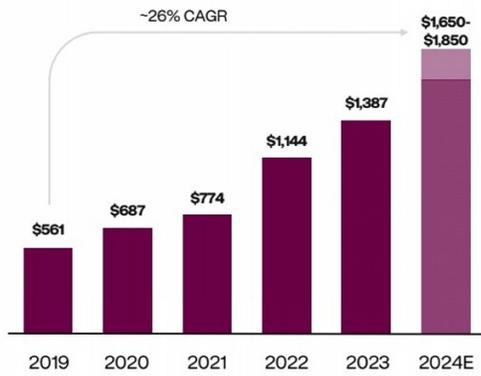


Care Delivery

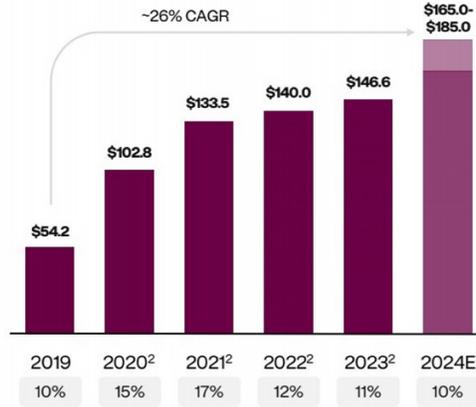
- ◆ Opened 2 new de novo clinics in Nevada in April
- ◆ Closed acquisition of Advanced Diagnostic Surgical Center on Jan 1, 2024

Financial Profile

Revenue (\$ in millions)



Adj. EBITDA (\$ in millions)



% Adjusted EBITDA Margin¹

Note: For more information, see "Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information
 1. The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue
 2. 2020-2021 Adj. EBITDA benefitted from tailwinds of lower utilization during the COVID-19 pandemic. Return to pre-pandemic utilization in 2022 and 2023

Quarter over Quarter Segment Revenue

Revenue \$ in millions	Care Partners High-performing network of aligned providers	Care Delivery High-quality system of employed providers	Care Enablement Full-stack tech, clinical, and operations platform	Other	Intercompany	Total
	Q1 2024	\$397.1	\$30.7	\$33.3	\$0.0	\$(56.7)
Q4 2023	\$333.7	\$38.5	\$33.4	\$0.2	\$(52.8)	\$353.0
Q3 2023	\$326.5	\$29.3	\$36.9	\$0.3	\$(44.8)	\$348.2
Q2 2023	\$325.2	\$26.7	\$35.0	\$0.2	\$(38.9)	\$348.2
Q1 2023	\$314.7	\$25.4	\$30.6	\$0.2	\$(33.6)	\$337.2

Astrana Reiterates Guidance for 2024

(\$ in millions, except for per share information)

Q1 2024 financial results		Actual FY 2023 Results	2024 Guidance Range	
Revenue	\$404.4	Total Revenue	\$1,386.7	\$1,650 - \$1,850
Net Income attr. to ASTH	\$14.8	Net Income attr. to ASTH	\$60.7	\$61 - \$73
Adjusted EBITDA¹	\$42.2	Adjusted EBITDA¹	\$146.6	\$165 - \$185
EPS - Diluted	\$0.31	EPS - Diluted	\$1.29	\$1.28 - \$1.52

Selected Financial Results

↳ Astra Health

Summary of Selected Financial Results

	Three Months Ended March 31,	
	2024	2023
<small>\$ in 000s except per share data</small>		
Revenue		
Capitation, net	\$ 365,910	\$ 300,204
Risk pool settlements and incentives	17,377	13,462
Management fee income	4,078	9,896
Fee-for-service, net	15,937	12,062
Other revenue	1,054	1,620
Total revenue	404,356	337,244
Total expenses	374,217	314,871
Income from operations	30,139	22,373
Net income	\$ 16,862	\$ 12,488
Net income (loss) attributable to noncontrolling interests	2,027	(644)
Net income attributable to Astrana Health	\$ 14,835	\$ 13,132
Earnings per share - diluted	\$ 0.31	\$ 0.28
EBITDA¹	\$ 32,689	\$ 23,961
Adjusted EBITDA¹	\$ 42,245	\$ 29,825

Segment Results

For the three months ended March 31, 2024

\$ in 000s	Care Partners	Care Delivery	Care Enablement	Other	Intersegment Elimination	Corporate Costs	Consolidated Total
Total revenues	\$ 397,095	30,719	33,274	-	(56,732)	-	404,356
% change vs prior year	26%	21%	9%				20%
Cost of services	314,966	24,794	17,373	-	(26,734)	-	330,399
General and administrative expenses ¹	38,933	6,163	12,397	-	(30,075)	16,400	43,818
Total expenses	353,899	30,957	29,770	-	(56,809)	16,400	374,217
Income (loss) from operations	\$ 43,196	(238)	3,504	-	77 ²	(16,400)	30,139
% change vs prior year	94%	(75%)	(39%)				35%

1. Balance includes general and administrative expenses and depreciation and amortization.

2. Income from operations for the intersegment elimination represents rental income from segments renting from other segments. Rental income is presented within other income, which is not presented in the table.

Balance Sheet Highlights

\$ in millions	3/31/2024	12/31/2023	\$ Change
Cash and cash equivalents and investments in marketable securities ¹	\$337.29	\$296.31	\$40.98
Working capital	\$183.54	\$242.83	\$(59.29)
Total stockholders' equity	\$657.98	\$616.65	\$41.33

Reconciliation of Net Income to EBITDA & Adjusted EBITDA

\$ in 000s	Three Months Ended March 31,	
	2024	2023
Net Income	\$ 16,862	\$ 12,488
Interest Expense	7,585	3,269
Interest income	(3,996)	(3,009)
Provision for income taxes	7,142	6,921
Depreciation and amortization	5,096	4,292
EBITDA	32,689	23,961
Income from equity method investments	(632)	(249)
Other, net	4,440 ²	1,402
Stock-based compensation	5,748	3,445
APC excluded assets costs	-	1,266
Adjusted EBITDA	\$ 42,245	\$ 29,825
Adjusted EBITDA margin¹	10%	9%

1. The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue.

2. Other, net for the three months ended March 31, 2024 relates to a financial guarantee via a letter of credit that we provided almost three years ago in support of two local provider-led ACOs, non-cash changes related to change in the fair value of our financing obligation to purchase the remaining equity interests in one of our investments, non-cash changes related to change in the fair value of the Company's Collar Agreement, and transaction costs incurred for our investments and tax restructuring fees.

Reconciliation of Net Income to EBITDA & Adjusted EBITDA (continued)

For the twelve months ended	TTM Ended		Year Ended		Year Ended		Year Ended	
\$ in millions	March, 31, 2024	2023	2022	2021	2020	2019		
Net Income	\$ 62.2	\$ 57.8	\$ 45.7	\$ 46.1	\$ 122.1	\$ 15.8		
Interest expense	20.4	16.1	7.9	5.4	9.5	4.7		
Interest income	(15.2)	(14.2)	(2.0)	(1.6)	(2.8)	(2.0)		
Provision for income taxes	32.2	32.0	40.9	31.7	56.3	10.0		
Depreciation and amortization	18.6	17.7	17.5	17.5	18.4	18.3		
EBITDA¹	118.2	109.5	110.1	99.1	203.5	46.8		
Goodwill impairment	-	-	-	-	-	2.0		
Income (loss) from equity method investments	(0.9)	(5.1)	(5.7) ⁶	5.3 ⁶	(0.3) ⁶	2.9		
Gain on sale of equity method investment	-	-	-	(2.2)	-	-		
Other, net	9.3 ⁷	6.2 ²	3.3 ³	(1.7) ⁴	(0.5) ⁴	-		
Stock-based compensation	24.3	22.0	16.1	6.7	3.4	0.9		
APC excluded assets costs	8.1	14.0	16.2 ⁵	26.4 ⁵	(103.3) ⁵	1.5		
Adjusted EBITDA¹	\$ 159.0	\$ 146.6	\$ 140.0	\$ 133.5	\$ 102.8	\$ 54.2		
Net Revenue	\$ 1,453.8	\$ 1,386.7	\$ 1,144.2	\$ 773.9	\$ 687.2	\$ 560.6		
Adjusted EBITDA Margin⁵	11%	11%	12%	17%	15%	10%		

¹ See "Use of Non-GAAP Financial Measures" slide for more information; ² Other, net for the year ended December 31, 2023 consists of nonrecurring transaction costs and tax restructuring fees incurred, non-cash gains and losses related to the changes in the fair value of our financing obligation to purchase the remaining equity interests, contingent liabilities, and the Company's Collar Agreement, and excise tax related to a nonrecurring buyback of the Company's stock from APC; ³ Other, net for the year ended December 31, 2022 consists of one-time transaction costs incurred and non-cash gains and losses related to the changes in the fair value of our financing obligation to purchase the remaining equity interests and contingent considerations; ⁴ Other, net for the years ended December 31, 2021 and 2020 relate to COVID-19 relief payments recognized in 2021 and 2020; ⁵ The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue; ⁶ Certain APC minority interests where APC owns the asset but not the right to the dividends is reclassified from APC excluded asset costs to income from equity method investments; ⁷ Other, net for TTM ended March 31, 2024 consists of a financial guarantee via a letter of credit that we provided almost three years ago in support of two local provider-led ACOs, nonrecurring transaction costs and tax restructuring fees incurred, non-cash gains and losses related to the changes in the fair value of our financing obligation to purchase the remaining equity interests, contingent liabilities, and the Company's Collar Agreement, and excise tax related to a nonrecurring buyback of the Company's stock from APC

↗ Astra Health

Guidance Reconciliation of Net Income to EBITDA & Adjusted EBITDA

	2024 Guidance Range	
	Low	High
(\$ in 000s except per share data)		
Net Income	71,500	85,500
Interest expense	14,500	12,500
Provision for income taxes	36,500	44,500
Depreciation and amortization	14,500	14,500
EBITDA	137,000	157,000
Loss (income) from equity method investments	(5,000)	(5,000)
Other, net	6,000	6,000
Stock-based compensation	27,000	27,000
Adj. EBITDA	165,000	185,000

Note: See "Use of Non-GAAP Financial Measures" slide for more information.

Astrana Health at-a-glance

Astrana Health is a healthcare platform that organizes and empowers providers to drive **accessible, high-quality, and high-value care for all patients** through a provider-centric, technology-driven approach via its three business segments:



Care Partners

Affiliated and employed provider network, empowered to take risk across all health plan lines of business to deliver integrated care



Care Delivery

Flexible footprint of owned primary care and multi-specialty clinics with employed providers who deliver personalized care



Care Enablement

Full-stack technology and solutions platform, empowering providers to deliver the best possible care to all patients in their communities

A platform with...

Scale

~1M Members in value-based care	10k+ Astrana Health providers ¹
20+ Payer partners	32+ Markets

Demonstrable Clinical Outcomes

▼46% Fewer hospital admissions ²	▼40% Fewer ER visits ²
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Financial Strength

\$1.45B TTM Revenue	\$159.0M TTM Adj. EBITDA
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Astrana flexibly supports patients and providers

	 Care Partners	 Care Delivery	 Care Enablement
Quarter ended 3/31/2024 \$ in 000s	High-performing network of aligned providers	High-quality system of employed providers	Full-stack tech, clinical, and operations platform
Total VBC members ¹ , K	~880K	~800K	~1M
Total revenues, \$	\$397,095	\$30,719	\$33,274
Income (loss) from operations, \$	\$43,196	\$(238)	\$3,504
% Margin	11%	(1)%	11%
Primary Revenue Model	Partial & full-risk PMPM ²	Partial & full-risk PMPM ² Fee-for-service	Percent of collections/revenue
Degree of Risk	Partial & full-risk	Partial & full-risk	N/A
Percent of premium opp.	80-90%	80-90%	10-15%
LT profitability target	10-20%	10-20%	20-30%

Key Takeaways

	Clear levers and a repeatable growth playbook to drive further nationwide expansion	26% 5-year revenue CAGR ¹ ; Clear visibility into continued 25%+ growth in medium term and beyond
	Proven track record of consistent profitability	26% 5-year adj. EBITDA CAGR ² ; Proven ability to consistently scale business at 10-15% EBITDA margins
	Flexible, capital efficient model with predictable unit economics	Predictable adj. EBITDA margins, with 10%-17% adj. EBITDA margins in each of the last 5 years ²
	Tech-powered, integrated care delivery model results in industry-leading clinical outcomes	Admits/K 48% below benchmark; ER visits 43% below benchmark ³
	Strongly positioned to create a future where all can get access to high quality healthcare	~975K members in VBC arrangements across Medicare, Medicaid, and Commercial ⁴

1. Growth figures are based on historical revenue and estimates through FY 2023
2. See the "Reconciliation of Net Income to EBITDA and Adjusted EBITDA" slide for additional information
3. Astrana Health figures based on analysis of Jan-Dec 2023 internal data from all consolidated IPAs (Medicare Advantage) and compared against relevant risk adjusted benchmark
4. As of March 31, 2024



Astrana Health

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