

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): **August 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 August 7, 2024, Astrana Health, Inc. (the "Company") issued a press release announcing its financial results for the three and six months ended June 30, 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 and Six Months Ended June 30, 2024, dated August 7, 2024.
99.2	Supplemental Data of Astrana Health, Inc., dated August 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: August 7, 2024

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

Astrana Health

Astrana Health, Inc. Reports Second Quarter 2024 Results

Company to Host Conference Call on Wednesday, August 7, 2024, at 2:30 p.m. PT/5:30 p.m. ET

ALHAMBRA, Calif., August 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 second quarter ended June 30, 2024.

"We believe our strong second quarter results and entry into new states reflect the progress, scale, and momentum we continue to build at Astrana as we drive towards our mission to empower entrepreneurial providers and deliver great healthcare to local communities across the country. Strong revenue and adjusted EBITDA growth in the quarter were driven by continued organic growth in our Care Partners segment, the successful integration of the Community Family Care acquisition, and continued success in managing total cost of care for our one million members in value-based, risk-bearing arrangements. Our entry into Arizona and Hawai'i, partnerships with Anthem Blue Cross and Elation Health, and our agreement to acquire Collaborative Health Systems are anticipated to continue driving strong, sustainable, and profitable growth for the Astrana platform. We are excited to continue proving that value-based care can be done successfully in communities across the country," said President and CEO of Astrana Health, Brandon K. Sim.

Financial Highlights for Second Quarter Ended June 30, 2024:

All comparisons are to the quarter ended June 30, 2023 unless otherwise stated.

- Total revenue of \$486.3 million, up 40% from \$348.2 million
- Care Partners revenue of \$463.3 million, up 44% from \$321.8 million
- Net income attributable to Astrana of \$19.2 million, up 46% from \$13.2 million
- Earnings per share - diluted ("EPS - diluted") of \$0.40, up 43% from \$0.28 per share
- Adjusted EBITDA of \$47.9 million, up 34% from \$35.8 million

Financial Highlights for Six Months Ended June 30, 2024:

All comparisons are to the six months ended June 30, 2023 unless otherwise stated.

- Total revenue of \$890.6 million, up 30% from \$685.5 million
- Care Partners revenue of \$845.6 million, up 33% from \$636.4 million
- Net income attributable to Astrana of \$34.0 million, up 29% from \$26.3 million
- EPS - diluted of \$0.71, up 27% from \$0.56 per share
- Adjusted EBITDA of \$90.2 million, up 38% from \$65.6 million

Recent Operating Highlights

- On May 24, 2024, the Company entered the state of Arizona through its Care Partners segment, partnering with an anchor primary care physician group with over 45 primary care providers serving around 50,000 patients across Medicare, Medicaid, and Commercial lines of business. The group is expected to be onboarded onto Astrana's Care Enablement platform by the end of 2024.
- On July 15, 2024, the Company announced a new partnership with Anthem Blue Cross to build and operate primary care clinics aimed at improving access to high-quality healthcare for their shared members.
- On July 17, 2024, the Company announced its strategic partnership with Elation Health, a technology company whose electronic health record platform is used nationwide by more than 32,000 clinicians. Together, the two organizations will aim to empower primary care providers via value-based arrangements, leveraging both Astrana and Elation's technology platform and solutions. As part of the partnership, Astrana entered the state of Hawai'i, partnering with a provider organization of over 100 primary care providers serving just under 20,000 primarily Medicare patients. Astrana will serve as the group's exclusive care enablement provider, with providers anticipated to fully integrate onto Astrana's Care Enablement platform by the end of the third quarter of 2024.
- On July 24, 2024, the Company entered into a definitive agreement to acquire Collaborative Health Systems ("CHS"), a value-based care enablement organization serving around 2,500 primary care providers and more than 100,000 beneficiaries and a company of Centene Corporation, a leading healthcare enterprise focused on transforming the health of the communities it serves. The acquisition is intended to facilitate the expansion of both Astrana's and CHS' payer-agnostic care delivery capabilities, which serve members across all lines of business, and further empower CHS' providers in the delivery of care to the communities it serves. Astrana and Centene also share a mutual commitment to providing high-quality and coordinated care to members and will continue to work together to expand the scope of their existing value-based partnerships in order to advance that joint mission. The acquisition is expected to close during the fourth quarter of 2024, subject to customary closing conditions and regulatory approval.

(in thousands)	Three Months Ended June 30, 2024						
	Care Partners	Care Delivery	Care Enablement	Other	Intersegment Elimination	Corporate Costs	Consolidated Total
Total revenues	\$ 463,277	\$ 34,857	\$ 36,172	—	\$ (48,041)	—	\$ 486,265
	44%	32%	3%				

% change vs. prior year quarter

Cost of services	379,413	26,252	19,939	—	(12,799)	—	412,805
General and administrative ⁽¹⁾	43,541	6,780	9,315	—	(35,247)	19,005	43,394
Total expenses	422,954	33,032	29,254	—	(48,046)	19,005	456,199
Income (loss) from operations	\$ 40,323	\$ 1,825	\$ 6,918	\$ —	\$ 5 ⁽²⁾	\$ (19,005)	\$ 30,066
% change vs. prior year quarter	45%	221%	(9)%				

(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:

Taking all of Astrana's recent growth initiatives and capital allocation strategy into account, the Company is updating its revenue, net income attributable to Astrana, and EPS - diluted guidance for 2024 while reiterating guidance for Adjusted EBITDA for the year ending December 31, 2024.

(\$ in millions, except per share amounts)

	2024 Guidance Range	
	Low	High
Total revenue	\$ 1,750	\$ 1,850
Net income attributable to Astrana Health, Inc.	\$ 54	\$ 66
Adjusted EBITDA	\$ 165	\$ 185
EPS – diluted	\$ 1.12	\$ 1.36

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 (Wednesday, August 7, 2024), during which management will discuss the results of the second quarter ended June 30, 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=pihVtJqf>.

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 approximately one million patients in value-based care arrangements. Its subsidiaries and affiliates include management services organizations (MSOs), a network of risk-bearing organizations (RBOs) that encompasses independent practice associations (IPAs), accountable care organizations (ACOs), and state-specific entities such as Restricted Knox-Keene licensed health plans in California, 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, including successfully completing and realizing the benefits of anticipated acquisitions, and merger and acquisition 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 Securities and Exchange Commission, 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

ASTRANA HEALTH, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	June 30, 2024 (Unaudited)	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	\$ 325,310	\$ 293,807
Investment in marketable securities	2,383	2,498
Receivables, net	132,323	76,780
Receivables, net – related parties	69,269	58,980
Income taxes receivable	22,005	10,657
Other receivables	1,642	1,335
Prepaid expenses and other current assets	17,417	17,450
Total current assets	<u>570,349</u>	<u>461,507</u>
Non-current assets		
Land, property and equipment, net	10,305	7,171
Intangible assets, net	116,231	71,648
Goodwill	409,581	278,831
Income taxes receivable	15,943	15,943
Loans receivable, non-current	49,163	26,473
Investments in other entities – equity method	33,276	25,774
Investments in privately held entities	8,896	6,396
Restricted cash	646	345
Operating lease right-of-use assets	28,792	37,396
Other assets	9,289	1,877
Total non-current assets	<u>682,122</u>	<u>471,854</u>
Total assets⁽¹⁾	<u>\$ 1,252,471</u>	<u>\$ 933,361</u>

Liabilities, mezzanine equity and equity

Current liabilities		
Accounts payable and accrued expenses	\$ 95,757	\$ 59,949
Fiduciary accounts payable	7,321	7,737
Medical liabilities	151,482	106,657
Dividend payable	638	638
Finance lease liabilities	591	646
Operating lease liabilities	4,884	4,607
Current portion of long-term debt	17,000	19,500
Other liabilities	32,152	18,940
Total current liabilities	<u>309,825</u>	<u>218,674</u>
Non-current liabilities		
Deferred tax liability	3,250	4,072
Finance lease liabilities, net of current portion	879	1,033
Operating lease liabilities, net of current portion	27,092	36,289

Long-term debt, net of current portion and deferred financing costs	425,006	258,939
Other long-term liabilities	7,723	3,586
Total non-current liabilities	463,950	303,919
Total liabilities⁽¹⁾	773,775	522,593

	June 30, 2024	December 31, 2023
	(Unaudited)	
Commitments and contingencies		
Mezzanine equity		
Noncontrolling interest in Allied Physicians of California, a Professional Medical Corporation ("APC")	(204,312)	(205,883)
Stockholders' equity		
Series A Preferred stock, \$0.001 par value per share; 5,000,000 shares authorized (inclusive of all preferred stock, including Series B Preferred stock); zero issued and zero outstanding as of June 30, 2024 and 1,111,111 issued and zero outstanding as of December 31, 2023	—	—
Series B Preferred stock, \$0.001 par value per share; 5,000,000 shares authorized (inclusive of all preferred stock, including Series A Preferred stock); zero issued and zero outstanding as of June 30, 2024 and 555,555 issued and zero outstanding as of December 31, 2023	—	—
Common stock, \$0.001 par value per share; 100,000,000 shares authorized, 47,541,549 and 46,843,743 shares issued and outstanding, excluding 10,584,340 and 10,584,340 treasury shares, as of June 30, 2024 and December 31, 2023, respectively	48	47
Additional paid-in capital	401,686	371,037
Retained earnings	277,140	243,134
Total stockholders' equity	678,874	614,218
Non-controlling interest	4,134	2,433
Total equity	683,008	616,651
Total liabilities, mezzanine equity and equity	\$ 1,252,471	\$ 933,361

⁽¹⁾The Company's condensed consolidated balance sheets include the assets and liabilities of its consolidated VIEs. The condensed consolidated balance sheets include total assets that can be used only to settle obligations of the Company's consolidated VIEs totaling \$671.9 million and \$540.8 million as of June 30, 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 \$175.8 million and \$146.0 million as of June 30, 2024 and December 31, 2023, respectively. These VIE balances do not include \$516.4 million of investment in affiliates and \$72.8 million of amounts due to affiliates as of June 30, 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 condensed consolidated balance sheets.

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Revenue				
Capitation, net	\$ 442,574	\$ 300,549	\$ 808,484	\$ 600,753
Risk pool settlements and incentives	18,408	20,121	35,785	33,583
Management fee income	1,604	12,493	5,682	22,389
Fee-for-service, net	19,959	13,262	35,896	25,324
Other revenue	3,720	1,784	4,774	3,404
Total revenue	486,265	348,209	890,621	685,453
Operating expenses				
Cost of services, excluding depreciation and amortization	412,805	292,876	743,204	582,273
General and administrative expenses	35,953	24,056	74,675	45,236
Depreciation and amortization	7,441	4,248	12,537	8,541
Total expenses	456,199	321,180	830,416	636,050
Income from operations	30,066	27,029	60,205	49,403
Other income (expense)				
Income from equity method investments	902	2,723	1,534	5,207

Interest expense	(8,587)	(3,632)	(16,172)	(6,901)
Interest income	3,513	3,327	7,509	6,335
Unrealized (loss) gain on investments	(123)	859	976	(5,533)
Other income	6,126	1,185	1,849	2,389
Total other income (expenses), net	1,831	4,462	(4,304)	1,497
Income before provision for income taxes	31,897	31,491	55,901	50,900
Provision for income taxes	10,031	14,009	17,173	20,930
Net income	21,866	17,482	38,728	29,970
Net income attributable to non-controlling interest	2,695	4,312	4,722	3,668
Net income attributable to Astrana Health, Inc.	\$ 19,171	\$ 13,170	\$ 34,006	\$ 26,302
Earnings per share – basic	\$ 0.40	\$ 0.28	\$ 0.72	\$ 0.57
Earnings per share – diluted	\$ 0.40	\$ 0.28	\$ 0.71	\$ 0.56

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 and six months ended June 30, 2024 and 2023. The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue.

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	\$ 21,866	\$ 17,482	\$ 38,728	\$ 29,970
Interest expense	8,587	3,632	16,172	6,901
Interest income	(3,513)	(3,327)	(7,509)	(6,335)
Provision for income taxes	10,031	14,009	17,173	20,930
Depreciation and amortization	7,441	4,248	12,537	8,541
EBITDA	44,412	36,044	77,101	60,007
Income from equity method investments	(902)	(297)	(1,534)	(546)
Other, net	(2,983) ⁽¹⁾	(1,618) ⁽²⁾	1,457 ⁽³⁾	(216) ⁽²⁾
Stock-based compensation	7,390	4,213	13,138	7,658
APC excluded asset costs	—	(2,570)	—	(1,304)
Adjusted EBITDA	\$ 47,917	\$ 35,772	\$ 90,162	\$ 65,599
Total revenue	\$ 486,265	\$ 348,209	\$ 890,621	\$ 685,453
Adjusted EBITDA margin	10%	10%	10%	10%

(1) Other, net for the three months ended June 30, 2024 relates to non-cash changes related to change in the fair value of the Company's Collar Agreement, transaction costs incurred for our investments and tax restructuring fees, and reimbursement from a related party of the Company for taxes associated with the Excluded Assets spin-off.

(2) Other, net for the three and six months ended June 30, 2023 relates to non-cash changes in the fair value of our financing obligation to purchase the remaining equity interests in one of our investments, changes in the fair value of our contingent liabilities, and changes in the fair value of the Company's Collar Agreement.

(3) Other, net for the six months ended June 30, 2024 relates to 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, transaction costs incurred for our investments and tax restructuring fees, and reimbursement from a related party of the Company for taxes associated with the Excluded Assets spin-off.

Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA

<i>(in thousands)</i>	2024 Guidance Range	
	Low	High
Net income	\$ 62,500	\$ 75,500
Interest expense	18,000	18,000
Provision for income taxes	28,000	35,000
Depreciation and amortization	28,500	28,500
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.

Second Quarter 2024

Earnings Supplement

August 2024



✦ Astra Health



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, our ability to successfully complete and realize the benefits of anticipated acquisitions, 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.

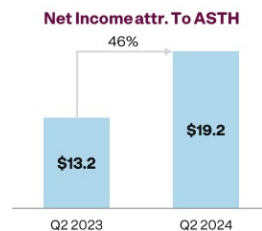
The Company believes the presentation of these non-GAAP financial measures provides investors with relevant and useful information, as it allows investors to evaluate the operating performance of the business activities without having to account for differences recognized because of non-core or non-recurring 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 the projected adjusted EBITDA in 2024 and in future years for planned acquisitions, 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.

Second Quarter 2024 Performance Highlights

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

Q2 2024 financial results	
Revenue	\$486.3
Net Income attr. to ASTH	\$19.2
Adjusted EBITDA ¹	\$47.9
EPS - Diluted	\$0.40



Second Quarter 2024 Highlights and Recent Updates



Care Partners

- ◆ Announced definitive agreement to acquire Collaborative Health Systems, adding a network of 2,500+ PCPs serving over 100,000 primarily Medicare members
- ◆ Entered the state of Arizona through Care Partners segment, partnering with an anchor primary care provider group in Arizona with 45 PCPs serving 50,000 patients across Medicare, Medicaid, and Commercial lines of business; will also serve as the group's exclusive Care Enablement provider, with providers expected to be on CE platform by end of year, and expected to begin participating in value-based arrangements in 2025



Care Delivery

- ◆ Partnered with Anthem Blue Cross to jointly open and operate primary care clinics to improve access to care for Anthem Blue Cross and Astrana members; opened first clinic in Whittier, CA
- ◆ Opened 2 new de novo primary care clinics in April in Blue Diamond, Nevada and Pahrump, Nevada



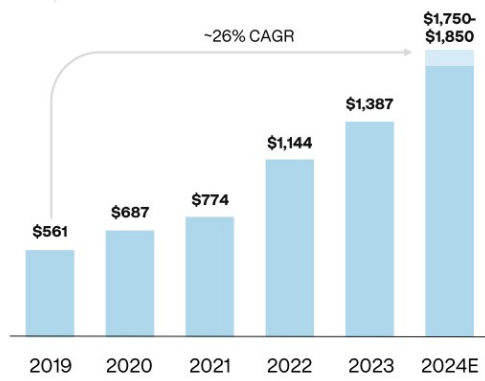
Care Enablement

- ◆ Partnered with EHR company Elation Health to build and scale risk-bearing entities for providers using Elation EHR; Astrana will provide enablement solutions and risk-bearing capabilities
- ◆ Entered the state of Hawai'i, partnering with an anchor primary care provider group with over 100 primary care providers serving just under 20,000 primarily Medicare patients; expected to be on CE platform by Q3 2024

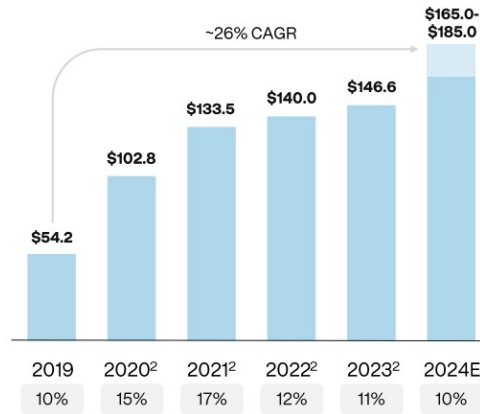
Financial Profile

% Adjusted EBITDA Margin¹

Revenue (\$ in millions)



Adj. EBITDA (\$ in millions)



Note: For more information, see "Reconciliation of Net Income to EBITDA and Adjusted EBITDA", "Updated Guidance 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 <i>\$ in millions</i>	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	Inter-company	Total
Q2 2024	\$463.3	\$34.9	\$36.2	\$0.0	\$(48.0)	\$486.3
Q1 2024	\$382.3	\$30.7	\$33.3	\$0.0	\$(42.0)	\$404.4
Q4 2023	\$326.8	\$38.1	\$33.4	\$0.2	\$(45.5)	\$353.0
Q3 2023	\$320.9	\$29.0	\$36.9	\$0.3	\$(38.9)	\$348.2
Q2 2023	\$321.8	\$26.4	\$35.0	\$0.2	\$(35.1)	\$348.2

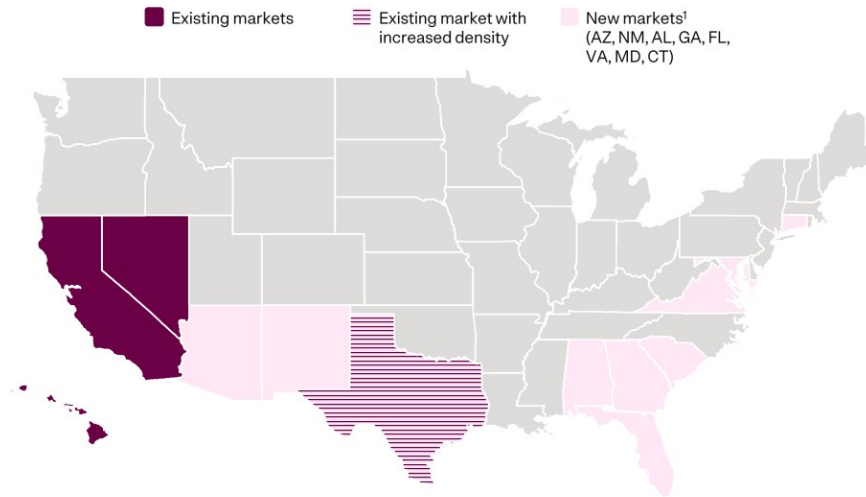
Astrana Updates Guidance for 2024

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

Q2 2024 financial results		Actual FY 2023 Results	2024 Previous Guidance Range	2024 New Guidance Range
Revenue	\$486.3	Total Revenue	\$1,386.7	\$1,650 - \$1,850 \$1,750 - \$1,850
Net Income attr. to ASTH	\$19.2	Net Income attr. to ASTH¹	\$60.7	\$61 - \$73 \$54 - \$66
Adjusted EBITDA²	\$47.9	Adjusted EBITDA²	\$146.6	\$165 - \$185 \$165 - \$185
EPS - Diluted	\$0.40	EPS - Diluted¹	\$1.29	\$1.28 - \$1.52 \$1.12 - \$1.36

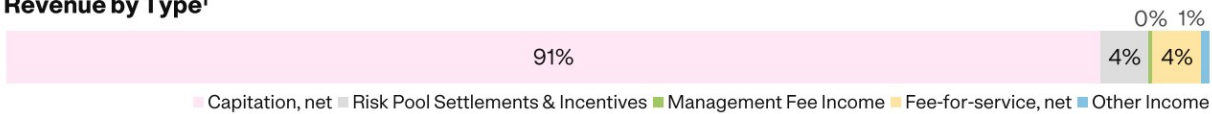
1. Updated Guidance for Net Income attr. To ASTH and EPS- Diluted for FY 2024 reflects recent initiatives and amortization of intangibles, including purchase price allocation related to acquisition of Community Family Care Medical Group IPA, Inc. and Health Plan.
2. See "Reconciliation of Net Income to EBITDA and Adjusted EBITDA," "Updated Guidance Reconciliation of Net Income to EBITDA and Adjusted EBITDA" and "Use of Non-GAAP Financial Measures" slides for more information. There can be no assurance that actual amounts will not be materially higher or lower than these expectations. See "Forward-Looking Statements" on slide 2.

Astrana's Pro-Forma Footprint to Span Coast to Coast



Our Value-Based Care Business is Diverse

Revenue by Type¹



Revenue By Payer Type¹



Revenue by Risk Arrangement²



Members by Risk Arrangement³



1. Revenue for the three months ended June 30, 2024
 2. Revenue by risk arrangement represents capitation revenue only
 3. Members by risk arrangement represent Care Partners membership only

Planned Acquisition of Collaborative Health Systems is Highly Strategic



Strategic rationale

Transaction highlights

Scale in Texas	<ul style="list-style-type: none"> CHS' network in Texas encompasses around 350 PCPs serving over 10,000 Medicare Advantage lives CHS' full risk and delegated contracts advance Astrana's ability to participate in value-based arrangements in Texas and beyond
New Geographies	<ul style="list-style-type: none"> Expected to accelerate Astrana's growth in new geographies, including Alabama, Connecticut, Florida, Georgia, Maryland, New Mexico, and Virginia
Drive Operational and Clinical Excellence	<ul style="list-style-type: none"> Opportunity to further develop clinical processes and care models and drive operational efficiencies across the CHS enterprise through Astrana's Care Enablement platform
Centene Partnership	<ul style="list-style-type: none"> Astrana and Centene will continue to work together to expand the scope of their existing value-based partnerships in order to provide high-quality, coordinated care to members in key markets
Path to Profitability	<ul style="list-style-type: none"> 2024P Adj. EBITDA: Up to (\$10M) standalone 2025P Adj. EBITDA: Approximately breakeven 2027P Adj. EBITDA: At least \$10M

\$37.5M
Cash consideration

+

\$21.5M
Earnout potential

\$450M
Anticipated Revenue run rate 2025

Q42024
Expected close

Selected Financial Results

↳ Astra Health

Summary of Selected Financial Results

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
\$ in thousands except per share data				
Revenue				
Capitation, net	\$ 442,574	\$ 300,549	\$ 808,484	\$ 600,753
Risk pool settlements and incentives	18,408	20,121	35,785	33,583
Management fee income	1,604	12,493	5,682	22,389
Fee-for-service, net	19,959	13,262	35,896	25,324
Other revenue	3,720	1,784	4,774	3,404
Total revenue	486,265	348,209	890,621	685,453
Total expenses	456,199	321,180	830,416	636,050
Income from operations	30,066	27,029	60,205	49,403
Net income	\$ 21,866	\$ 17,482	\$ 38,728	\$ 29,970
Net income attributable to noncontrolling interests	2,695	4,312	4,722	3,668
Net income attributable to Astrana Health	\$ 19,171	\$ 13,170	\$ 34,006	\$ 26,302
Earnings per share - diluted	\$ 0.40	\$ 0.28	\$ 0.71	\$ 0.56
EBITDA¹	\$ 44,412	\$ 36,044	\$ 77,101	\$ 60,007
Adjusted EBITDA¹	\$ 47,917	\$ 35,772	\$ 90,162	\$ 65,599

Segment Results

For the three months ended June 30, 2024

\$ in thousands		Care Partners	Care Delivery	Care Enablement	Other	Intersegment Elimination	Corporate Costs	Consolidated Total
Total revenues	\$	463,277	34,857	36,172	-	(48,041)	-	486,265
% change vs prior year quarter		44%	32%	3%				40%
Cost of services		379,413	26,252	19,939	-	(12,799)	-	412,805
General and administrative expenses ¹		43,541	6,780	9,315	-	(35,247)	19,005	43,394
Total expenses		422,954	33,032	29,254	-	(48,046)	19,005	456,199
Income (loss) from operations	\$	40,323	1,825	6,918	-	5 ²	(19,005)	30,066
% change vs prior year quarter		45%	221%	(9%)				11%

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	6/30/2024	12/31/2023	\$ Change
Cash and cash equivalents and investments in marketable securities ¹	\$327.7	\$296.3	\$31.4
Working capital	\$260.5	\$242.8	\$17.7
Total stockholders' equity	\$683.0	\$616.7	\$66.3

Reconciliation of Net Income to EBITDA & Adjusted EBITDA

\$ in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net Income	\$ 21,866	\$ 17,482	\$ 38,728	\$ 29,970
Interest Expense	8,587	3,632	16,172	6,901
Interest income	(3,513)	(3,327)	(7,509)	(6,335)
Provision for income taxes	10,031	14,009	17,173	20,930
Depreciation and amortization	7,441	4,248	12,537	8,541
EBITDA	44,412	36,044	77,101	60,007
Income from equity method investments	(902)	(297)	(1,534)	(546)
Other, net	(2,983) ²	(1,618) ³	1,457 ⁴	(216) ³
Stock-based compensation	7,390	4,213	13,138	7,658
APC excluded assets costs	-	(2,570)	-	(1,304)
Adjusted EBITDA	\$ 47,917	\$ 35,772	\$ 90,162	\$ 65,599
Adjusted EBITDA margin¹	10%	10%	10%	10%

1. The Company defines Adjusted EBITDA margin as Adjusted EBITDA over total revenue.
2. Other, net for the three months ended June 30, 2024 relates to non-cash changes related to change in the fair value of the Company's Collar Agreement, transaction costs incurred for our investments and tax restructuring fees, and reimbursement from a related party of the Company for taxes associated with the Excluded Assets spin-off.
3. Other, net for the three and six months ended June 30, 2023 relates to non-cash changes in the fair value of our financing obligation to purchase the remaining equity interests in one of our investments, changes in the fair value of our contingent liabilities, and changes in the fair value of the Company's Collar Agreement.
4. Other, net for the six months ended June 30, 2024 relates to 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, transaction costs incurred for our investments and tax restructuring fees, and reimbursement from a related party of the Company for taxes associated with the Excluded Assets spin-off.

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

For the twelve months ended	TTM Ended		Year Ended		2020		2019	
\$ in millions	June 30, 2024	2023	2022	2021	2020	2019		
Net Income	\$ 66.6	\$ 57.8	\$ 45.7	\$ 46.1	\$ 122.1	\$ 15.8		
Interest expense	25.4	16.1	7.9	5.4	9.5	4.7		
Interest income	(15.4)	(14.2)	(2.0)	(1.6)	(2.8)	(2.0)		
Provision for income taxes	28.2	32.0	40.9	31.7	56.3	10.0		
Depreciation and amortization	21.7	17.7	17.5	17.5	18.4	18.3		
EBITDA¹	126.6	109.5	110.1	99.1	203.5	46.8		
Goodwill impairment	-	-	-	-	-	2.0		
Income (loss) from equity method investments	(6.1)	(5.1)	(5.7) ⁶	5.3 ⁶	(0.3) ⁶	2.9		
Gain on sale of equity method investment	-	-	-	(2.2)	-	-		
Other, net	7.9 ⁷	6.2 ²	3.3 ³	(1.7) ⁴	(0.5) ⁴	-		
Stock-based compensation	27.5	22.0	16.1	6.7	3.4	0.9		
APC excluded assets costs	15.3	14.0	16.2 ⁶	26.4 ⁶	(103.3) ⁶	1.5		
Adjusted EBITDA¹	\$ 171.2	\$ 146.6	\$ 140.0	\$ 133.5	\$ 102.8	\$ 54.2		
Net Revenue	\$ 1,591.8	\$ 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 June 30, 2024 consists of a reimbursement from a related party of the Company for taxes associated with the Excluded Assets spin-off, 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

Updated Guidance Reconciliation of Net Income to EBITDA & Adjusted EBITDA

	2024 Guidance Range	
	Low	High
(\$ in thousands except per share data)		
Net Income	62,500	75,500
Interest expense	18,000	18,000
Provision for income taxes	28,000	35,000
Depreciation and amortization	28,500	28,500
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

~1 million Members in value-based care	10,000+ Astrana Health providers ¹
20+ Payer partners	32+ Markets

Demonstrable Clinical Outcomes




▼42%

Fewer hospital admissions²

Financial Strength

\$1.59B TTM Revenue	\$171.2M TTM Adj. EBITDA
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Astrana Flexibly Supports Patients and Providers

	 Care Partners	 Care Delivery	 Care Enablement
Quarter ended 6/30/2024 \$ in thousands	High-performing network of aligned providers	High-quality system of employed providers	Full-stack tech, clinical, and operations platform
Total VBC members ¹ , K	~840K	~800K	~1M
Total revenues, \$	\$463,277	\$34,857	\$36,172
Income from operations, \$	\$40,323	\$1,825	\$6,918
% Margin	9%	5%	19%
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%



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