

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): **November 8, 2024**

**ASTRANA HEALTH, INC.**

(Exact Name of Registrant as Specified in its 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
<b>Common Stock</b>	<b>ASTH</b>	<b>The Nasdaq Stock Market LLC</b>

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 7.01 Regulation FD Disclosure.**

On November 8, 2024, Astrana Health, Inc. (the “Company”) issued a press release and presentation announcing that it and certain direct and indirect subsidiaries party thereto entered into an Asset and Equity Purchase Agreement (the “Purchase Agreement”) with PHP Holdings, LLC, a Delaware limited liability company (“PHPH”), PHS Holdings, LLC, a Delaware limited liability company (“PHS”), Prospect Intermediate Holdings, LLC, a Delaware limited liability company (“PIH”) and, together with PHPH and PHS, the “Prospect Equity Sellers”), certain other related entities party thereto (such entities, the “Prospect Asset Sellers” and, together with the Prospect Equity Sellers, the “Sellers”) and Prospect Medical Holdings, Inc., a Delaware corporation (“Prospect”), as Seller Representative. Under the terms of the Purchase Agreement, subject to satisfaction of customary conditions, the Company will purchase all of the outstanding equity interests of Prospect Health Services RI, Inc. (d/b/a Prospect ACO Rhode Island), Alta Newport Hospital, LLC (d/b/a Foothill Regional Medical Center) (the “Hospital”) and Prospect Health Plan, Inc., and substantially all the assets of certain direct and indirect subsidiaries of PHPH, for an aggregate purchase price of \$745 million, subject to customary adjustments, plus the assumption of certain identified liabilities of the Sellers (the “Transaction”).

The Company also announced that, to provide additional financial flexibility for the Company, in connection with the execution of the Purchase Agreement, the Company entered into a commitment letter (the “Commitment Letter”), dated as of November 8, 2024, with Truist Bank and JPMorgan Chase Bank, N.A. (together, the “Banks”) and the other affiliates of the Banks party thereto, pursuant to which the Banks committed to provide (x) a 364-day senior secured bridge term loan in an aggregate principal amount of up to \$1,095 million (the “Bridge Facility”) and (y) a five-year senior secured revolving credit facility in an aggregate principal amount of up to \$100 million. The Company intends to use the proceeds of the Bridge Facility, together with cash on hand, to fund the Transaction, to refinance the Company’s existing credit facilities and to pay for fees, costs and expenses incurred in connection with the foregoing. The funding of the Bridge Facility provided for in the Commitment Letter is contingent on the satisfaction of customary conditions, including but not limited to (i) the execution and delivery of definitive documentation with respect to the Bridge Facility in accordance with the terms set forth in the Commitment Letter, and (ii) the consummation of the Transaction in accordance with the Purchase Agreement. Amounts funded under the Bridge Facility, if any, will be reduced by the aggregate amount of gross proceeds that the Company elects to raise in a long-term debt and/or equity financing transaction on or prior to the closing of the Transaction as further set forth in the Commitment Letter.

Copies of the press release and presentation are filed as [Exhibit 99.1](#) and [Exhibit 99.2](#), respectively, to this Current Report on Form 8-K (this “Report”) and incorporated herein by reference.

The information contained in this Item 7.01 of this Report, including the exhibits referenced herein, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing. The furnishing of this information will not be deemed an admission as to the materiality of any information contained herein.

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**Forward-Looking Statements**

This Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. These statements include words such as “forecast,” “guidance,” “projects,” “estimates,” “anticipates,” “believes,” “expects,” “intends,” “may,” “plans,” “seeks,” “should,” or “will,” or the negative of these words or similar words. Forward-looking statements involve certain risks and uncertainties, and actual results may differ materially from those discussed in each such statement. A number of important factors could cause actual results to differ materially from those included within or contemplated by the forward-looking statements, including, but not limited to, risks arising from the diversion of management’s attention from the Company’s ongoing business operations, an increase in the amount of costs, fees and expenses and other charges related to the Transaction described in this Report, outcome of any litigation that the Company, the Sellers or Prospect may become subject to relating to such Transaction, the extent of, and the time necessary to obtain, any regulatory approvals required for completion of the Transaction, risks of disruption to the Company’s business as a result of the public announcement of the Transaction, the occurrence of any event, change or other circumstance that could give rise to the termination of the agreements relating to the Transaction, an inability to complete the Transaction in a timely manner or at all, including due to a failure of any condition to the closing of the Transaction to be satisfied or waived by the applicable party, the occurrence of any event, change or other circumstance that could give rise to the termination of any of the agreements to the Transaction, a decline in the market price for the Company’s common stock if the Transaction is not completed, risks that the Transaction disrupts current plans and operations of the Company or Sellers and potential difficulties in Sellers’ employee retention as a result of the Transaction, the Company’s ability to successfully obtain funding of, and pay the interest and principal on, the Bridge Facility provided for in the Commitment Letter, and the ability to implement business plans, forecasts and other expectations after the completion of the Transaction, realize the intended benefits of the Transaction, and identify and realize additional opportunities following the Transaction, as well as the other risks and uncertainties identified in filings by the Company with the Securities and Exchange Commission, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, as may be amended or supplemented by additional risk factors set forth in subsequent quarterly reports on Form 10-Q and other reports filed with the Securities and Exchange Commission. The Company does not undertake any responsibility to update any of these factors or to announce publicly any revisions to any of the forward-looking statements contained in this or any other document, whether as a result of new information, future events, or otherwise, except as may be required by any applicable securities laws.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">99.1</a>	<a href="#">Press Release issued by the Company on November 8, 2024.</a>
<a href="#">99.2</a>	<a href="#">Presentation issued by the Company on November 8, 2024.</a>
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document).

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**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: November 8, 2024

By: /s/ Brandon K. Sim

Name: Brandon K. Sim

Title: Chief Executive Officer and President

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**Astrana Health Announces Definitive Agreement to Acquire  
Certain Businesses and Assets of Prospect Health System**

ALHAMBRA, Calif., **November 8, 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 that it and its affiliated professional entities have entered into a definitive agreement to acquire Prospect Health ("Prospect"), which consists of certain businesses and assets relating to Prospect Health System, including its California licensed health care service plan (Prospect Health Plan), medical groups in California, Texas, Arizona and Rhode Island (Prospect Medical Groups), management service organization (Prospect Medical Systems), pharmacy (RightRx), and Alta Newport Hospital dba Foothill Regional Medical Center, a fully accredited acute care hospital with 177 licensed beds.

Prospect is an integrated care delivery system which facilitates and coordinates the delivery of high-quality clinical care for all. With a network of around 3,000 primary care providers and 10,000 specialists across Southern California, Texas, Arizona, and Rhode Island, Prospect is enabling providers to deliver payer-agnostic, patient-centered care to approximately 610,000 members across Medicare Advantage, Medicaid, and Commercial lines of business.

"The acquisition of Prospect would represent the combination of two organizations with decades-long histories of enabling independent providers and coordinating the delivery of high-quality care for all. We believe that our organizations share a common culture of patient centricity and a shared mission to provide high-quality care tailored to local communities," said Brandon K. Sim, President and CEO of Astrana.

"This strategic transaction will significantly expand our provider network and enhance our ability to offer increased access, quality, and value for our members. Prospect's established presence in key markets also opens new opportunities for Astrana, particularly in geographically adjacent Orange County, California, where we today have limited operations. We believe this acquisition continues to solidify Astrana as our nation's leading healthcare delivery platform, enabling us to deliver technology-driven, longitudinal, and patient-centered care to an estimated combined 1.7 million members across the country."

Jim Brown, CEO of Prospect, said, "We are excited at the opportunity to partner with Astrana to build a larger, stronger, and more coordinated care delivery network which we expect will benefit our communities by increasing access, quality, value, and efficiency. We believe the strong cultural alignment, cohesive missions, and clear financial and operational synergies between our companies make Astrana the ideal partner for us. We look forward to working together to further our joint mission of delivering high-quality, affordable, and accessible care for all."

Astrana plans to make significant investments in Prospect and its infrastructure in order to further enhance access and quality of care for patients in local communities. The partnership between Astrana and Prospect will help ensure that healthcare remains local and personalized for patients across four states.

Additional details regarding Astrana's planned acquisition of Prospect can be found on the Company's Investor Relations [website](#).

#### Transaction Details

Under the terms of the agreement, subject to satisfaction of customary conditions, Astrana plans to acquire the Prospect businesses and assets for a purchase price of \$745 million. Astrana expects to fund the transaction using a combination of cash on hand and a \$1,095 million 364-day senior secured bridge commitment provided by Truist Bank and J.P. Morgan.

Prospect is expected to generate approximately \$1.2 billion in revenue with expected adjusted EBITDA of approximately \$81 million for the twelve months ending December 31, 2024.

Astrana's acquisition of Prospect is expected to close in the middle of 2025, subject to regulatory approval and other customary closing conditions.

#### Advisors

J.P. Morgan Securities LLC is serving as exclusive financial advisor to Astrana, and Russ August & Kabat LLP is serving as legal advisor for Astrana. Morgan Stanley & Co. LLC is serving as lead financial advisor to Prospect, and Sheppard, Mullin, Richter & Hampton LLP is serving as legal advisor to Prospect. Guggenheim Partners is also serving as a financial advisor to Prospect.

#### Conference Call and Webcast Information:

Astrana will host a conference call at 5:30 a.m. PT/8:30 a.m. ET today (Friday, November 8, 2024), during which management will discuss the details of the transaction. 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 (877) 858-9810  
International (Toll): +1 (201) 689-8517

The conference call can also be accessed via webcast at: <https://event.choruscall.com/mediaframe/webcast.html?webcastid=26JyTYKy>.

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 press 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](http://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.

#### 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 12,000 providers and over 1.1 million Americans 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](http://www.astranahealth.com).

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### **Forward Looking Statements**

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### **Pro Forma Measures**

This press release includes pro forma information that gives effect to the consummation of the acquisition. The combined company forward-looking financial data are for illustrative purposes only and should not be relied on as necessarily being indicative of future results. The assumptions and estimates underlying the combined company forward-looking financial data are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information, including those under “Forward Looking Statements” above. Combined company forward-looking financial data is inherently uncertain due to a number of factors outside of the Company’s or Prospect’s control. Accordingly, there can be no assurance that the prospective results are indicative of future performance of the combined company after completing the proposed acquisition or that actual results will not differ materially from those presented in the combined company forward-looking financial data. Inclusion of combined company forward-looking financial data in this press release should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved. Readers are cautioned not to place undue reliance on the pro forma combined company financial information.

### **Use of Non-GAAP Financial Measures**

This press release contains the non-GAAP financial measure Adjusted EBITDA, of which the most directly comparable financial measure presented in accordance with U.S. generally accepted accounting principles (“GAAP”) is net income. This measure is not in accordance with, or an alternative 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 its 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, and stock-based compensation.

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The Company believes the presentation of this non-GAAP financial measure 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, this non-GAAP financial measure is 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 Adjusted EBITDA differently, limiting the usefulness of this measure for comparative purposes. The Company has not provided a quantitative reconciliation of the projected adjusted EBITDA in 2024 for Prospect to the most comparable GAAP measure, net income, on a forward-looking basis within this press release 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.

### **FOR MORE INFORMATION, PLEASE CONTACT:**

Investor Relations

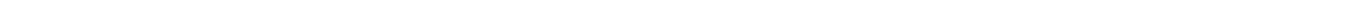
(626) 943-6491  
Asher Dewhurst, ICR Westwicke  
[investors@astranahealth.com](mailto:investors@astranahealth.com)

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.i. Astrana Health &  PROSPECT HEALTH

# Building the Nation's Premier, Patient-Centered Healthcare Platform

November 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, our ability to successfully complete and realize the benefits of anticipated acquisitions, including statements regarding the pending acquisition of certain businesses and assets (the "Transaction") of Prospect Medical Holdings, Inc. ("Prospect Health") and such businesses and assets, "Prospect"), which may not be completed in a timely manner, or at all, the debt financing for the Transaction and the Company's ability to decrease its net leverage in the future, 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 oral 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 10K 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.

This presentation may contain statistics and other data that in some cases has been obtained from or compiled from information made available by third-party service providers. The Company makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness or completeness of such information.

## 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. This presentation also contains the non-GAAP measure net leverage ratio. 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, and stock-based compensation. Net leverage ratio is calculated as the Company's net debt, calculated as total debt minus cash, divided by pro forma Adjusted EBITDA. The Company has included the net leverage ratio measure as this will be measured by the Company's lenders for compliance with the Company's debt financing in connection with the Transaction. Management believes that the net leverage ratio allows investors to have a meaningful understanding of the Company's compliance with its debt covenants.

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 and to evaluate compliance with debt financing. 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 and net leverage ratio 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 for Prospect and for the Company, and pro forma net leverage ratio for 2024 and in future years, 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.

## Prospect Health Financials and Pro Forma Measures

This presentation contains preliminary estimates of financial results of the businesses and assets of Prospect Health that the Company has agreed to acquire. Prospect's closing procedures for periods included in this presentation are not yet complete. These estimates are preliminary in nature, unaudited, based on currently available information and management estimates, and subject to further internal review by management and the completion of annual financial closing processes. Accordingly, actual results may be different from this preliminary information and any such changes may be material. Neither of the Company's nor Prospect's auditors have audited, reviewed, compiled or performed any procedures with respect to the accompanying financial information. Accordingly, the auditors do not express an opinion or any other form of assurance with respect thereto.

The presentation does not contain a comprehensive statement of Prospect's actual financial results or position. The actual results may differ materially from preliminary estimates. Accordingly, you should not place undue reliance upon the preliminary estimates. For example, during the course of closing the financial statements, or while preparing the historical consolidated financial statements, additional items that would require material adjustments to be made to the financial information presented may be identified, including items that would require adjustments that may be material to the results described in this presentation. There can be no assurance that these estimates will be realized, and estimates are subject to risks and uncertainties, many of which are not within or are outside of management's control. See "Forward-Looking Statements".

This presentation also includes pro forma financial information that gives effect to the consummation of the Transaction. Pro forma financial information included herein are presented for illustrative purposes only and are based upon available information that is preliminary in nature, as well as certain assumptions and estimates that we believe are reasonable. This pro forma financial information may not necessarily reflect what our results of operations and financial position would have been had the Transaction occurred during the periods presented herein or what our results of operations and financial position will be in the future. The pro forma financial information presented herein has not been prepared and presented in accordance with the requirements of Regulation S-X. Neither the Company's nor Prospect's auditors have studied, reviewed or performed any procedures with respect to the combined company forward-looking financial data for the purpose of inclusion in this presentation and, accordingly, neither have expressed an opinion or provided any form of assurance with respect thereto for the purpose of this presentation. These combined company forward-looking financial data are for illustrative purposes only and should not be relied on as necessarily being indicative of future results. The assumptions and estimates underlying the combined company forward-looking financial data are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information, including those under "Forward-Looking Statements" above. Combined company forward-looking financial data is inherently uncertain due to a number of factors outside of the Company's or Prospect Health's control. Accordingly, there can be no assurance that the prospective results are indicative of future performance of the combined company after completing the proposed Transaction or that actual results will not differ materially from those presented in the combined company forward-looking financial data. Inclusion of combined company forward-looking financial data in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved. Readers are cautioned not to place undue reliance on the pro forma combined company financial information.

## Acquisition Risks

Although certain information included in this presentation generally assumes consummation of the Transaction and we expect that the Transaction will result in benefits to the Company, we may be unable to consummate the Transaction on a timely basis or at all, and if the Transaction is consummated, we may not realize the anticipated benefits because of integration difficulties, increased debt and other challenges. The success of the Transaction will depend, in large part, on the ability of the combined company to realize the anticipated benefits from the Transaction. To realize these anticipated benefits, the businesses and assets must be successfully integrated. This integration will be complex and time consuming. The failure to integrate successfully and to manage successfully the challenges presented by the integration process may result in the combined company not fully achieving the anticipated benefits of the Transaction. These integration matters could have an adverse effect on each of us, Astrana Health and Prospect during this transition period and on the combined company for an undetermined period after the completion of the Transaction.



# Accelerating our healthcare transformation vision

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



✦ Astrana Health

1. Certain businesses and assets relating to Prospect Health System includes its California licensed health care service plan (Prospect Health Plan), medical groups in California, Texas, Arizona and Rhode Island (Prospect Medical Groups), management service organization (Prospect Medical Systems), pharmacy (RightRx), and Alta Newport Hospital dba Foothill Regional Medical Center, a fully accredited acute care hospital.

✦ Astrana Health's

pending acquisition of



(certain businesses and assets relating to Prospect Health System)

will bring together two **scaled organizations** empowering providers to drive:

- ✦ Access
- ✦ Quality
- ✦ Value

**for all patients in a payer-agnostic way**

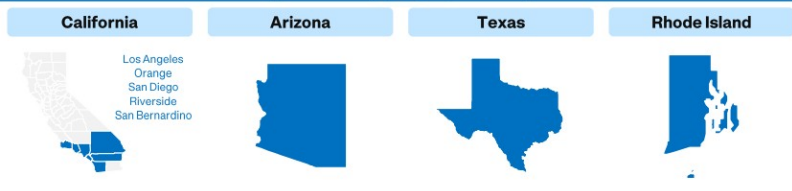
# Prospect is a payer-agnostic integrated care delivery system enabling coordinated, high-quality care



## Synergistic businesses and assets

<p><b>Care Partners</b></p> <p><b>Prospect Health Plan</b> California-licensed health care service plan</p> <p><b>Prospect Medical Groups</b> In CA, TX, AZ, and RI</p>	<p><b>Care Delivery</b></p> <p><b>Foothill Regional Medical Center<sup>1</sup></b> Acute care hospital</p> <p><b>RightRx</b> Pharmacy</p>	<p><b>Care Enablement</b></p> <p><b>Prospect Medical Systems</b> Management service organization</p>
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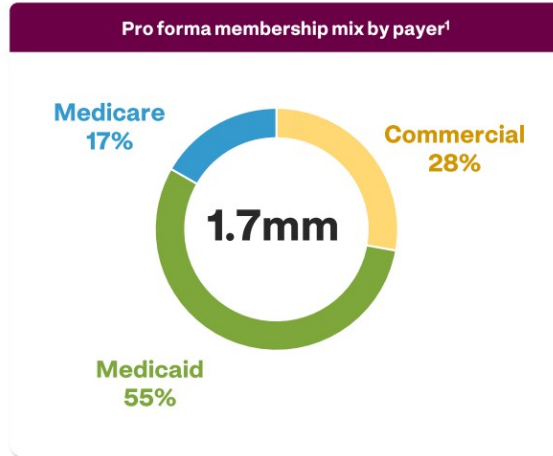
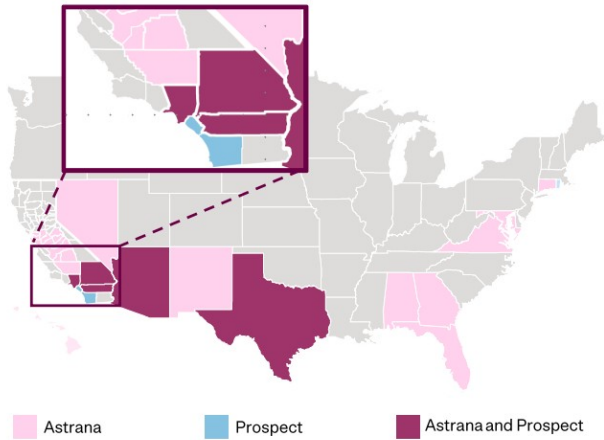
## Complementary geographic footprint



	<b>37 years</b> Operating history
	<b>4</b> States
	<b>610k</b> Members in value-based care arrangements
	<b>13k</b> Providers <sup>2</sup>
	<b>\$1.2bn</b> 2024E Revenue <sup>3</sup>
	<b>\$81mm</b> 2024E Adj. EBITDA <sup>3</sup>

Note: Financial and operating stats shown on page are approximations  
 1. Foothill Regional Medical Center ("FRMC") is a fully-accredited acute care hospital with 177 licensed beds  
 2. Includes ~3k Primary Care Physicians and ~10k Specialists  
 3. Management's estimate for the twelve months ending December 31, 2024

# Prospect's footprint is highly complementary to Astrana



# Together, Astrana and Prospect will drive patient-centered care for communities nationwide



## Complementary CA markets

Complementary networks that increase access, quality, and value for local communities



## Expansion into new markets

New markets are anticipated to extend Astrana's payer-agnostic integrated care delivery capabilities to more patients



## Continued risk progression

Total cost of care responsibility increases alignment through value-based arrangements for all lines of business



## Synergistic opportunities

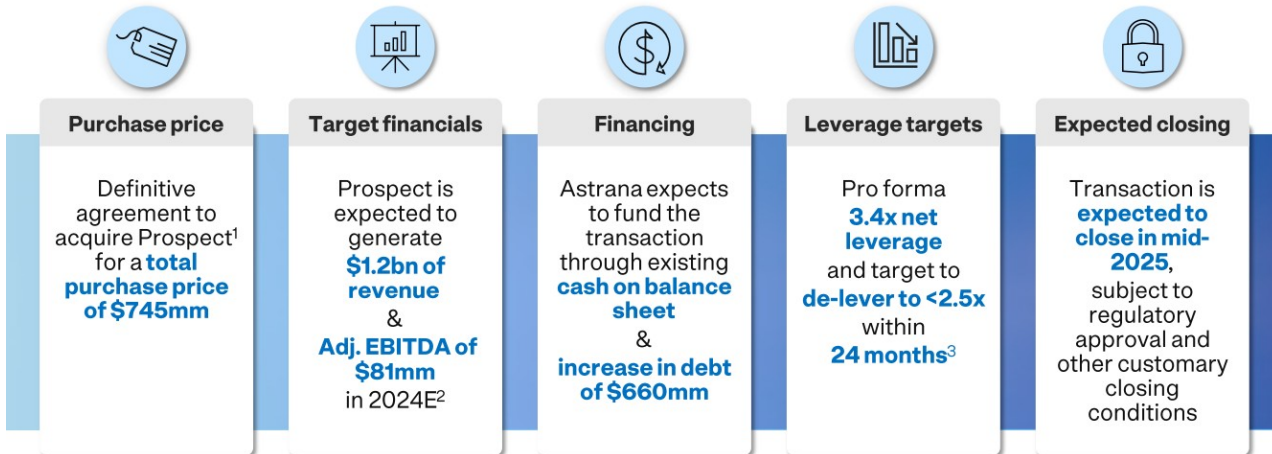
Astrana's proprietary tech and operational capabilities create potential for at least \$12mm in synergies by 2027E



## Accretive financially

Acquisition of Prospect is expected to be accretive to Astrana in the first full year post-transaction

# Transaction overview



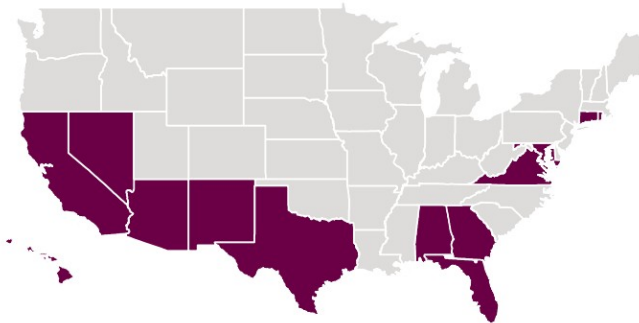
Note: Financial and leverages are approximate

1. Includes certain businesses and assets relating to Prospect Health System, including its California licensed health care service plan (Prospect Health Plan), medical groups in California, Texas, Arizona and Rhode Island (Prospect Medical Groups), management service organization (Prospect Medical Systems), pharmacy (RightRx), and Alta Newport Hospital dba Foothill Regional Medical Center
2. Management's estimate for the twelve months ending December 31, 2024
3. Based on management estimates of pro forma total net debt divided by pro forma total Adjusted EBITDA

# Building the premier, patient-centered healthcare platform for all

.+. Astrana Health

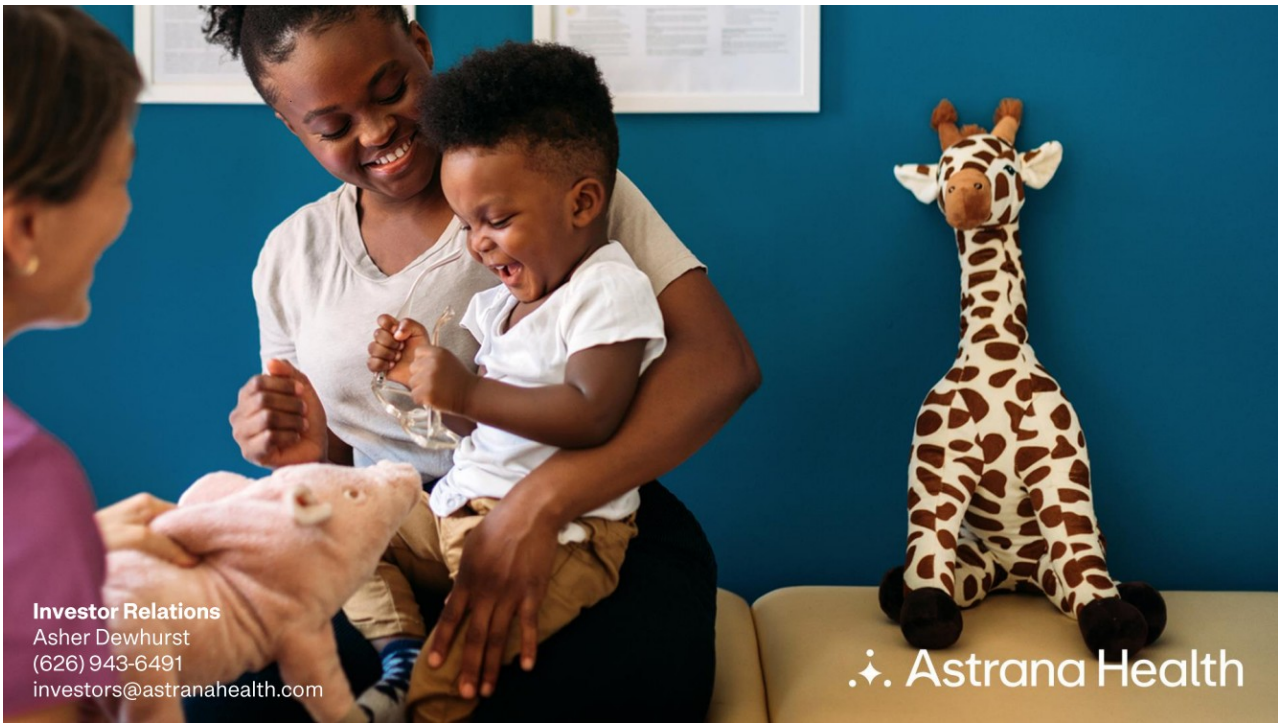
- 
**Growth**  
 Sustainably growing membership to bring better care to more Americans
- 
**Risk Progression**  
 Increasing alignment through total cost of care responsibility in value-based arrangements
- 
**Outcomes and Cost**  
 Achieving superior patient outcomes while managing cost
- 
**Operating Leverage**  
 Driving operating leverage across our business through our Care Enablement suite



				<b>13</b> States	<b>1.7mm</b> VBC Members <sup>1</sup>	<b>20k+</b> Providers	<b>~\$3.2bn</b> 2024E PF Revenue <sup>2</sup>	<b>~\$251mm</b> 2024E PF Adj. EBITDA <sup>2</sup>
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Note: Financial and leverages are approximate  
 1. Members in value-based care arrangements  
 2. Financials shown on page based on pro forma 2024E management estimates.



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