



Empowering Physicians  
**Transforming Healthcare**

Investor Presentation

August 2022

# Disclaimer

## Forward-Looking Statements

This presentation contains forward-looking statements that express the Company's opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results that include, but are not limited to: 2022 financial guidance and other projections and forecasts. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the Company's control) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in filings with the Securities and Exchange Commission ("SEC"), including those under "Risk Factors" therein. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Forward-looking statements speak only as of the date made. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

## Use of Non-GAAP Financial Information

In order to provide investors with greater insight, promote transparency and allow for a more comprehensive understanding of the information used by management in its financial and operational decision-making, the Company supplements its condensed consolidated financial statements presented on a GAAP basis herein with certain non-GAAP financial information, including: Care Margin; Platform Contribution; Platform Contribution margin; Adjusted EBITDA; Adjusted EBITDA margin; Adjusted Net Income; and Free Cash Flow. Reconciliations of these non-GAAP measures to their most directly comparable GAAP measures are included in the financial schedules in the Appendix of this presentation, as well as in the Company's quarterly financial press releases and related Form 8-K filings with the SEC. This information can be accessed for free by visiting [www.priviahealth.com](http://www.priviahealth.com) or [www.sec.gov](http://www.sec.gov).

Management has not reconciled forward-looking non-GAAP measures to its most directly comparable GAAP measure of Operating Income and Net Income. This is because the Company cannot predict with reasonable certainty and without unreasonable efforts the ultimate outcome of certain GAAP components of such reconciliations due to market-related assumptions that are not within our control as well as certain legal or advisory costs, tax costs or other costs that may arise. For these reasons, management is unable to assess the probable significance of the unavailable information, which could materially impact the amount of the future directly comparable GAAP measures.

# Privia Health: Investment Highlights



**Unique, Integrated  
Physician  
Alignment Model**



**Proven and Scalable for All  
Provider Types, Patients &  
Reimbursement Models**



**Multiple Drivers for  
Future Growth with  
a Large TAM**



**Proven, Diversified  
Value-based Platform  
Across Risk-bearing  
Spectrum**

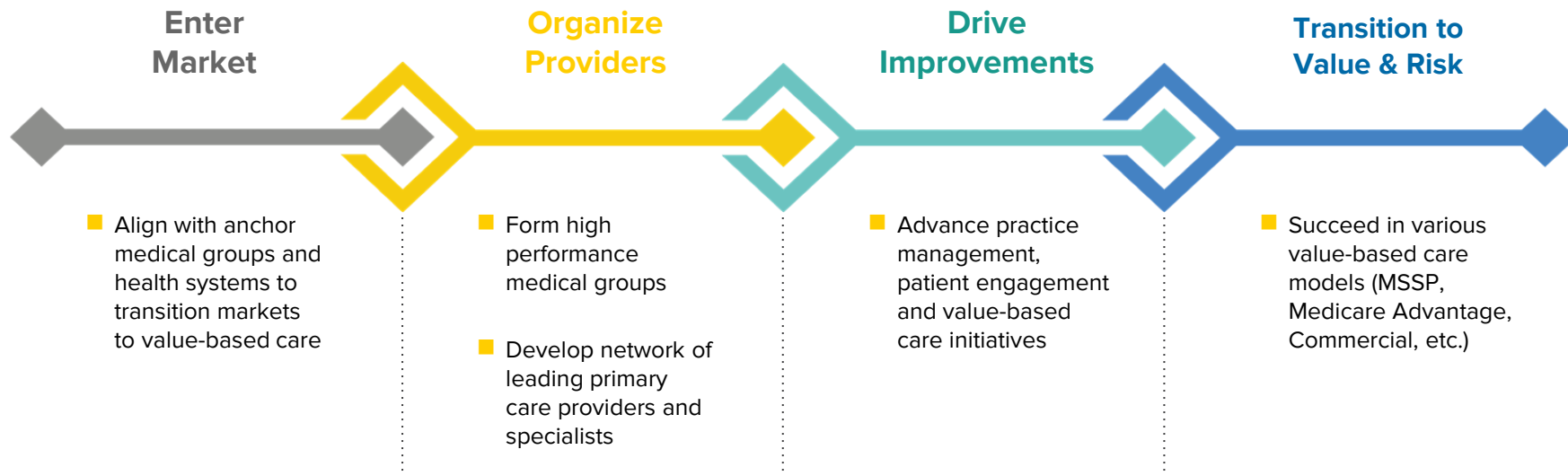


**Profitable,  
Capital-Efficient  
Profile**

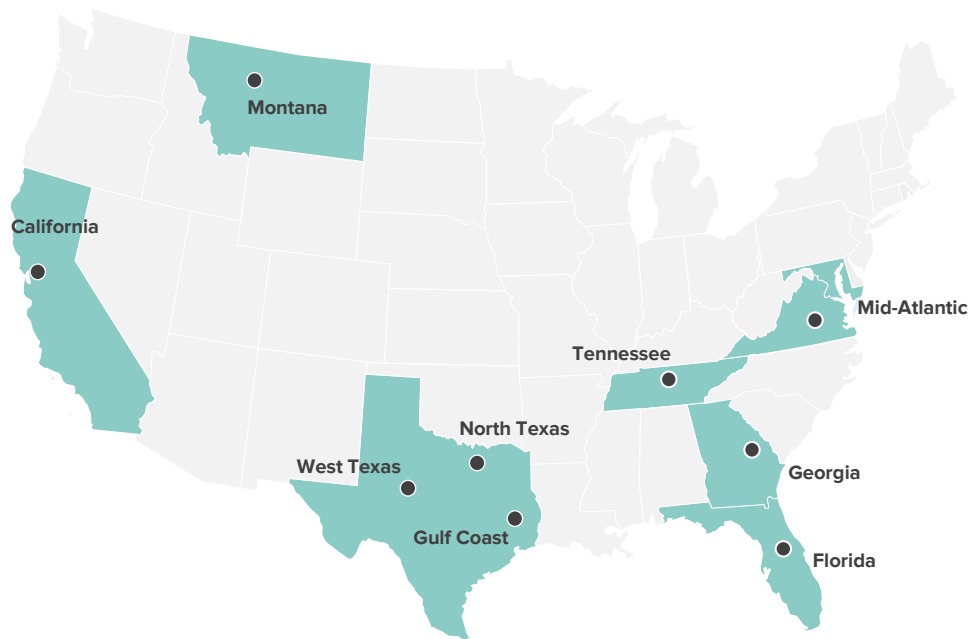


**Highly Experienced  
Executive and Physician  
Leadership Team**

# Moving Markets Toward Value-Based Care At Scale



# Leading Next Generation Physician Organization and Care Delivery Network



**8**  
States  
(Plus D.C.)

**890+**  
Care Center  
Locations

**3,541**  
Implemented  
Providers

**51**  
Specialties  
on Platform

**3.9M+**  
Patients

**856K**  
Attributed  
Lives

**95%**  
Provider  
Retention

**84**  
Patient  
NPS

**57**  
Provider  
NPS

# Building One of the Largest Primary Care-Centric Ambulatory Care Delivery Networks

## Privia Single Tax ID Medical Groups / Risk Bearing Entities

Independent Providers  
Hospital Employed / Affiliated Providers  
Other Facility Employed / Affiliated Providers  
Virtual Primary Care

## Privia ACO Only

Privia Care Partners

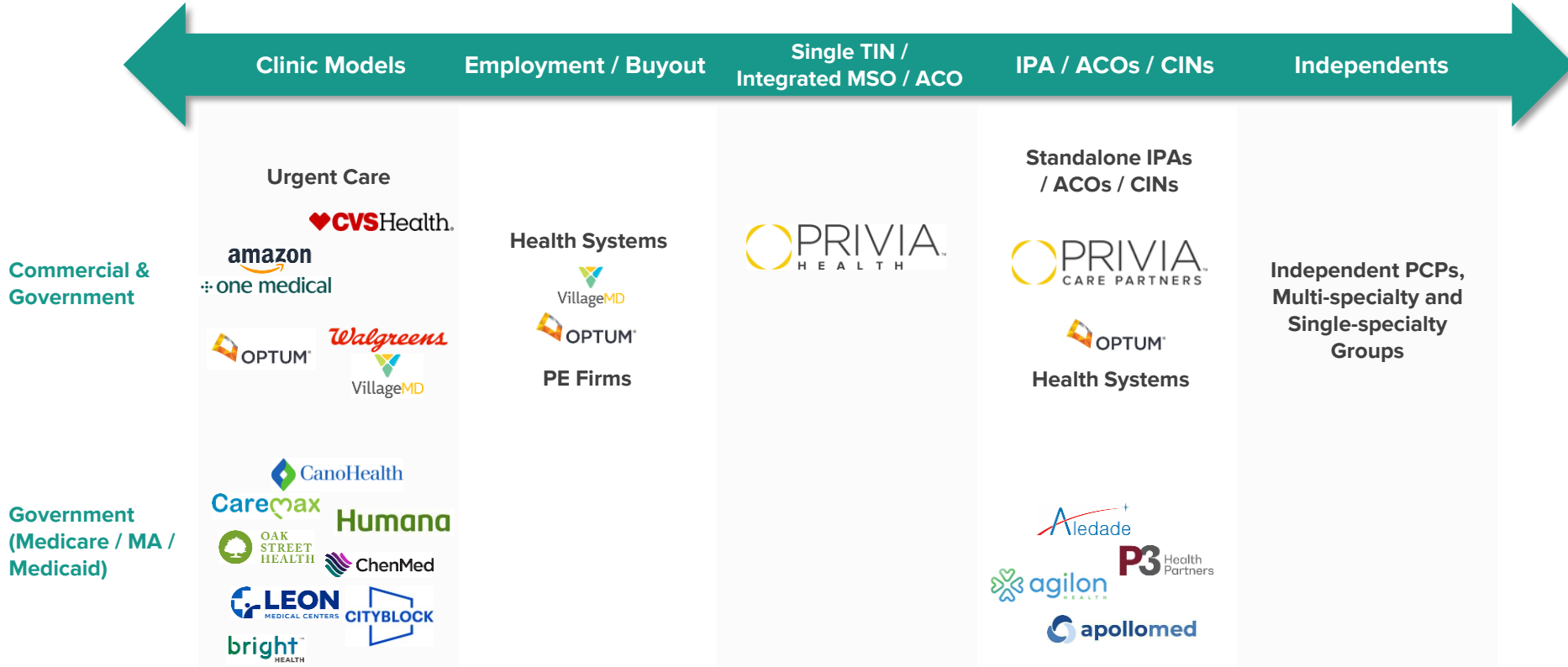
## Value-Added Platform Services (Owned / Partnership)

Clinical Research  
Lab  
Pharmacy  
Imaging  
ASCs

Tech-Enabled Clinical and Performance Operations Platform

Broad TAM across 50 states, all patients, all payers and all reimbursement models

# Physician Enablement Landscape



# Methodical Process Helps Providers Move Towards Value

1

## Practice Fundamentals

*Stabilize the practice to create a successful base*

- EHR & Patient Portal
- Revenue Cycle
- Payer Contracting
- Performance Mgmt
- Reporting

2

## Enhanced Experience

*Upgrade the patient experience*

- Practice Websites
- Online Scheduling
- Virtual Visits
- Patient Outreach
- Satisfaction Surveys

3

## Fundamentals of Value

*Execute on fundamentals of value-based care*

- Membership
- Quality
- Clinical Documentation
- POD Engagement
- Performance Reports

4

## Comprehensive Care

*Take greater responsibility for the totality of patient care*

- Expanded Access
- Care Coordination
- Network Management
- Clinical Programs
- Social Determinants

5

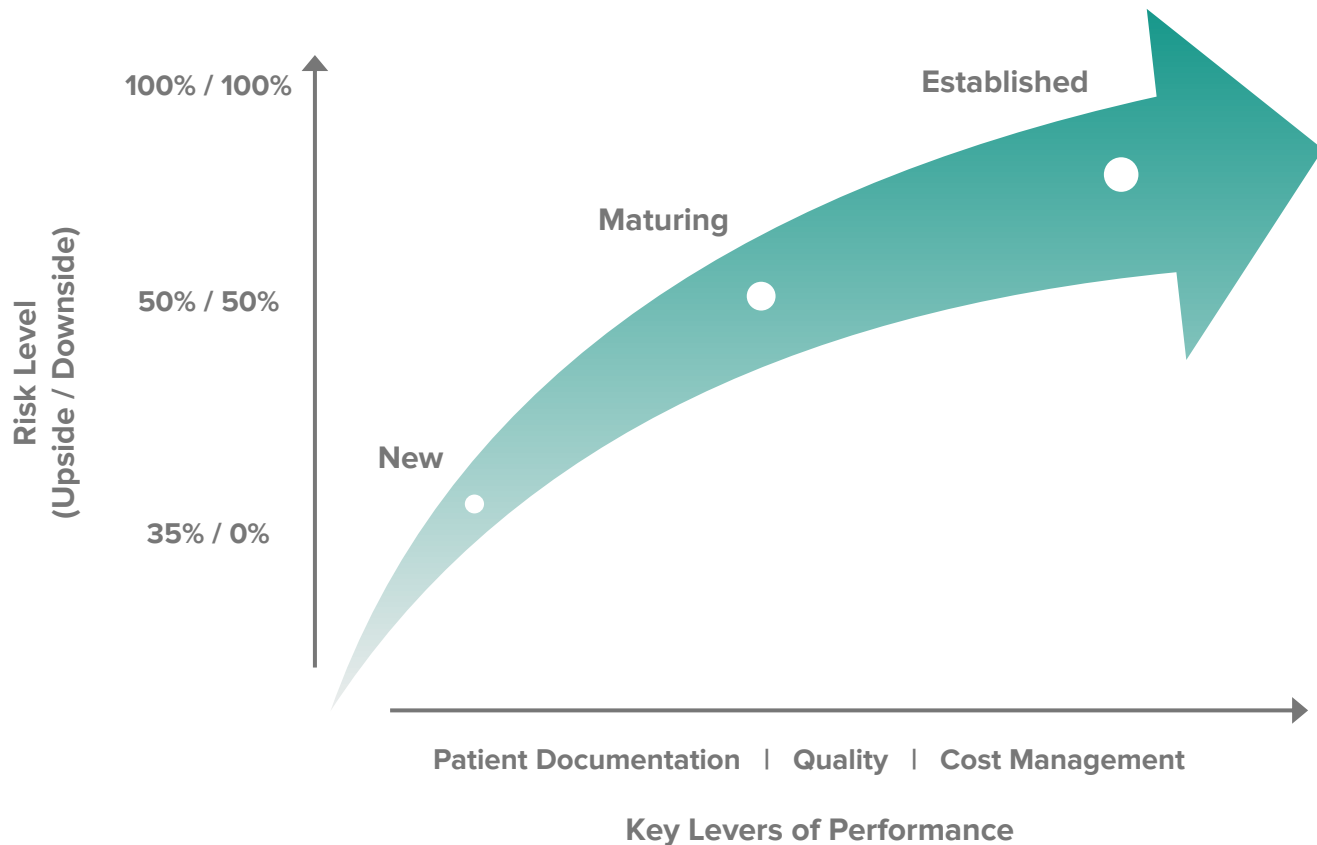
## Advanced Risk Model

*Redesign practice to succeed in mature value models*

- Capitation
- Risk Positioning
- Delegated Services
- Network Contracting
- Home Care



# Thoughtful Approach to Taking Risk in VBC Programs



# Privia Health's Value-Based Care Structure

## Value Based Contracts

Commercial, MSSP, MA,  
Medicaid

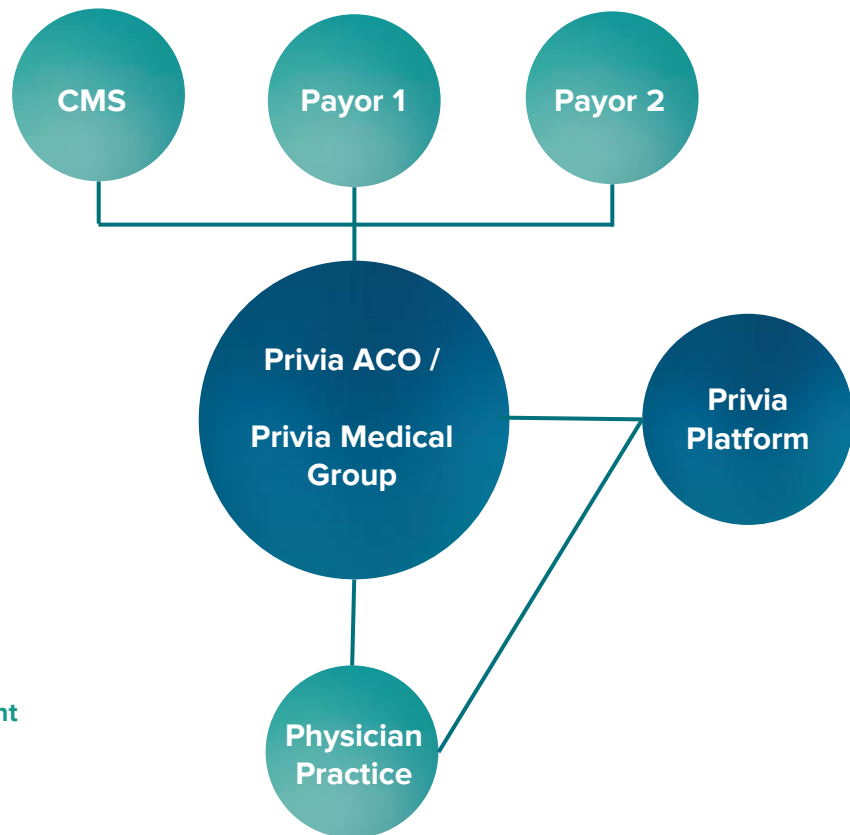
(PMPM / Shared Savings)

Risk Bearing Entity

Physician Governance

Professional Services Agreement

(Shared Savings Split)

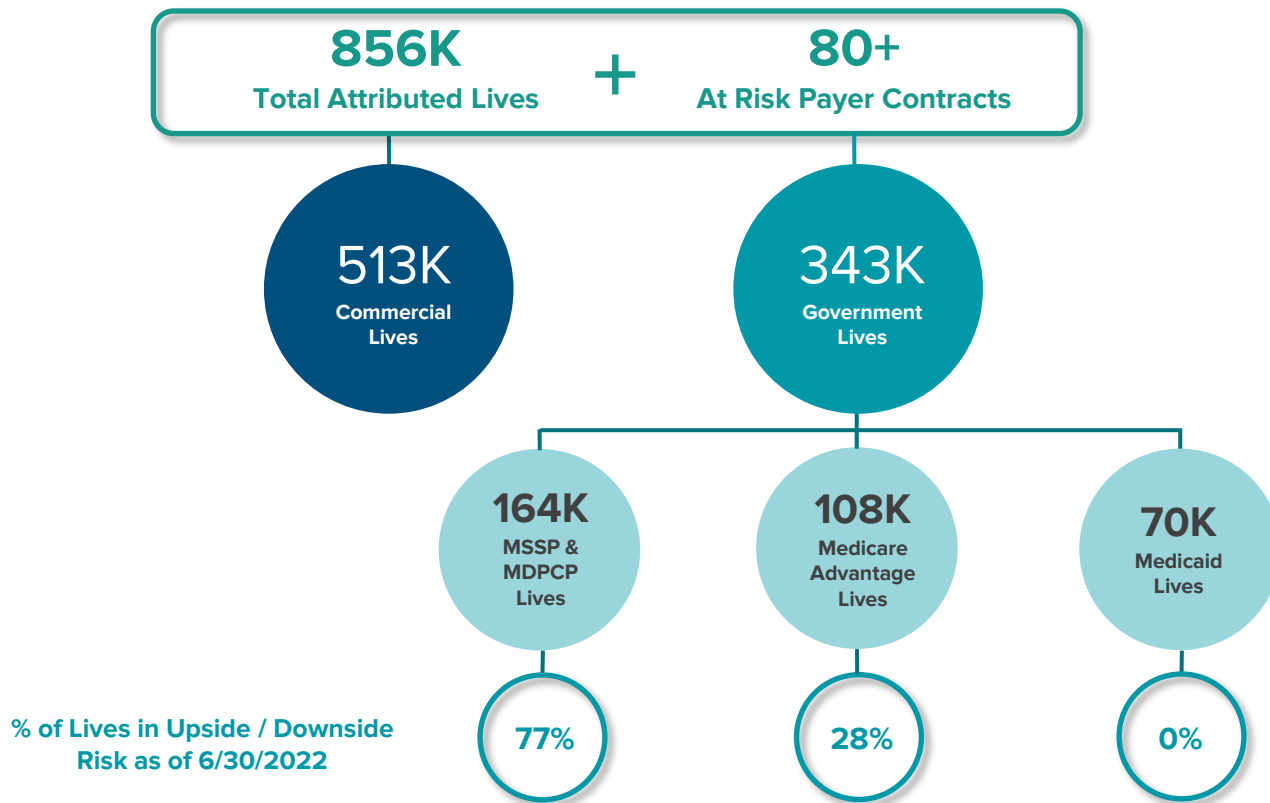


Technology Solution

Payor Contracting /  
Healthcare Economics

Clinical Operations & Programs

# Diversified Value-Based Platform Across Reimbursement Models <sup>1</sup>



<sup>1</sup>All data as of June 30, 2022.

# Value-Based Care Scale Not Reflected in Topline

## Illustrative Medical Spend Under Management

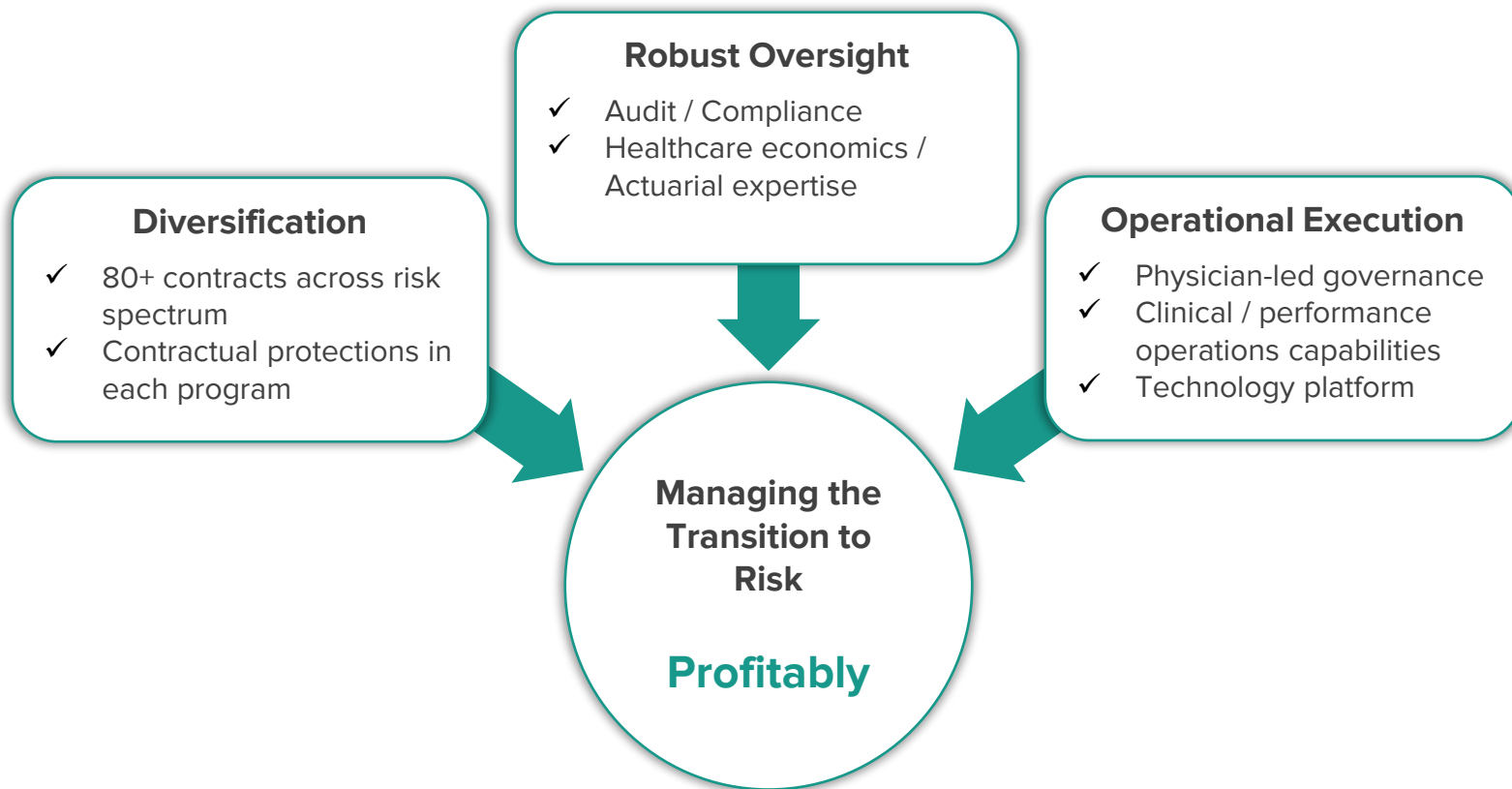
Program	Upside Only	Upside / Downside	Total
Illustrative Total Medical Spend	\$3.0	\$2.2	\$5.2
Illustrative Medical Spend Captured Today in Topline		\$0.3	
Illustrative Spend Not Recognized in Topline on Upside / Downside Risk Contracts		\$1.9	

***~\$1.9 Billion Topline Opportunity as Upside/Downside Risk Lives  
Move to Capitation/Full Risk Contracts Over Time***

All data are presented for illustrative purposes only and do not reflect actual economics in any payor contract or any historical or projected financial results of Privia Health. Calculations reflect typical industry economics in value-based care programs based on management's understanding of the industry. Actual terms and parameters can vary materially by contract, geography and payor program.

# Privia Has Extensive Experience in Managing Risk

“It’s Called Risk for a Reason”



# Privia Care Partners

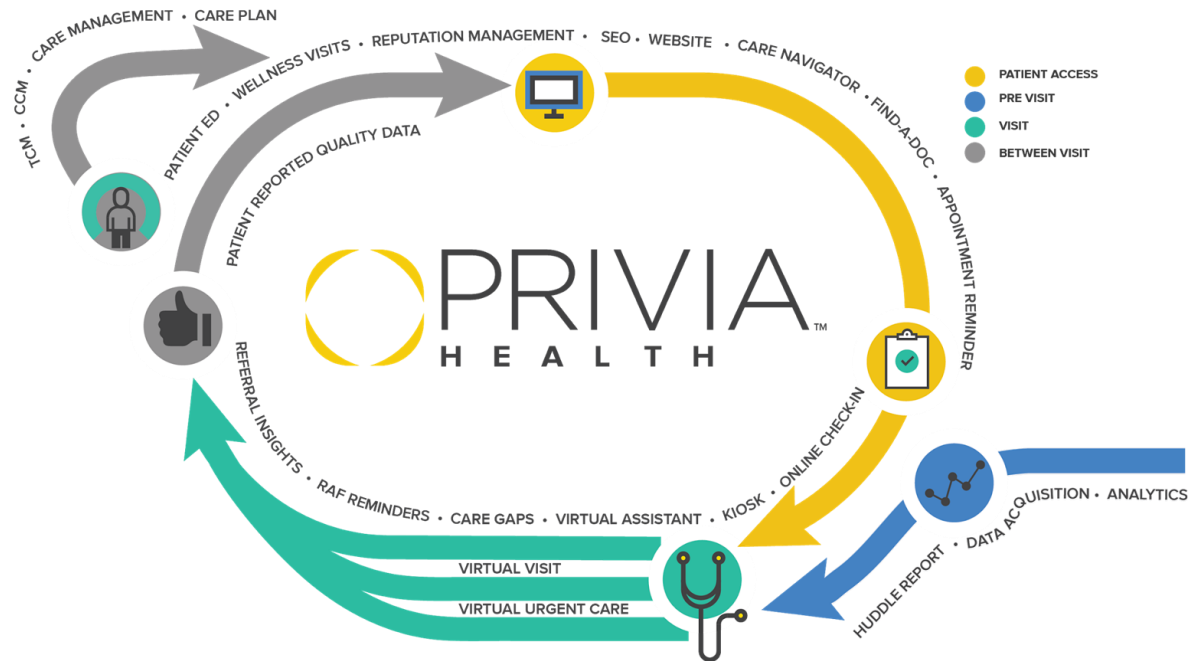
Launched 1/1/2022 with 25,000+ attributed lives in partnership with 300+ providers



- Broadens total addressable market and accelerates growth
- Exclusively focused across value-based programs (Commercial, MSSP and MA)
- Ability to remain on existing EHR
- Technology solution and clinical operations integration to perform in VBC arrangements
- Similar economic model to existing Privia value-based programs

	(Medical Group) (FFS & VBC)	(Care Partners) (VBC Only)
Health Systems/ Employed Providers	✓	✓
Independent Providers	✓	✓
CINs		✓
ACOs		✓
IPAs		✓

# Proprietary, End-to-End Tech Solution Enables Providers to Practice More Efficiently and Focus on Patient Care



Proprietary end-to-end, cloud-based technology solution enabling scalable operations across providers and multiple markets



Enhances workflows in both fee-for-service and value-based care settings across the continuum of care in 200+ payer contracts



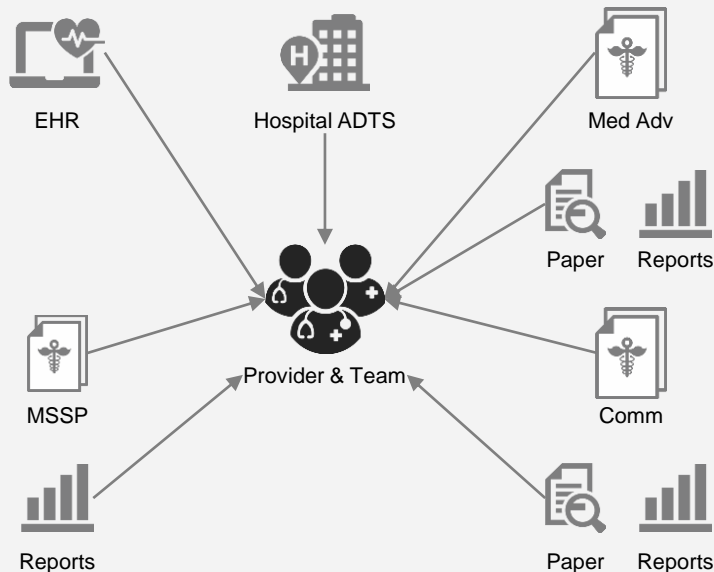
Increases patient engagement across all stages, including pre-visit preparation, live / virtual visit, and post-visit follow up

We provide physicians with a comprehensive and differentiated technology solution that eliminates the need to buy and integrate more than 30 point solutions

# The Privia Technology Solution Creates an Integrated Experience for Providers and Patients

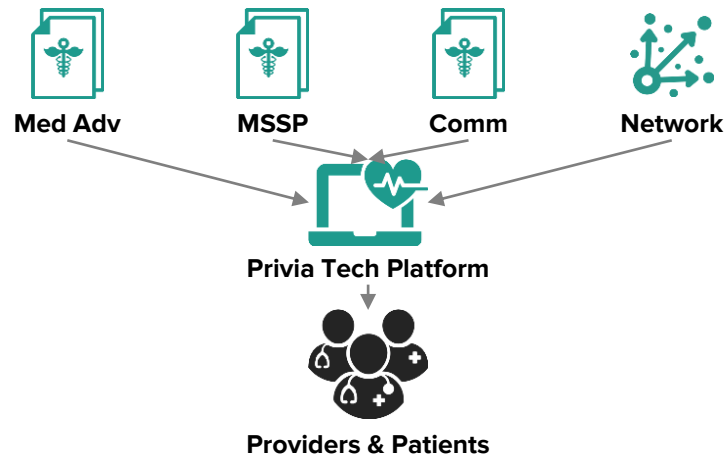
## Old Way

Confusion and disorganization as a result of an onslaught of information from disparate sources



## The Privia Way

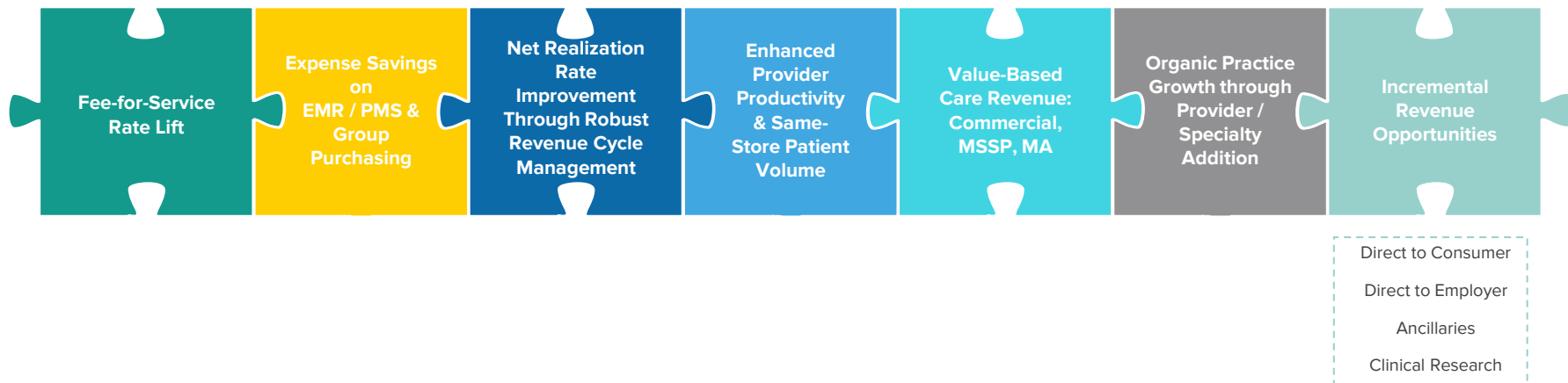
Privia manages complexity to create a unified workflow and experience for providers, staff, and patients



The Privia solution acquires data from across the healthcare ecosystem for a single view of the patient



# Delivering Demonstrable Value to Our Providers



# Positioned to Monetize Our Platform and Drive Growth



# 2021 Business Highlights

## *New Market Entries*

- California and West Texas in 4Q'21 and Montana in 1Q'22 driving accelerated topline growth

## *New & Expanding ACOs*

- **Launched 3 new ACOs** with 4 existing ACOs in **MSSP Enhanced Track** (upside & downside risk)
- Mid-Atlantic ACO achieved the highest savings rate of top 100 largest ACOs in the country
- Seven ACOs include **1,900+ providers** caring for **168,000+ Medicare beneficiaries** effective 1.1.22

## *Thoughtfully Moving to Upside / Downside Risk Arrangements*

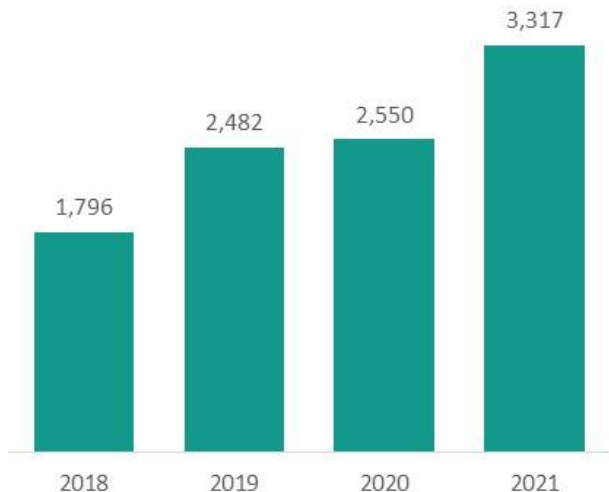
- **Capitated arrangements** covering **~23,000 MA beneficiaries** effective 1.1.22
- Proven results with **80+ Value-Based Care contracts** across the risk spectrum

## *Financial Strength and Momentum*

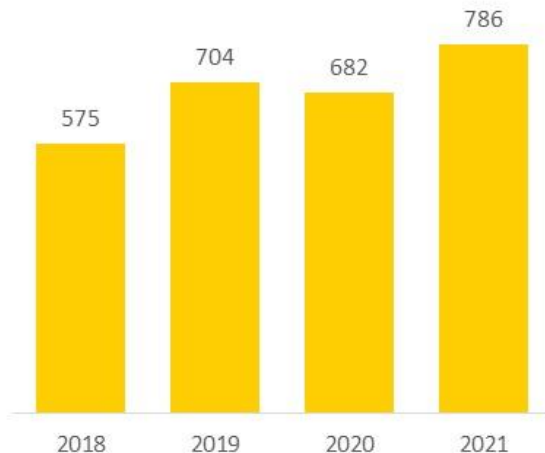
- **Exceptional operating execution** with FY 2021 financial results above high end of guidance
  - ✓ FY 2021 **Adjusted EBITDA +40.9%** and **Free cash flow +41.6% Y-Y**

# The Privia Platform is Scaling Rapidly

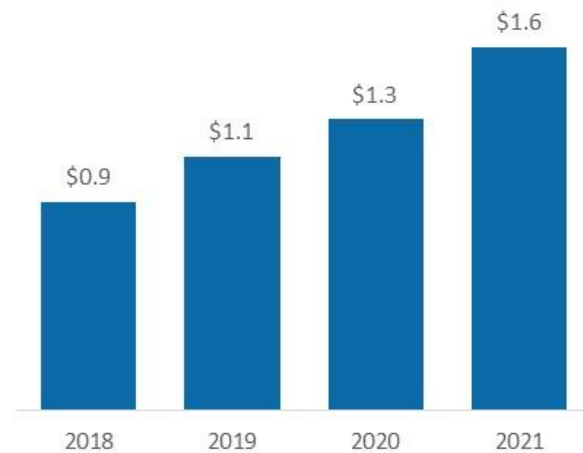
Implemented Providers  
(Year End)



Attributed Lives  
(Year End; 000)

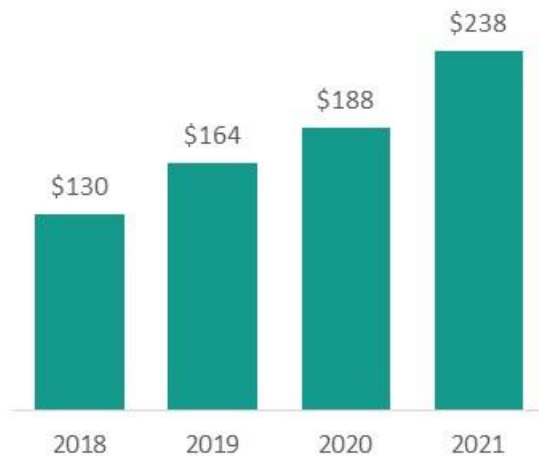


Practice Collections  
(\$bn)

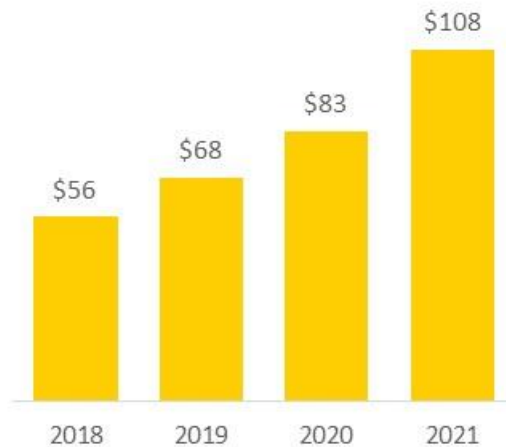


# Improving Margins Over Time

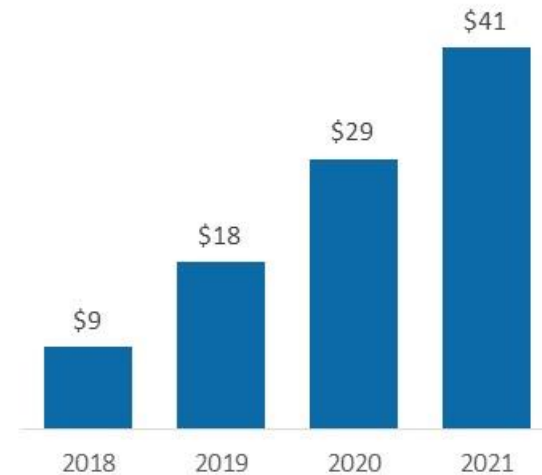
Care Margin  
(\$mm)



Platform Contribution  
(\$mm)



Adjusted EBITDA  
(\$mm)



% Practice Collections

6%      6%      6%      7%

% Care Margin

44%      42%      44%      45%

1%

2%

2%

3%

7%

11%

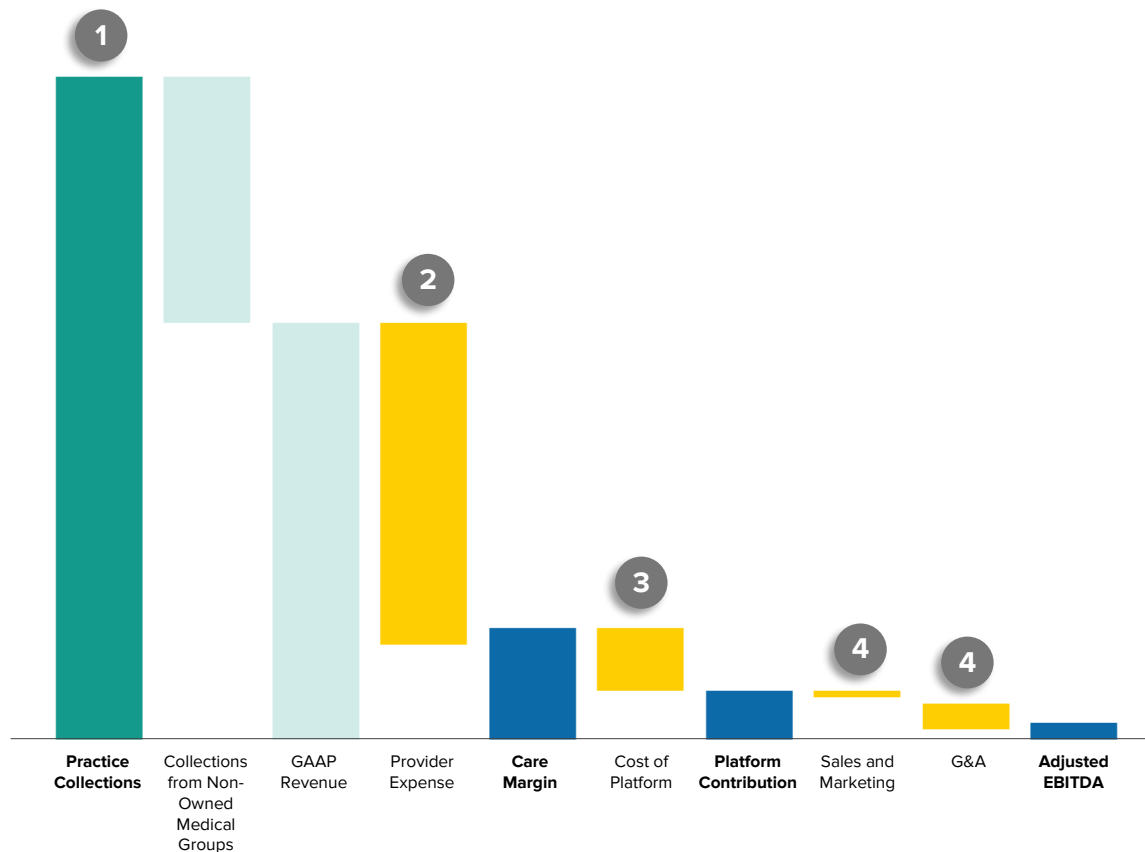
16%

17%



# APPENDIX

# Privia Health: Economic Model <sup>1</sup>



**1 Practice Collections:** FFS collections and VBC payments (care management PMPMs and shared savings) across all markets and all payer contracts

**2 Provider Expense:**

- a. Medical costs
- b. Physician and provider payments
- c. Provider share of surplus in VBC contracts
- d. Cost to build and operate care center locations

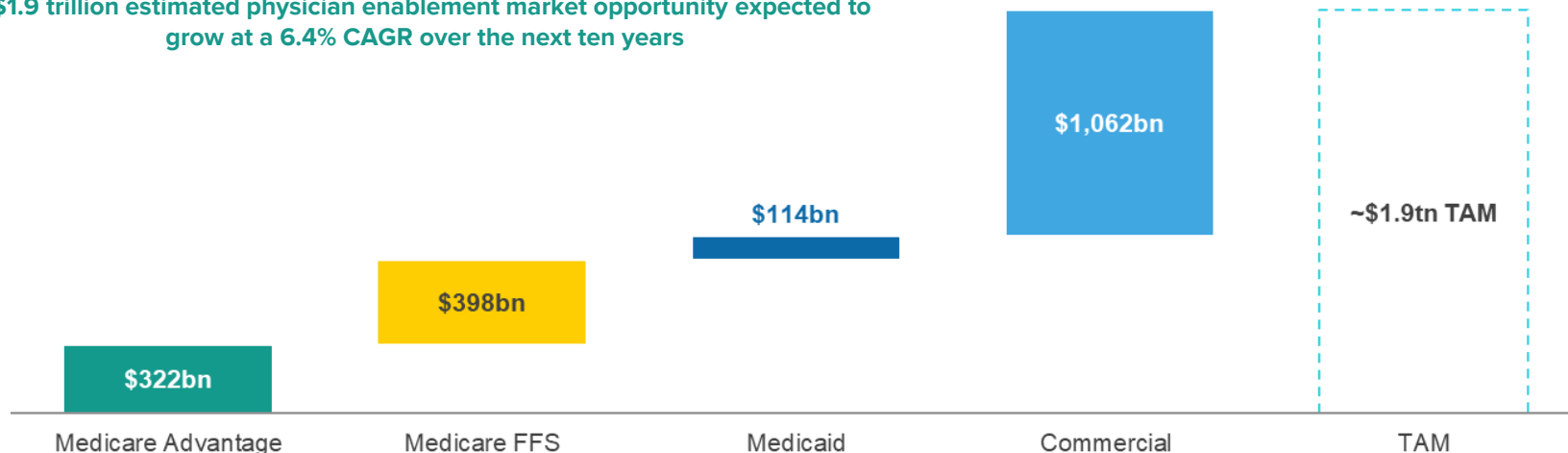
**3 Cost of Platform:** Privia direct operating costs to support all FFS and VBC operations

**4 Sales and Marketing, G&A:** Sales and marketing, technology platform development and corporate G&A costs

# Significant Whitespace Exists Across Our End Markets

The Privia Solution Addresses a Large Market Ripe for Disruption With Significant Opportunity for Further Growth

~\$1.9 trillion estimated physician enablement market opportunity expected to grow at a 6.4% CAGR over the next ten years



✓ Privia succeeds across reimbursement environments and payment models

✓ Privia can expand & scale across multiple, diverse markets

Privia has 3,541 implemented providers out of over 1 million total active providers in the U.S.



# MSSP Results Demonstrate Success in Downside Risk

- **121,000+** Medicare beneficiaries across ACOs in 4 markets
- **97% or greater quality score** in all ACOs
- Mid-Atlantic ACO:
  - **69K lives in Enhanced Track with downside risk**
  - **Highest savings rate (9.4%)** of top 100 largest ACOs in the country

MSSP 2020 Performance <sup>1</sup>	vs. Median MSSP ACO	vs. Total FFS Medicare
Total annual average expenditures	↓ 15%	↓ 24%
Emergency room utilization	↓ 22%	↓ 30%
Hospital observation stays	↓ 22%	↓ 27%
Outpatient facility spend	↓ 22%	↓ 35%
Inpatient facility spend	↓ 20%	↓ 29%

**67% of total MSSP lives in downside risk tracks at 9/30/21 versus 0% in 2019**

# Managing \$1.1 Billion in Medical Spend in MSSP

Only Privia's Share of Savings is Recognized in Revenue Today

2020 MSSP Results	All Privia MSSP ACOs	
2020 MSSP Lives	121,292	
Per Capita Benchmark (PMPY)	\$9,359	
Benchmark Spend (\$mm)	\$1,135	Illustrative practice collections / GAAP revenue under conversion of MSSP lives to capitated arrangement
Savings Rate	7.7%	
Gross Shared Savings (\$mm)	\$87	
Privia ACO Share (\$mm)	\$56	Currently recognized in practice collections and GAAP revenue

Current revenue recognition understates Privia Health's VBC scale, performance and capability

# Case Study: Driving Performance for Physician Group “A” Partnership<sup>1</sup>

■ Physician group A joined Privia in 2014 with several objectives in mind:

- Increase participation and improve performance in value based care programs;
- Implement a new provider compensation model;
- Hire new providers to offset retirement and attrition;
- Expand specialty capabilities including sports medicine, allergy and urgent care; and
- Improve branding

## Overview

## Key Takeaways

Since 2014, Privia has helped to drive...

**~90%**

Increase in practice collections  
(from \$5.8mm to \$11mm)

**35%**

Increase in provider base  
(from 17 to 23 providers)

**>50%**

Increase in annual patient visit volume

**~20%**

Increase in per provider patient volume

**22%**

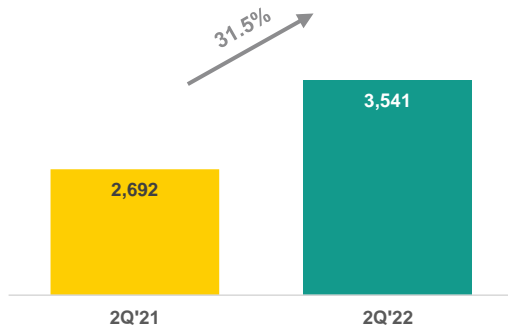
Improvement in days accounts receivable

**0.8**

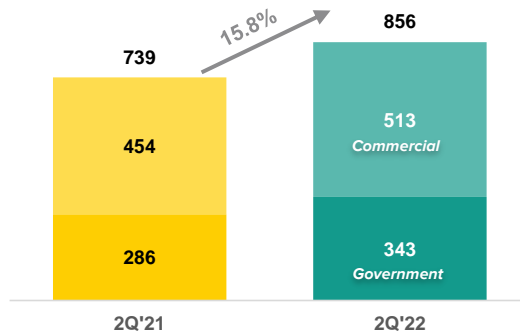
Improvement in online reputation rating  
(from 3.2 to 4.0 stars)

# 2Q'22 Performance

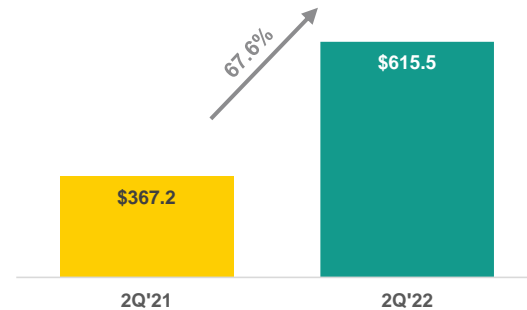
Implemented Providers (as of end of period)



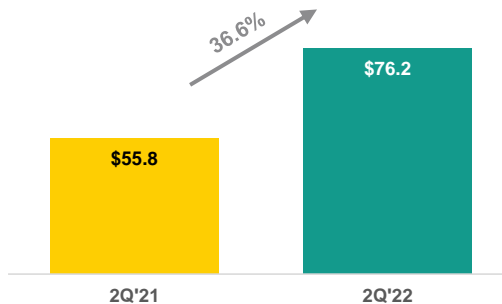
Attributed Lives ('000s, as of end of period)<sup>1</sup>



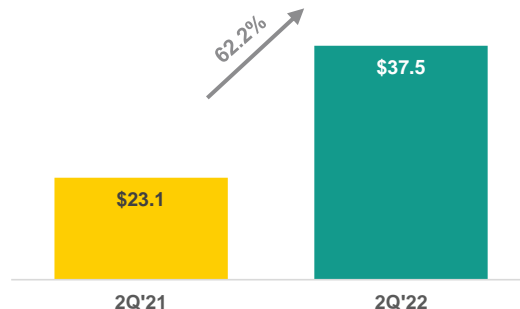
Practice Collections (\$mm)



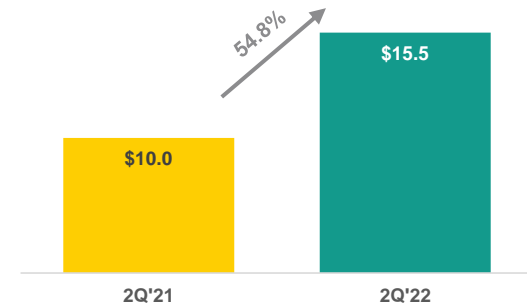
Care Margin (\$mm)



Platform Contribution (\$mm)



Adjusted EBITDA (\$mm)



% Practice Collections 6.3%  
% Care Margin 41.4%

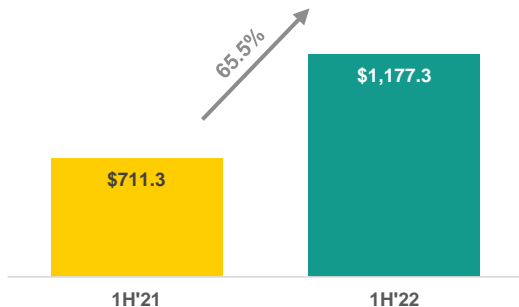
2Q'22 6.1%  
49.2%

% Practice Collections 2.7%  
2.5%  
% Care Margin 18.0%  
20.4%

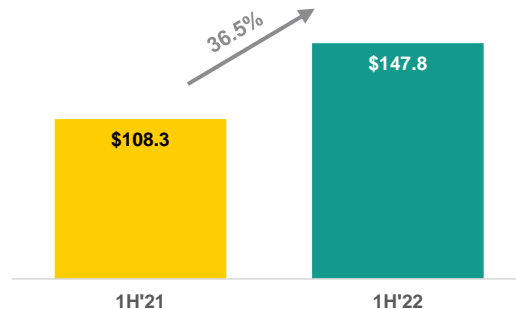
<sup>1</sup> Solid bar represents government lives and shaded bar represents commercial lives. Note: Any slight variations in percentage calculations due to rounding. For reconciliations of Care Margin to Operating Income, Platform Contribution to Operating Income, and Adjusted EBITDA to Net Income, please see the Appendix.

# 1H'22 Performance

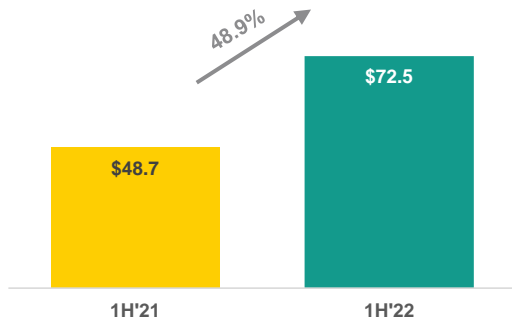
Practice Collections (\$mm)



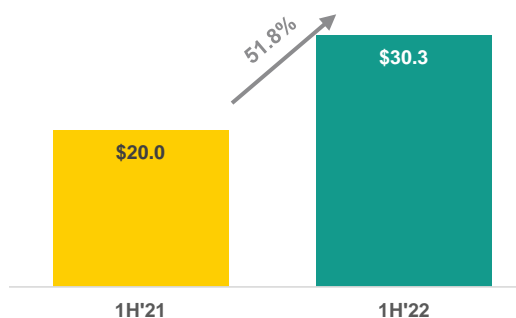
Care Margin (\$mm)



Platform Contribution (\$mm)



Adjusted EBITDA (\$mm)



% Practice Collections	6.8%	6.2%
% Care Margin	44.9%	49.0%

% Practice Collections	2.8%	2.6%
% Care Margin	18.4%	20.5%

Note: Any slight variations in percentage calculations due to rounding. For reconciliations of Care Margin to Operating Income, Platform Contribution to Operating Income, and Adjusted EBITDA to Net Income, please see the Appendix.

# Capital Resources Update

- Repaid \$33.1M term loan in June 2022 with cash on hand
- Annual cash interest expense savings of ~\$1M
- \$65M revolving loan facility remains in place, available and undrawn as of 6.30.22

<i>(In millions)</i>	<b>At 6.30.22</b>	<b>At 12.31.21</b>
Cash and cash equivalents	<b>\$ 292.2</b>	\$ 320.6
Less: Notes payable (including current portion) and debt issuance costs	<u>--</u>	<u>33.3</u>
Net cash position, total	<b><u>\$ 292.2</u></b>	<b><u>\$ 287.3</u></b>

# Reconciliation of Operating Loss to Care Margin <sup>a 1</sup>

(unaudited; \$ in thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Operating loss	\$ (5,250)	\$ (193,187)	\$ (16,797)	\$ (185,280)
Depreciation and amortization	1,165	440	2,283	885
General and administrative	33,107	168,657	69,217	182,653
Sales and marketing	4,819	11,178	9,480	14,362
Cost of platform	42,384	68,731	83,656	95,693
Care margin	<u>\$ 76,225</u>	<u>\$ 55,819</u>	<u>\$ 147,839</u>	<u>\$ 108,313</u>

<sup>(a)</sup> Any slight variations in totals are due to rounding.

(1) Care Margin is total revenue less the sum of physician and practice expense.

# Reconciliation of Operating Loss to Platform Contribution <sup>a 2</sup>

(unaudited; \$ in thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Operating loss	\$ (5,250)	\$ (193,187)	\$ (16,797)	\$ (185,280)
Depreciation and amortization	1,165	440	2,283	885
General and administrative	33,107	168,657	69,217	182,653
Sales and marketing	4,819	11,178	9,480	14,362
Stock-based compensation <sup>(5)</sup>	3,664	36,040	8,287	36,040
Platform contribution	<u>\$ 37,505</u>	<u>\$ 23,128</u>	<u>\$ 72,470</u>	<u>\$ 48,660</u>

<sup>(a)</sup> Slight variations in totals are due to rounding.

<sup>(2)</sup> Platform Contribution is total revenue less the sum of physician and practice expense and cost of platform.

<sup>(5)</sup> Amount represents stock-based compensation expense included in Cost of Platform.



# Reconciliation of Net Loss to Adjusted EBITDA <sup>a 3</sup>

(unaudited; \$ in thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	\$ (10,475)	\$ (172,534)	\$ (27,985)	\$ (167,136)
Stock-based compensation	18,470	202,560	43,351	202,661
Intangible amortization expense	856	160	1,668	320
Provision for (benefit from) income tax	5,468	(20,004)	11,776	(18,004)
Other expenses	1,149	223	1,498	1,717
Adjusted net income attributable to Privia Health Group, Inc.	<u>\$ 15,468</u>	<u>\$ 10,405</u>	<u>\$ 30,308</u>	<u>\$ 19,558</u>
Adjusted net income per share attributable to Privia Health Group, Inc. stockholders – basic	<u>\$ 0.14</u>	<u>\$ 0.10</u>	<u>\$ 0.28</u>	<u>\$ 0.20</u>
Adjusted net income per share attributable to Privia Health Group, Inc. stockholders – diluted	<u>\$ 0.13</u>	<u>\$ 0.09</u>	<u>\$ 0.25</u>	<u>\$ 0.17</u>
Weighted average common shares outstanding – basic	<u>108,685,835</u>	<u>102,739,033</u>	<u>108,374,181</u>	<u>99,381,053</u>
Weighted average common shares outstanding – diluted	<u>122,549,934</u>	<u>115,727,026</u>	<u>121,942,820</u>	<u>112,505,977</u>

(a) Any slight variations in totals due to rounding.

(3) Adjusted EBITDA is net income (loss) attributable to Privia Health Group, Inc. shareholders and subsidiaries excluding minority interests, provision (benefit) for income taxes, interest income, interest expense, depreciation and amortization, stock-based compensation, severance charges and other non-recurring expenses.

Note: Other expenses include certain non-cash or non-recurring costs.

# Reconciliation of Net Loss to Adjusted Net Income Per Share <sup>a</sup>

(unaudited; \$ in thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
Net loss	\$ (10,475)	\$ (172,534)	\$ (27,985)	\$ (167,136)
Stock-based compensation	18,470	202,560	43,351	202,661
Intangible amortization expense	856	160	1,668	320
Provision for (benefit from) income tax	5,468	(20,004)	11,776	(18,004)
Other expenses	1,149	223	1,498	1,717
Adjusted net income attributable to Privia Health Group, Inc.	<u>\$ 15,468</u>	<u>\$ 10,405</u>	<u>\$ 30,308</u>	<u>\$ 19,558</u>
Adjusted net income per share attributable to Privia Health Group, Inc. stockholders – basic	<u>\$ 0.14</u>	<u>\$ 0.10</u>	<u>\$ 0.28</u>	<u>\$ 0.20</u>
Adjusted net income per share attributable to Privia Health Group, Inc. stockholders – diluted	<u>\$ 0.13</u>	<u>\$ 0.09</u>	<u>\$ 0.25</u>	<u>\$ 0.17</u>
Weighted average common shares outstanding – basic	<u>108,685,835</u>	<u>102,739,033</u>	<u>108,374,181</u>	<u>99,381,053</u>
Weighted average common shares outstanding – diluted	<u>122,549,934</u>	<u>115,727,026</u>	<u>121,942,820</u>	<u>112,505,977</u>

<sup>(a)</sup> Any slight variations in totals due to rounding.



**Thank You**

**PriviaHealth.com**

**Contact:**

Robert P. Borchert  
SVP, Investor & Corporate Communications  
robert.borchert@priviahealth.com  
Phone: 817.783.4841

