

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 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): January 13, 2025

Privia Health Group, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of incorporation or organization)

**950 N. Glebe Rd.,
Suite 700
Arlington, Virginia**
(Address of Principal Executive Offices)

001-40365
(Commission
File No.)

(571) 366-8850
Registrant's telephone number, including area code

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

81-3599420
(I.R.S. Employer Identification No.)

22203
(Zip Code)

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:

| <u>Title of each class</u> | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|--|--------------------------|--|
| Common Stock, \$0.01 par value per share | PRVA | The Nasdaq Global Select Market |

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.

We are furnishing this Current Report on Form 8-K to furnish materials that will be provided at meetings with institutional investors or analysts. The materials are attached as Exhibit 99.1 to this Current Report on Form 8-K, are incorporated into this Item 7.01 by reference and are available on our investor relations website at ir.priviahealth.com. This information may be amended or updated at any time and from time to time through another Current Report on Form 8-K, a later company filing, or other means.

The information in this Current Report on Form 8-K (including the exhibit) is furnished pursuant to Item 7.01 and shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. This Current Report on Form 8-K will not be deemed an admission as to the materiality of any information in the Report that is required to be disclosed solely by Regulation FD.

We do not have, and expressly disclaim, any obligation to release publicly any updates or any changes in our expectations or any change in events, conditions, or circumstances on which any forward-looking statement is based.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibit:

| Exhibit No. | Description |
|--------------------|---|
| 99.1 | Privia Health Group, Inc. Investor Presentation Slides - January 2025 |
| 104 | Cover Page Interactive Data File (formatted as Inline XBRL) |

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.

Date: January 13, 2025

PRIVIA HEALTH GROUP, INC.

By: /s/ David Mountcastle

Name: David Mountcastle

Title: Executive Vice President, Chief Financial Officer and Authorized Officer



J.P. Morgan 2025
Healthcare Conference

Investor
Presentation

January 2025





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: 2024 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; Free Cash Flow and Net Cash Position. 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 or www.sec.gov.

Management has not reconciled forward-looking non-GAAP measures to its most directly comparable GAAP measure of Gross Profit, Operating Income, Net Income, and Net cash provided by operating activities. 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.



Building One of the Largest Primary Care Centric Delivery Networks

14 States Plus D.C.

50+ Specialties

1,170+ Care Center Locations

5.1M+ Patients

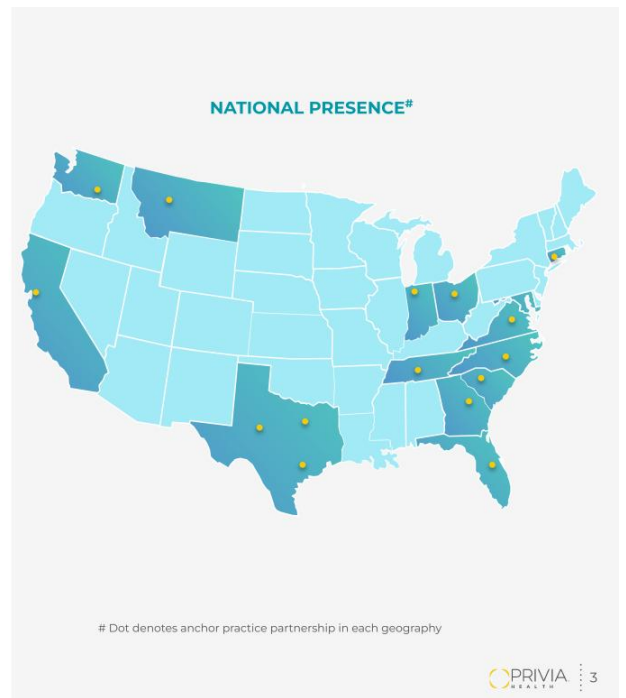
1.2M+ Attributed Lives*

4,642 Implemented Providers**

98% Gross Provider Retention***

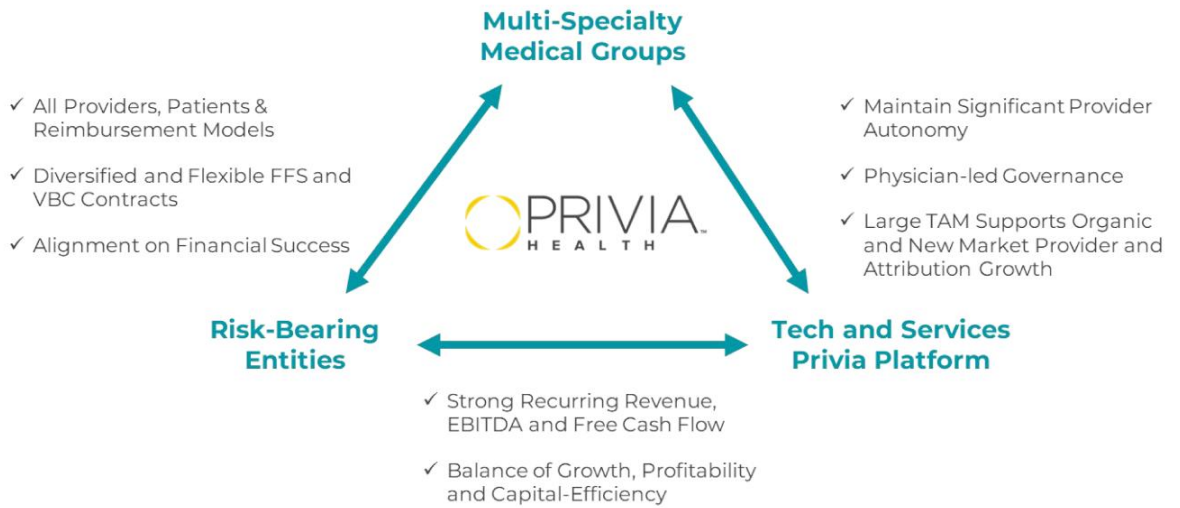
85 Patient NPS

*Includes Privia Care Partners' lives | **Excludes Privia Care Partners' providers
*** Average Over the Last 3 years



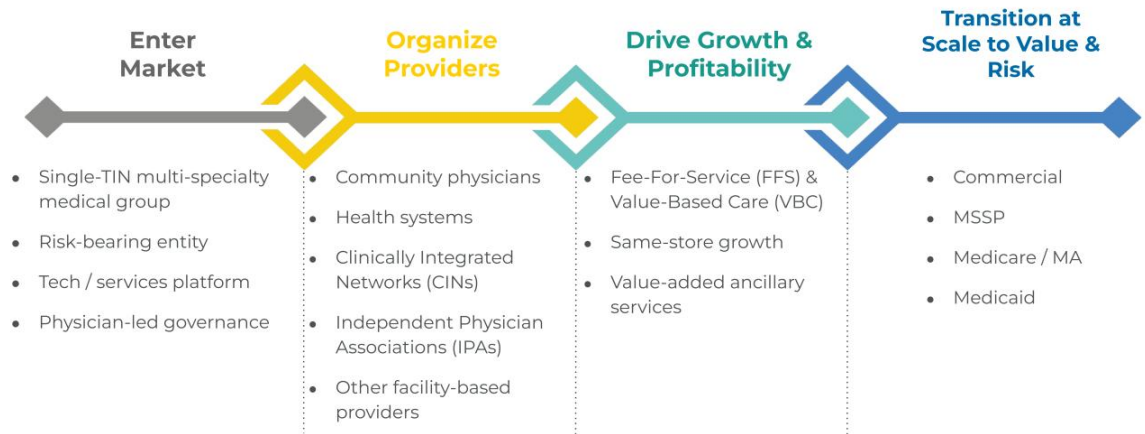


Proven, Full Solution Physician Alignment Model





Consistent, Replicable Strategy Across all Geographies





Delivering Tangible Value to Providers and Payers



Value to Providers

- Enhanced fee-for-service contracts
- Expense savings
- Collections improvement through robust revenue cycle management
- Enhanced provider productivity
- Incremental value-based care revenue
- Organic same store practice growth



Value to Payers

- Large community-based, multi-specialty care delivery networks
- Ability to perform across the spectrum of value-based care models “at-scale”
- Flexible value-based care strategy by geography as demographics evolve over time
- Multi-year strategy to help community providers succeed while maintaining significant autonomy
- Generating significant savings across populations: Commercial, Medicare, and Medicaid



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

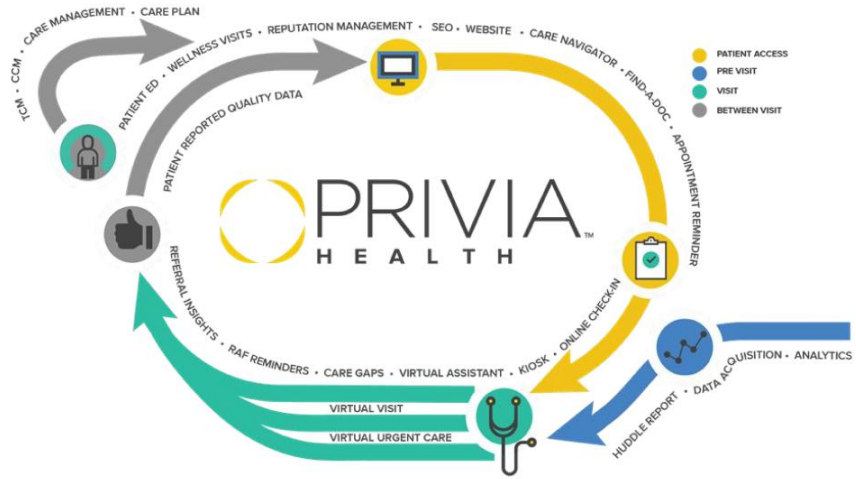
Redesign practice to succeed in mature value models

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



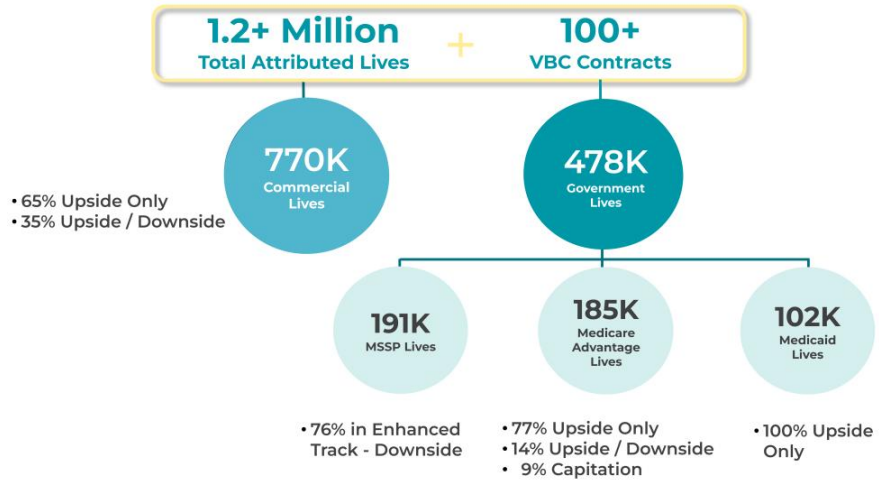
Comprehensive Tech and Services Platform for All Providers

Holistic solution eliminates need for providers to buy & integrate 30+ point solutions



Significantly reduces administrative burden on providers, enabling them to focus on patient care

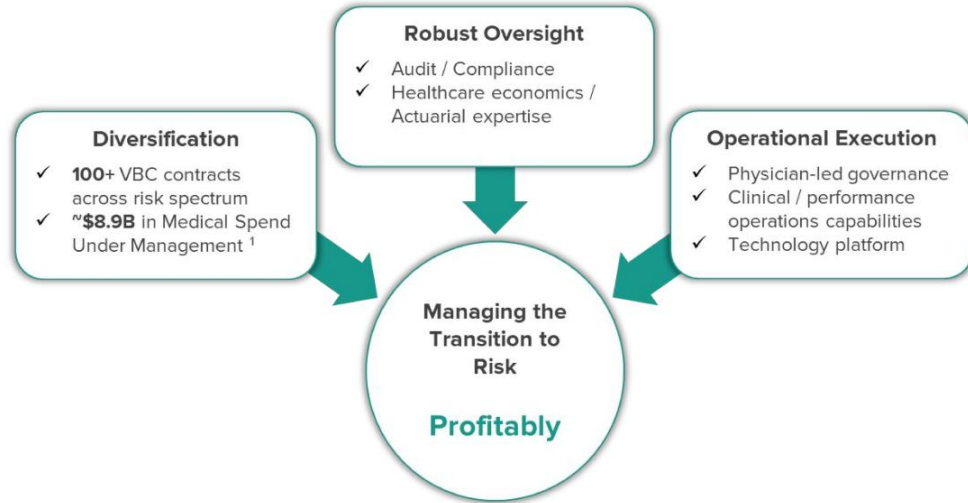
Diversified Value-Based Platform ¹





Extensive Experience in Managing Risk

"It's Called Risk for a Reason"

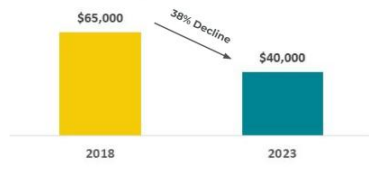


¹All data estimated as of January 1, 2024. For illustrative purposes only.

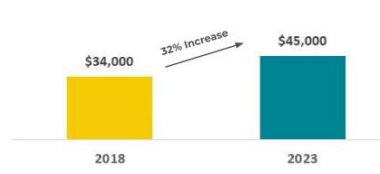


Proven Unit Economics at Scale

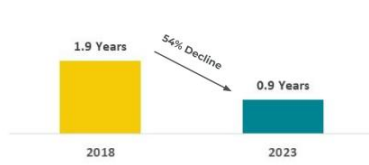
Customer Acquisition Cost Per Provider



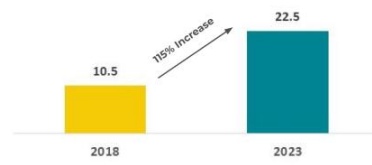
Platform Contribution Per Provider



Payback Period



Lifetime Value / CAC





Consistent Growth & Performance Across Cycles

| | PRE-COVID | | COVID | | POST-COVID | | MA HEADWINDS | CAGR |
|--|-----------|---------|---------|---------|------------|---------|---------------------------------------|--------------|
| | 2018A | 2019A | 2020A | 2021A | 2022A | 2023A | 2024 Guidance (High End) ¹ | |
| Number of States (Year End) | 4 | 5 | 6 | 7 | 9 | 13 | 14 | 23.2% |
| Implemented Providers (Year End) | 1,796 | 2,482 | 2,550 | 3,317 | 3,606 | 4,305 | 4,750 | 17.6% |
| Attributed Lives ('000s, Year End) | 575 | 704 | 682 | 786 | 856 | 1,120 | 1,247 | 13.8% |
| Practice Collections (\$mm) | \$930 | \$1,136 | \$1,301 | \$1,626 | \$2,424 | \$2,839 | \$2,875 | 20.7% |
| Care Margin (\$mm) | \$130 | \$164 | \$188 | \$238 | \$306 | \$359 | \$400 | 20.7% |
| Adjusted EBITDA (\$mm) | \$9 | \$18 | \$29 | \$41 | \$61 | \$72 | \$90 | 47.0% |
| Adj. EBITDA (as a % of Care Margin) | 6.9% | 11.1% | 15.7% | 17.4% | 19.9% | 20.1% | 22.5% | |
| Free Cash Flow (FCF, \$mm) ² | \$5 | \$19 | \$39 | \$55 | \$47 | \$81 | \$81 | |
| Adj. EBITDA-FCF Conversion | 56% | 103% | 131% | 132% | 77% | 112% | ~90% | |

¹ Attributed Lives at September 30, 2024. Updated year-end 2024 guidance assumes above the high end of initial guidance range for Attributed Lives.
² Free Cash Flow is defined as Net cash provided by operating activities less capital expenditures (Purchases of property and equipment).



Strong Balance Sheet and Capital Position

- \$473.5M in pro forma net cash and no debt as of 9.30.24
- YTD pro forma Free Cash Flow of \$87.0M¹

| <i>(In millions)</i> | At 9.30.24² | At 12.31.23 |
|---|-------------------------------|--------------------|
| Cash and cash equivalents | \$422.0 | \$389.5 |
| Net cash received: MSSP shared savings less provider distribution | <u>51.5</u> | <u>--</u> |
| Net cash position ² | <u>\$473.5</u> | <u>\$389.5</u> |

¹ YTD pro forma Free Cash Flow is defined as Net cash provided by operating activities less capital expenditures (Purchases of property and equipment), plus Net cash received from the Medicare Shared Savings Program (MSSP) shared savings less provider distribution.

² 9.30.24 net cash position adjusted to reflect cash of approximately \$117.4 million received in the fourth quarter of 2024 from the Centers for Medicare and Medicaid Services (CMS) less approximately \$65.5 million to be dispersed to providers after expenses. The cash to be received from CMS is payment for Privia Health's portion of the shared savings generated in the 2023 performance year of the MSSP.



FY'24 Guidance Reaffirmed: January 13, 2025 ¹

- Practice Collections guidance includes Y-Y impact of ~\$198M from renegotiated MA capitation agreements
- Expect ~90% of FY'24 Adjusted EBITDA to convert to Free Cash Flow ¹

| (\$ in millions) | Initial FY'24 Guidance at 2.27.24 | | Current FY'24 Guidance |
|-----------------------|-----------------------------------|-----------|------------------------|
| | Low | High | |
| Implemented Providers | 4,650 | 4,750 | High End |
| Attributed Lives | 1,150,000 | 1,200,000 | Above High End |
| Practice Collections | \$ 2,775 | \$ 2,875 | High End |
| GAAP Revenue | \$ 1,600 | \$ 1,675 | High End |
| Care Margin | \$ 388 | \$ 400 | High End |
| Platform Contribution | \$ 180 | \$ 188 | High End |
| Adjusted EBITDA | \$ 85 | \$ 90 | High End |

¹ Any slight variations in percentages are due to rounding. Management has not reconciled forward-looking non-GAAP measures to their most directly comparable GAAP measures 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. Free Cash Flow is defined as Net cash provided by operating activities less capital expenditures (Purchases of property and equipment).



Appendix

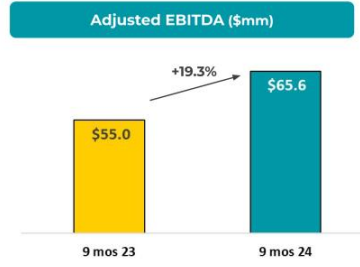
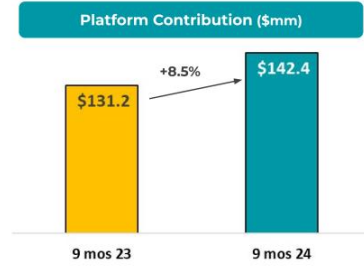
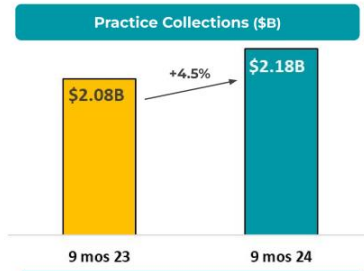
3Q'24 Performance ¹



| | | | | | |
|------------------------|-------|-------|------------------------|-------|-------|
| % Practice Collections | 6.2% | 6.8% | % Practice Collections | 2.6% | 3.2% |
| % Care Margin | 49.1% | 49.6% | % Care Margin | 20.4% | 23.3% |

¹Light blue bar represents government lives and dark blue bar represents commercial lives. Any slight variations in calculations due to rounding. For reconciliations of Care Margin to Gross Profit, Platform Contribution to Gross Profit, and Adjusted EBITDA to Net Income, please see the Appendix.

YTD'24 Performance ¹



| | | |
|------------------------|-------|-------|
| % Practice Collections | 6.3% | 6.5% |
| % Care Margin | 49.0% | 48.1% |

| | | |
|------------------------|-------|-------|
| % Practice Collections | 2.6% | 3.0% |
| % Care Margin | 20.5% | 22.1% |

¹ Any slight variations in calculations due to rounding. For reconciliations of Care Margin to Gross Profit, Platform Contribution to Gross Profit, and Adjusted EBITDA to Net Income, please see the following slides.



Reconciliation of Gross Profit to Care Margin ¹

| (unaudited; \$ in thousands) | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|-----------------------------------|---|------------|--|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| Revenue | \$ 437,921 | \$ 417,282 | \$ 1,275,490 | \$ 1,216,909 |
| Provider expense | (336,501) | (325,222) | (979,373) | (949,195) |
| Amortization of intangible assets | (1,506) | (1,434) | (4,560) | (3,883) |
| Gross Profit | \$ 99,914 | \$ 90,626 | \$ 291,557 | \$ 263,831 |
| Amortization of intangible assets | 1,506 | 1,434 | 4,560 | 3,883 |
| Care margin | \$ 101,420 | \$ 92,060 | \$ 296,117 | \$ 267,714 |

¹⁾ Any slight variations in totals are due to rounding.



Reconciliation of Gross Profit to Platform Contribution ^m

| (unaudited; \$ in thousands) | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|------------------|--|-------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Revenue | \$ 437,921 | \$ 417,282 | \$ 1,275,490 | \$ 1,216,909 |
| Provider expense | (336,501) | (325,222) | (979,373) | (949,195) |
| Amortization of intangible assets | (1,506) | (1,434) | (4,560) | (3,883) |
| Gross Profit | \$ 99,914 | \$ 90,626 | \$ 291,557 | \$ 263,831 |
| Amortization of intangible assets | 1,506 | 1,434 | 4,560 | 3,883 |
| Cost of platform | (56,068) | (50,324) | (167,231) | (145,254) |
| Stock-based compensation ⁽⁵⁾ | 4,905 | 3,445 | 13,502 | 8,739 |
| Platform Contribution | <u>\$ 50,257</u> | <u>\$ 45,181</u> | <u>\$ 142,388</u> | <u>\$ 131,199</u> |

^(m) Any slight variations in totals are due to rounding.

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



Reconciliation of Net Income to Adjusted EBITDA ⁿ

| (unaudited; \$ in thousands) | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|---|---|------------------|--|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | \$ 3,535 | \$ 5,643 | \$ 9,986 | \$ 20,241 |
| Net income (loss) attributable to non-controlling interests | 443 | 299 | 1,691 | (1,537) |
| Provision for income taxes | 3,999 | 2,488 | 8,171 | 6,049 |
| Interest income, net | (2,164) | (2,894) | (8,114) | (5,524) |
| Depreciation and amortization | 1,797 | 1,731 | 5,436 | 4,761 |
| Stock-based compensation | 15,106 | 10,801 | 41,401 | 25,429 |
| Other expenses ⁽⁶⁾ | 908 | 706 | 6,997 | 5,531 |
| Adjusted EBITDA | <u>\$ 23,624</u> | <u>\$ 18,774</u> | <u>\$ 65,568</u> | <u>\$ 54,950</u> |

⁽⁶⁾ Any slight variations in totals are due to rounding.

⁽⁶⁾ Other expenses include employer taxes on equity vesting/exercises, severance and certain non-recurring costs.



Reconciliation of Net Income to Adjusted Net Income Per Share ^o

| (unaudited; \$ in thousands) | For the Three Months Ended September 30, | | For the Nine Months Ended September 30, | |
|--|---|--------------------|--|--------------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | \$ 3,535 | \$ 5,643 | \$ 9,986 | \$ 20,241 |
| Stock-based compensation | 15,106 | 10,801 | 41,401 | 25,429 |
| Intangible amortization expense | 1,506 | 1,434 | 4,560 | 3,883 |
| Provision for income taxes | 3,999 | 2,488 | 8,171 | 6,049 |
| Other expenses ⁽⁷⁾ | 908 | 706 | 6,997 | 5,531 |
| Adjusted net income | <u>\$ 25,054</u> | <u>\$ 21,072</u> | <u>\$ 71,115</u> | <u>\$ 61,133</u> |
| Adjusted net income per share attributable to Privia Health Group, Inc. stockholders – basic | <u>\$ 0.21</u> | <u>\$ 0.18</u> | <u>\$ 0.60</u> | <u>\$ 0.53</u> |
| Adjusted net income per share attributable to Privia Health Group, Inc. stockholders – diluted | <u>\$ 0.20</u> | <u>\$ 0.17</u> | <u>\$ 0.57</u> | <u>\$ 0.49</u> |
| Weighted average common shares outstanding – basic | <u>119,658,574</u> | <u>117,602,059</u> | <u>119,156,368</u> | <u>116,266,938</u> |
| Weighted average common shares outstanding – diluted | <u>125,751,006</u> | <u>124,924,442</u> | <u>125,457,540</u> | <u>124,646,849</u> |

⁽⁶⁾ Any slight variations in totals due to rounding.

⁽⁷⁾ Other expenses include employer taxes on equity vesting/exercises, severance and certain non-recurring costs.

