

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.

For the quarterly period ended June 30, 2026
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to
Commission file number 001-40332

agilon health, inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

37-1915147
(I.R.S. Employer
Identification No.)

440 Polaris Parkway, Suite 550
Westerville, Ohio 43082
(Address of principal executive offices)
(562) 256-3800

(Registrant’s telephone number, including area code)
(Former name, former address and former fiscal year, if changed since last report)

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, \$0.01 par value	AGL	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐
		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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) YES ☐ NO ☒

At July 30, 2026, there were 16,791,210 shares of the registrant’s \$0.01 par value common stock outstanding.

agilon health, inc.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

agilon health, inc.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands, except per share data)

	June 30, 2026	December 31, 2025
	(unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 107,184	\$ 173,713
Restricted cash and equivalents	71,627	—
Marketable securities	78,443	111,429
Receivables, net	1,059,786	673,793
Prepaid expenses and other current assets, net	101,494	137,762
Total current assets	1,418,534	1,096,697
Property, equipment, and capitalized software, net	24,513	25,417
Intangible assets, net	60,132	65,725
Other assets	88,157	83,451
Total assets	\$ 1,591,336	\$ 1,271,290
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Medical claims and related payables	\$ 1,022,506	\$ 929,770
Accounts payable and accrued expenses	274,928	127,477
Current debt	14,915	19,238
Total current liabilities	1,312,349	1,076,485
Long-term debt	15,377	15,750
Other liabilities	36,083	52,321
Total liabilities	1,363,809	1,144,556
Commitments and contingencies		
Stockholders' equity (deficit):		
Common stock, \$0.01 par value: 2,000,000 shares authorized; 16,785 and 16,589 shares issued and outstanding, respectively	168	166
Additional paid-in capital	2,138,657	2,103,976
Accumulated deficit	(1,911,452)	(1,978,324)
Accumulated other comprehensive income (loss)	154	916
Total stockholders' equity (deficit)	227,527	126,734
Total liabilities and stockholders' equity (deficit)	\$ 1,591,336	\$ 1,271,290

The condensed consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs") as agilon health, inc., together with its consolidated subsidiaries and VIEs (the "Company"), is the primary beneficiary of these VIEs. As of June 30, 2026 and December 31, 2025, the condensed consolidated balance sheets included total assets of the Company's consolidated VIEs totaling \$1.19 billion and \$840.2 million, respectively, and total liabilities totaling \$1.26 billion and \$1.04 billion, respectively. See Note 12 for additional details.

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Medical services revenue	\$ 1,492,921	\$ 1,392,039	\$ 2,911,470	\$ 2,921,918
Other operating revenue	1,822	2,943	3,733	5,846
Total revenues	1,494,743	1,394,982	2,915,203	2,927,764
Expenses:				
Medical services expense	1,296,235	1,445,245	2,565,863	2,847,112
Other medical expenses	91,369	2,164	177,186	82,357
General and administrative	88,505	56,281	142,736	122,237
Depreciation and amortization	6,864	7,319	13,651	14,195
Total expenses	1,482,973	1,511,009	2,899,436	3,065,901
Income (loss) from operations	11,770	(116,027)	15,767	(138,137)
Other income (expense):				
Income (loss) from equity method investments	(7,596)	5,412	4,137	18,084
Other income (expense), net	15,015	7,879	31,040	17,140
Interest expense	(1,608)	(1,572)	(3,419)	(3,087)
Income (loss) before income taxes	17,581	(104,308)	47,525	(106,000)
Income tax benefit (expense)	375	(62)	347	(258)
Income (loss) from continuing operations	17,956	(104,370)	47,872	(106,258)
Discontinued operations:				
Adjustments on sale of assets, net	—	—	19,000	14,000
Net income (loss)	\$ 17,956	\$ (104,370)	\$ 66,872	\$ (92,258)
Basic earnings per common share:				
Continuing operations	\$ 1.07	\$ (6.31)	\$ 2.88	\$ (6.43)
Discontinued operations	—	—	1.14	0.85
Net income (loss)	\$ 1.07	\$ (6.31)	\$ 4.02	\$ (5.58)
Diluted earnings per common share:				
Continuing operations	\$ 1.04	\$ (6.31)	\$ 2.84	\$ (6.43)
Discontinued operations	—	—	1.12	0.85
Net income (loss)	\$ 1.04	\$ (6.31)	\$ 3.96	\$ (5.58)
Weighted average shares outstanding				
Basic	16,705	16,553	16,653	16,535
Diluted	17,213	16,553	16,884	16,535

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

(in thousands)

(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss)	\$ 17,956	\$ (104,370)	\$ 66,872	\$ (92,258)
Other comprehensive income (loss):				
Net unrealized gain (loss) on marketable securities, net of tax	(332)	210	(798)	822
Foreign currency translation adjustment	7	34	36	53
Total comprehensive income (loss)	\$ 17,631	\$ (104,126)	\$ 66,110	\$ (91,383)

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands)

(unaudited)

For the three months ended June 30, 2026:

	Total Stockholders' Equity (Deficit)					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
	Shares	Amount				
April 1, 2026	16,606	\$ 166	\$ 2,110,196	\$ (1,929,408)	\$ 479	\$ 181,433
Net income (loss)	—	—	—	17,956	—	17,956
Other comprehensive income (loss)	—	—	—	—	(325)	(325)
Exercise of stock options	78	1	5,493	—	—	5,494
Vesting of restricted stock units	143	1	(1)	—	—	—
Shares withheld related to net share settlement	(42)	—	(863)	—	—	(863)
Stock-based compensation expense	—	—	23,832	—	—	23,832
June 30, 2026	16,785	\$ 168	\$ 2,138,657	\$ (1,911,452)	\$ 154	\$ 227,527

For the three months ended June 30, 2025:

	Total Stockholders' Equity (Deficit)					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
	Shares	Amount				
April 1, 2025	16,520	\$ 165	\$ 2,074,411	\$ (1,574,865)	\$ 543	\$ 500,254
Net income (loss)	—	—	—	(104,370)	—	(104,370)
Other comprehensive income (loss)	—	—	—	—	244	244
Exercise of stock options	1	—	110	—	—	110
Vesting of restricted stock units	70	1	(1)	—	—	—
Shares withheld related to net share settlement	(21)	—	(2,690)	—	—	(2,690)
Stock-based compensation expense	—	—	15,381	—	—	15,381
June 30, 2025	16,570	\$ 166	\$ 2,087,211	\$ (1,679,235)	\$ 787	\$ 408,929

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

(in thousands)

(unaudited)

For the six months ended June 30, 2026:

	Total Stockholders' Equity (Deficit)					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
	Shares	Amount				
January 1, 2026	16,589	\$ 166	\$ 2,103,976	\$ (1,978,324)	\$ 916	\$ 126,734
Net income (loss)	—	—	—	66,872	—	66,872
Other comprehensive income (loss)	—	—	—	—	(762)	(762)
Exercise of stock options	78	1	5,493	—	—	5,494
Vesting of restricted stock units	162	1	(1)	—	—	—
Shares withheld related to net share settlement	(44)	—	(898)	—	—	(898)
Stock-based compensation expense	—	—	30,087	—	—	30,087
June 30, 2026	16,785	\$ 168	\$ 2,138,657	\$ (1,911,452)	\$ 154	\$ 227,527

For the six months ended June 30, 2025:

	Total Stockholders' Equity (Deficit)					
	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity (Deficit)
	Shares	Amount				
January 1, 2025	16,487	\$ 165	\$ 2,057,852	\$ (1,586,977)	\$ (88)	\$ 470,952
Net income (loss)	—	—	—	(92,258)	—	(92,258)
Other comprehensive income (loss)	—	—	—	—	875	875
Exercise of stock options	1	—	110	—	—	110
Vesting of restricted stock units	104	1	(1)	—	—	—
Shares withheld related to net share settlement	(22)	—	(2,851)	—	—	(2,851)
Stock-based compensation expense	—	—	32,101	—	—	32,101
June 30, 2025	16,570	\$ 166	\$ 2,087,211	\$ (1,679,235)	\$ 787	\$ 408,929

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(unaudited)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Net income (loss)	\$ 66,872	\$ (92,258)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	13,651	14,195
Stock-based compensation expense	30,087	32,101
Loss (income) from equity method investments	(4,137)	(18,084)
Adjustments on sale of assets, net	(19,000)	(14,000)
Other, net	1,377	(3,107)
Changes in operating assets and liabilities	(122,419)	14,081
Net cash provided by (used in) operating activities	(33,569)	(67,072)
Cash flows from investing activities:		
Purchases of property, equipment, and capitalized software	(6,548)	(7,099)
Purchase of intangible assets	(885)	(9,717)
Investment in loans receivable and other	—	(1,000)
Investments in marketable securities	—	(60,154)
Proceeds from maturities of marketable securities and other	46,616	125,339
Net cash provided by (used in) investing activities	39,183	47,369
Cash flows from financing activities:		
Proceeds from (payments for) equity issuances, net	4,596	(2,741)
Debt issuance costs	(1,612)	—
Repayments of long-term debt	(3,500)	—
Net cash provided by (used in) financing activities	(516)	(2,741)
Net increase (decrease) in cash, cash equivalents and restricted cash and equivalents	5,098	(22,444)
Cash, cash equivalents and restricted cash and equivalents, beginning of period	173,713	193,860
Cash, cash equivalents and restricted cash and equivalents, end of period	\$ 178,811	\$ 171,416

See accompanying Notes to the Condensed Consolidated Financial Statements.

agilon health, inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. Business

Description of Business

agilon health, inc., together with its consolidated subsidiaries and VIEs (the “Company”), through its partnerships and purpose-built model, provides the necessary capabilities, capital, and business model for existing physician groups to create a Medicare-centric, globally capitated line of business. As of June 30, 2026, the Company, through its contracted physician networks, provided care to approximately 437,500 Medicare Advantage members enrolled with private health plans. Additionally, the Company participates in the Centers for Medicare & Medicaid Services’ (“CMS”) Accountable Care Organization Realizing Equity, Access, and Community Health (“ACO REACH”) Model and Medicare Shared Savings Program (“MSSP,” and together with ACO REACH, the “CMS ACO Models”) through its equity method investments.

The Company’s largest shareholder is an investment fund associated with Clayton Dubilier & Rice, LLC (“CD&R”), a private equity firm. All funds affiliated with CD&R are considered related parties.

Reverse Stock Split

On March 30, 2026, the Company filed a Certificate of Amendment to its Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to effect a 1-for-25 reverse stock split of the Company’s issued and outstanding common stock (the “Reverse Stock Split”). As a result of the Reverse Stock Split, each twenty-five shares of common stock issued and outstanding was automatically reclassified, combined, and converted into one share of common stock. No fractional shares were issued in connection with the Reverse Stock Split. Stockholders who were otherwise entitled to receive fractional shares automatically became entitled to receive cash in lieu of such fractional share. Proportional adjustments were made to the number of shares of common stock awarded and available for issuance under the Company’s equity incentive plans, as well as the exercise price and the number of shares issuable upon the exercise or conversion of the Company’s outstanding stock options and other equity securities under the Company’s equity incentive plans. The Reverse Stock Split did not affect the number of authorized shares of common stock or the par value of the common stock. All common stock, stock options, restricted stock units, and per share information presented within these condensed consolidated financial statements have been adjusted to reflect the Reverse Stock Split on a retroactive basis for all periods presented.

NOTE 2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared by management in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The condensed consolidated financial statements include the accounts of agilon health, inc., its wholly-owned subsidiaries, and joint ventures and VIEs that it controls through voting rights or other means. Intercompany transactions and balances have been eliminated upon consolidation. See Note 12 for additional discussions related to the Company’s involvement with VIEs. All adjustments (consisting of normal recurring adjustments unless otherwise indicated), which the Company considers necessary to present fairly its financial position, results of operations, and cash flows, have been included. Operating results for the three and six months ended June 30, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026. The accompanying condensed consolidated financial information should be read in conjunction with the consolidated financial statements and notes thereto for the year ended December 31, 2025 included in the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Use of Estimates

Management is required to make estimates and assumptions in the preparation of financial statements. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses

during the reporting period. Significant estimates can include, among other things, those used to determine revenues and related receivables from risk adjustments, and medical services expense and related payables (including the reserve for incurred but not reported (“IBNR”) claims). Management’s estimates for revenue recognition, medical services expense, and other estimates, judgments, and assumptions, may be materially and adversely different from actual results. These estimates are based on knowledge of current events and anticipated future events, and accordingly, actual results may ultimately differ materially from those estimates.

Income Taxes

The Company determines the income tax provision for interim periods using an estimate of the Company’s annual effective tax rate, applied to year-to-date results, adjusted for discrete items arising in that quarter. In each quarter, the Company updates its estimated annual effective tax rate, and if the estimated annual effective tax rate changes, a cumulative catch-up adjustment is recorded in that quarter. The Company applied the intra-period tax allocation rules to allocate income taxes between continuing operations and discontinued operations as prescribed in U.S. GAAP, where the tax effect of income (loss) before income taxes from continuing operations is computed without regard to the tax effects of income (loss) before income taxes from the other categories.

Segment Reporting

The Company operates a Medicare-centric, capitated line of business and is organized as a single operating and reportable segment based on the manner in which the Chief Executive Officer, who is the Chief Operating Decision Maker (“CODM”), evaluates performance and makes decisions about how to allocate resources. Segment asset information, which is presented on the condensed consolidated balance sheet, is not used by the CODM to assess performance and make decisions about how to allocate resources. The Company’s segment measure of profit or loss is consolidated net income (loss). The CODM uses the segment measure of profit or loss to assess performance and make resource allocation decisions, primarily through periodic budgeting and company performance reviews. Significant expense categories included within the segment measure of profit or loss that are regularly provided to the CODM include medical services expense, other medical expense, and platform support costs. Medical services expense and other medical expense amounts are included in the consolidated statements of operations. Platform support costs were \$42.7 million and \$37.4 million for the three months ended June 30, 2026 and 2025, respectively. For the three months ended June 30, 2026 and 2025, other segment items, which consists of general and administrative expenses (excluding platform support costs), depreciation and amortization, other income (expense), net, income tax benefit (expense), and results from discontinued operations, were \$46.5 million and \$14.5 million, respectively. Platform support costs were \$80.3 million and \$81.7 million for the six months ended June 30, 2026 and 2025, respectively. For the six months ended June 30, 2026 and 2025, other segment items, which consists of general and administrative expenses (excluding platform support costs), depreciation and amortization, other income (expense), net, income tax benefit (expense), and results from discontinued operations, were \$24.9 million and \$8.9 million, respectively.

Discontinued operations

Discontinued operations is a component of an entity that has either been disposed of or is deemed held-for-sale and, (i) the operations and cash flows of the component have been or will be eliminated from ongoing operations as a result of the disposal transaction, and (ii) the entity will not have any significant continuing involvement in the operations of the component after the disposal transaction. On October 31, 2023, the Company completed the disposition of MDX Hawaii, Inc. and its related operations. The Company’s decision to exit Hawaii and the Independent Practice Association line of business represented a strategic shift that had a major effect on its operations and financial results. As such, the Company’s Hawaii operations are reflected in the condensed consolidated financial statements as discontinued operations for all periods presented.

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* (“ASU 2024-03”). In January 2025, the FASB issued ASU 2025-01, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* (“ASU 2025-01”). The amendments in ASU 2024-03 require public business entities to disclose, on an annual and interim basis, disaggregated information about certain income statement expense line items by breaking down certain expense line items into specified natural expense categories, including purchases of inventory,

employee compensation, depreciation, intangible asset amortization, and depletion. The amendments in ASU 2024-03 can be applied on a prospective basis or retrospective basis and early adoption is permitted. The amendments in ASU 2025-01 clarify the effective date of ASU 2024-03 stating that all public business entities are required to adopt the update in annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. ASU 2025-01 does not change the effective date of ASU 2024-03 but was issued to provide clarity on the effective date for public business entities that do not have a calendar year-end. The Company is currently evaluating the potential impact of the adoption of ASU 2024-03 and ASU 2025-01 on the disclosures in its condensed consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* (“ASU 2025-06”). The amendments in ASU 2025-06 modernize the guidance in Subtopic 350-40 to reflect the software development approaches currently used as software is not always developed in a linear manner. To clarify how the guidance applies to both linear and nonlinear software development, the amendments in ASU 2025-06 remove all references to the “development stages” from Subtopic 350-40 and instead requires that software development costs be capitalized when (i) management, with relevant authority, commits to funding a computer software project, and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The amendments in ASU 2025-06 also provide new guidance on how to evaluate whether the probable-to-complete recognition threshold has been met and specifies that the disclosure requirements in Subtopic 360-10, *Property, Plant, and Equipment—Overall*, are required for all capitalized internal-use software costs. The amendments in ASU 2025-06 are effective for annual reporting periods beginning after December 31, 2027, and interim reporting periods within those annual reporting periods. The amendments in ASU 2025-06 can be applied on a prospective, retrospective, or modified transition approach basis. The new guidance is not expected to have a material impact on the Company’s consolidated financial position, results of operations, cash flows, or disclosures.

NOTE 3. Revenue, Receivables, and Concentration of Credit Risk

Medical Services Revenue

Medical services revenue consists of capitation fees under contracts with various Medicare Advantage payors (“payors”). These contracts are within the scope of Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers* (“ASC 606”), and therefore the Company applies the following five-step model when recognizing revenue:

- i. Identify the contract(s) with a customer;
- ii. Identify the performance obligations in the contract;
- iii. Determine the transaction price;
- iv. Allocate the transaction price to the performance obligations in the contract; and
- v. Recognize revenue when, or as, the performance obligation is satisfied.

Under the typical capitation arrangement, the Company is entitled to monthly per-member, per-month (“PMPM”) fees to provide a defined range of healthcare services for Medicare Advantage health plan members (“members”) attributed to the Company’s contracted primary care physicians (“PCPs”). In certain of the Company’s payor arrangements, it is also financially responsible for Medicare Part D pharmaceutical costs for prescriptions rendered to members. PMPM fees are determined as a percentage of the premium payors receive from the CMS for these members. The Company generally accepts full financial risk for members attributed to its contracted PCPs and therefore is responsible for the cost of all healthcare services required by those members. Fees are generally recorded gross in revenue because the Company is acting as a principal in coordinating and controlling the range of services provided (other than clinical decisions) under its capitation contracts with payors.

Capitation contracts with payors are generally multi-year arrangements and have a single performance obligation that constitutes a series, as defined by ASC 606, to stand ready on a monthly basis to provide all aspects of necessary medical care to members for the contracted period. The Company recognizes revenue in the month in which eligible members are entitled to receive healthcare benefits during the contract term.

The transaction price for the Company’s capitation contracts is variable, as the PMPM fees to which the Company is entitled are subject to periodic adjustment under CMS’s risk adjustment payment methodology. CMS deploys a risk adjustment model that determines premiums paid to all payors according to each member’s health status and certain

demographic factors. Under this risk adjustment methodology, CMS calculates the risk adjusted premium payment using diagnosis data from various settings. The Company and healthcare providers collect and submit the necessary and available diagnosis data to payors and such data is utilized by the Company to estimate risk adjustment payments to be received in subsequent periods. Estimating variable consideration related to risk adjustment involves judgment. Risk adjustment-related revenues are estimated using the most likely amount method. In determining the amount of variable consideration to include in the transaction price, the Company evaluates whether such estimates are constrained by assessing the likelihood and magnitude of a potential revenue reversal when uncertainties are resolved. This assessment considers factors such as the completeness and accuracy of diagnosis data submitted, historical experience with risk adjustment settlements, the extent of remaining uncertainty in CMS's final calculations, contractual terms including risk corridors and settlement provisions, and the time period until such uncertainties are resolved. The Company includes variable consideration in revenue only to the extent that it is probable that a significant reversal of cumulative revenue will not occur once any such uncertainty is resolved. The Company's estimates of variable consideration are subject to variability due to the range of possible outcomes associated with CMS's final risk adjustment settlements, which are typically not issued until 12 to 18 months after the start of the performance year. As actual amounts may differ from estimates, the Company reassesses these estimates each reporting period as additional information becomes available and any changes in estimates are recognized as adjustments to medical services revenue in the period the change is identified.

PMPM fees are also subject to adjustment for incentives or penalties based on the achievement of certain quality metrics defined in the Company's contracts with payors. Estimating incentive revenue also requires judgment. The Company recognizes incentive revenue using the most likely amount method and applies a similar constraint assessment, including consideration of historical performance against quality measures, current performance trends, and remaining measurement uncertainty. Incentive revenue is recognized as the performance obligation is satisfied and only to the extent that it is probable that a significant reversal of incentive revenue will not occur once any such uncertainty is resolved.

Neither the Company nor any of its affiliates is a registered insurance company because state law in the states in which it operates does not require such registration for risk-bearing providers.

Receivables

Receivables primarily consist of amounts due under capitation contracts with various payors. Receivables due under capitation contracts are recorded monthly based on reports received from payors and management's estimate of risk adjustment payments to be received in subsequent periods for open performance years. Receivables are recorded at the amount expected to be realized.

Concentration

The Company contracts with various payors whereby the Company is entitled to monthly PMPM fees to provide a defined range of healthcare services for members attributed to its contracted PCPs. The Company generally accepts full financial risk for such members and therefore is responsible for the cost of all healthcare services required by them. Substantially all of the Company's receivable balances are from a small number of payors. Revenue from Medicare Advantage payors constitutes substantially all of the Company's total revenue for the three and six months ended June 30, 2026 and 2025. Estimating revenue earned from these payors requires judgment, and changes to these estimates related to prior years were not material to total medical services revenue recognized for the three and six months ended June 30, 2026 and 2025.

The following table provides the Company's revenue concentrations with respect to major payors as a percentage of the Company's total revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Payor A	20 %	14 %	21 %	15 %
Payor B	25 %	14 %	24 %	15 %
Payor C	*	13 %	*	12 %
Payor D	*	10 %	*	*
Payor E	*	12 %	*	11 %

* Less than 10% of total revenues.

The following table provides the Company's concentrations of credit risk with respect to major payors as a percentage of receivables, net:

	June 30, 2026	December 31, 2025
Payor A	11 %	*
Payor B	20 %	*
Payor C	11 %	15 %
Payor D	12 %	18 %
Payor E	11 %	10 %
Payor F	*	14 %

* Less than 10% of total receivables.

NOTE 4. Marketable Securities and Fair Value Measurements

Marketable Securities

The following table summarizes the Company's marketable securities (in thousands):

	June 30, 2026				December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate debt securities	\$ —	\$ —	\$ —	\$ —	\$ 6,991	\$ 6	\$ —	\$ 6,997
U.S. Treasury notes	78,423	65	(45)	78,443	103,620	813	(1)	104,432
	<u>\$ 78,423</u>	<u>\$ 65</u>	<u>\$ (45)</u>	<u>\$ 78,443</u>	<u>\$ 110,611</u>	<u>\$ 819</u>	<u>\$ (1)</u>	<u>\$ 111,429</u>

For the three months ended June 30, 2026, the Company recognized total interest income (included in other income (expense), net in the condensed consolidated statements of operations) of \$2.5 million, of which \$1.0 million was related to its marketable securities investments and \$1.5 million was related to interest on cash and cash equivalent balances. For the three months ended June 30, 2025, the Company recognized total interest income (included in other income (expense), net in the condensed consolidated statements of operations) of \$3.6 million, of which \$2.6 million was related to its marketable securities investments and \$1.0 million was related to interest on cash and cash equivalent balances. For the six months ended June 30, 2026, the Company recognized total interest income (included in other income (expense), net in the condensed consolidated statements of operations) of \$5.4 million, of which \$2.6 million was related to its marketable securities investments and \$2.8 million was related to interest on cash and cash equivalent balances. For the six months ended June 30, 2025, the Company recognized total interest income (included in other income (expense), net in the condensed consolidated statements of operations) of \$7.9 million, of which \$5.7 million was related to its marketable securities investments and \$2.2 million was related to interest on cash and cash equivalent balances.

The following table summarizes the Company's marketable securities maturity as of June 30, 2026 (in thousands):

Year	Amortized Cost	Fair Value
2026	\$ 25,740	\$ 25,790
2027	27,979	27,993
2028	24,704	24,660
	<u>\$ 78,423</u>	<u>\$ 78,443</u>

The following table summarizes the Company's marketable securities with gross unrealized losses by security type aggregated by the length of time the investments have been in a continuous unrealized loss position as of June 30, 2026 (in thousands):

	Less Than 12 Months		12 Months or Greater	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
U.S. Treasury notes	\$ 17,653	\$ 45	\$ —	\$ —

The following table summarizes the Company's marketable securities with gross unrealized losses by security type aggregated by the length of time the investments have been in a continuous unrealized loss position as of December 31, 2025 (in thousands):

	Less Than 12 Months		12 Months or Greater	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Corporate debt securities	\$ —	\$ —	\$ —	\$ —
U.S. Treasury notes	12,932	1	—	—
	<u>\$ 12,932</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ —</u>

The Company's unrealized losses from marketable securities as of June 30, 2026 and December 31, 2025 were caused primarily by interest rate increases. There was no allowance for credit losses on available-for-sale marketable securities at June 30, 2026 or December 31, 2025. As of June 30, 2026, all of the Company's marketable securities carry an investment grade rating by nationally recognized statistical rating organizations.

Fair Value Measurements

The Company's financial instruments consist of cash and cash equivalents, restricted cash and equivalents, marketable securities, receivables, other liabilities, accounts payable, certain accrued expenses, and borrowings which consist of a term loan and a revolving credit facility. The carrying values of the financial instruments classified as current in the condensed consolidated balance sheets approximate their fair values due to their short-term maturities. The fair values of the term loan and revolving credit facility approximate the carrying values because the interest rates on such borrowings approximate market rates as of the reporting date. Such borrowings are classified within Level 2 of the fair

value hierarchy. During the three and six months ended June 30, 2026 and 2025, there were no material transfers of financial assets or liabilities within the fair value hierarchy.

The Company measures and discloses the fair value of nonfinancial and financial assets and liabilities utilizing a hierarchy of valuation techniques based on whether the inputs to a fair value measurement are considered to be observable or unobservable in a marketplace. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. This hierarchy requires the use of observable market data when available. These inputs have created the following fair value hierarchy:

- Level 1—quoted prices for identical instruments in active markets;
- Level 2—quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which significant inputs and significant value drivers are observable in active markets; and
- Level 3—fair value measurements derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

The table below summarizes the Company's financial instruments measured at fair value on a recurring basis (in thousands):

	June 30, 2026			December 31, 2025		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Marketable securities:						
Corporate debt securities	\$ —	\$ —	\$ —	\$ —	\$ 6,997	\$ —
U.S. Treasury notes	78,443	—	—	104,432	—	—
	<u>\$ 78,443</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 104,432</u>	<u>\$ 6,997</u>	<u>\$ —</u>

NOTE 5. Other Assets

The following table summarizes the Company's other assets (in thousands):

	June 30, 2026	December 31, 2025
Loans to physician partners	\$ 12,602	\$ 14,158
Health plan deposits	2,077	2,077
Equity method investments ⁽¹⁾	65,080	59,787
Right-of-use lease assets	4,880	3,542
Other	3,518	3,887
	<u>\$ 88,157</u>	<u>\$ 83,451</u>

(1) See Note 12 for additional discussion related to the Company's equity method investments related to the Company's CMS ACO Models investments.

Loans to Physician Partners

Loans to physician partners primarily represent loans in connection with taxes payable on shares distributed to them in connection with the Company's initial public offering. These loans mature between 2026 and 2031 with nominal interest compounding annually and no prepayment penalties. Such loans are stated at the amount expected to be collected.

NOTE 6. Medical Claims and Related Payables

Medical services expense represents costs incurred for medical services provided to members by physicians, hospitals and other ancillary providers for which the Company is financially responsible and are paid by payors with whom the Company has contracted. Medical services expenses are recognized in the period in which services are provided and

include estimates of claims that have been incurred but have either not yet been received, processed, or paid and as such, not reported.

Such estimates are developed using actuarial methods commonly used by health insurance actuaries that include a number of factors and assumptions including medical service utilization trends, changes in membership, observed medical cost trends, historical claim payment patterns and other factors. Generally, for the most recent months, the Company estimates claim costs incurred by applying observed medical cost trend factors to the average PMPM medical costs incurred in prior months for which more complete claims data are available.

Each period, the Company re-examines previously established medical claims payable estimates based on actual claim submissions and other changes in facts and circumstances. As more complete claims information becomes available, the Company adjusts its estimates and recognizes those changes in estimates in the period in which the change is identified. The difference between the estimated liability and the actual settlements of claims is recognized in the period the claims are settled. The Company's medical claims payable balance represents management's best estimate of its liability for unpaid medical costs as of June 30, 2026 and 2025. The Company uses judgment to determine the appropriate assumptions for developing the required estimates.

The following table presents the components of changes in medical claims and related payables (in thousands):

	June 30,	
	2026	2025
Medical claims and related payables, beginning of the year	\$ 895,284	\$ 918,395
Components of incurred costs related to:		
Current year	2,601,717	2,810,528
Prior years	(35,854)	36,584
	<u>2,565,863</u>	<u>2,847,112</u>
Claims paid related to:		
Current year	(1,631,597)	(1,821,175)
Prior years	(842,318)	(930,606)
	<u>(2,473,915)</u>	<u>(2,751,781)</u>
Medical claims and related payables, end of the period	<u>\$ 987,232</u>	<u>\$ 1,013,726</u>

Medical claims and related payables also include \$35.3 million and \$34.5 million, as of June 30, 2026 and December 31, 2025, respectively, that is recoverable from other parties under risk sharing arrangements and is presented as prepaid expenses and other current assets, net in the condensed consolidated balance sheets.

NOTE 7. Other Liabilities

The following table summarizes the Company's other liabilities (in thousands):

	June 30, 2026	December 31, 2025
Other long-term contingencies	\$ 16,000	\$ 35,000
Lease liabilities, long-term	3,154	1,827
Equity method liabilities – CMS ACO Models ⁽¹⁾	13,312	12,156
Other	3,617	3,338
	<u>\$ 36,083</u>	<u>\$ 52,321</u>

(1) See Note 12 for additional discussion related to the Company's equity method liabilities related to its CMS ACO Models investments.

NOTE 8. Debt

On February 18, 2021, the Company executed a credit facility agreement (as amended by the First Amendment to Credit Agreement, dated as of March 1, 2021, the Second Amendment to Credit Agreement, dated as of May 25, 2023, the Third Amendment to Credit Agreement, dated as of February 12, 2026 (the “Third Amendment”), and the Fourth Amendment to Credit Agreement, dated as of April 9, 2026, the “Credit Agreement”), which includes: (i) a secured term loan facility (the “Secured Term Loan Facility”) and (ii) a senior secured revolving credit facility (the “Secured Revolving Facility,” and together with the Secured Term Loan Facility, the “Credit Facility”). The Third Amendment, among other changes, (a) extended the stated maturity date from February 18, 2026 to February 18, 2028; (b) amended certain covenant “baskets” to be measured as a percentage of EBITDA rather than, or as an alternative to, Consolidated Total Assets; (c) required that the Company maintains a minimum of \$50.0 million in Total Cash as of the end of each Business Day; (d) conditioned certain payments, including dividends, to Holdings under the available amount “basket” on the Company achieving positive EBITDA for two consecutive trailing four-quarter periods each ending after the Third Amendment effective date; (e) required that any reduction in outstanding letters of credit be accompanied by a corresponding prepayment of term loans; (f) reduced the aggregate amount of revolving credit commitments from \$100.0 million to \$90.0 million; and (g) required cash collateralization at 103% of the amount of each letter of credit outstanding (recorded as restricted cash on the condensed consolidated balance sheets). Concurrently with the effectiveness of the Third Amendment, the Company executed and delivered an unsecured guaranty of management’s obligations under the Credit Agreement. All capitalized terms used herein, but not defined herein, shall have the meanings ascribed to such terms in the Third Amendment.

As of June 30, 2026, the Company had \$31.5 million outstanding under the Secured Term Loan Facility and availability under the Secured Revolving Facility was \$20.8 million, as the Company had outstanding letters of credit totaling \$69.2 million. The standby letters of credit are automatically extended without amendment for one-year periods, unless the Company notifies the institution in advance of the expiration date that the letter will be terminated. No amounts have been drawn on the outstanding letters of credit as of June 30, 2026.

The Secured Overnight Financing Rate (“SOFR”) is used as a benchmark interest rate in accordance with the Credit Agreement. At the Company’s option, borrowings under the Credit Facility can be either: (i) Term SOFR Rate Loans, (ii) Daily Simple SOFR Rate Loans, or (iii) Base Rate Loans, each as defined in the Credit Agreement. Daily Simple SOFR Rate Loans and Term SOFR Rate Loans bear interest at a rate equal to the sum of 3.50% and the higher of (a) SOFR, as defined in the Credit Agreement, and (b) 0%. Base Rate Loans bear interest at a rate equal to the sum of 2.50% and the highest of: (a) 0.50% in excess of the overnight federal funds rate, (b) the prime rate established by the administrative agent from time to time, (c) the one-month SOFR rate (adjusted for maximum reserves) plus 1.00% and (d) 0%. Additionally, the Company pays a commitment fee on the unfunded Secured Revolving Facility amount of 0.375%. The Company must also pay customary letter of credit fees. As of June 30, 2026, the effective interest rate on the Secured Term Loan Facility was 10.179%.

The Credit Facility is guaranteed by certain of the Company’s subsidiaries, including those identified as VIEs, and contain customary covenants including, among other things, limitations on restricted payments including: (i) dividends and distributions from restricted subsidiaries, (ii) requirements of minimum financial ratios, and (iii) limitation on additional borrowings based on certain financial ratios. Failure to meet any of these covenants could result in an event of default under the Credit Agreement. If an event of default occurs, the lenders could elect to declare all amounts outstanding under the Credit Agreement to be immediately due and payable. As of June 30, 2026, the Company was in compliance with all covenants under the Credit Facility.

As of June 30, 2026, the Company had \$32.4 million outstanding surety bonds related to health plan payor risk-bearing capital contributions.

NOTE 9. Commitments and Contingencies

Legal Proceedings

From time to time, the Company is a party to, or has a significant relationship to, legal proceedings, lawsuits, and other claims that arise in the ordinary course of the Company’s business. Except as described below, the Company is not aware of any other legal proceedings or claims that it believes may have, individually or taken together, a material adverse effect on the Company’s business, prospects, financial condition, results of operations or cash flows. The Company’s policy is to expense legal costs as they are incurred.

In February and March 2024, three putative securities class action lawsuits were filed and subsequently consolidated as *In re agilon health, inc. Securities Litigation*, No. 1:24-cv-00297 (W.D. Tex.) (the “Consolidated Securities Matter”). The Consolidated Securities Matter names the Company and certain current and former executive officers and directors of the Company, among others as defendants and asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and Sections 11, 12(a)(2), and 15 of the Securities Act of 1933, as amended (the “Securities Act”) based on alleged misstatements between April 2021 and February 2024 in the Company’s annual and quarterly reports, investor presentations and earnings releases concerning, among other things, financial guidance, medical margin, Adjusted EBITDA, growth strategy, and data management. The Consolidated Securities Matter seeks compensatory damages, judgment interest, attorney’s fees and costs, and other unspecified equitable and/or injunctive relief. In August 2025, the court dismissed certain claims, including all Securities Act claims and portions of the Exchange Act claims, and allowed others to proceed. Discovery is ongoing. On April 6, 2026, Plaintiffs filed a motion for class certification. Defendants filed their opposition to the motion on June 29, 2026.

In May and October 2024, two putative stockholder derivative actions were filed and subsequently consolidated as *In re agilon health, inc. Shareholder Derivative Litigation*, No. 1:24-cv-00531 (W.D. Tex.) (the “Consolidated Derivative Matter”). On April 23, 2026, the lead plaintiffs filed an amended complaint, which names the Company and certain current and former executive officers and directors of the Company as defendants, along with CD&R Vector Holdings, L.P. Plaintiffs in the Consolidated Derivative Matter generally assert claims under Sections 14(a), 10(b) and 20(a) of the Exchange Act, as well as common law claims including breach of fiduciary duty, among others, based on allegations similar to those in the Consolidated Securities Matter. The Consolidated Derivative Matter seeks damages, corporate governance reforms, restitution, contribution under Section 21D of the Exchange Act, attorney’s fees and costs, and other relief. Defendants filed a motion to dismiss the amended complaint on June 24, 2026.

On December 31, 2025, a putative securities class action, *Vandersluis v. agilon health, Inc.*, No. 1:25-cv-07167 (E.D.N.Y.), was filed, naming the Company and certain current and former executive officers and directors of the Company as defendants. The complaint asserts claims under Sections 10(b) and 20(a) of the Exchange Act based on alleged misstatements between February and August 2025 in the Company’s quarterly reports and earnings releases related to, among other things, the Company’s financial guidance, medical margin and Adjusted EBITDA results and seeks damages on behalf of a purported class of stockholders. Plaintiffs filed an amended complaint on June 29, 2026.

On February 12, 2026, a putative stockholder derivative action lawsuit, *Sinha v. Sell et al.*, No. 1:26-cv-00846 (E.D.N.Y.) (“*Sinha*”), was filed, naming the Company and certain current and former executive officers and directors of the Company as defendants. *Sinha* asserts claims under Sections 14(a) and 10(b) of the Exchange Act, as well as common law claims including breach of fiduciary duty, among others, in connection with statements made between February 2025 and August 2025 in the Company’s quarterly reports and earnings releases related to, among other things, the Company’s financial guidance, medical margin, and Adjusted EBITDA results. *Sinha* seeks corporate governance reforms, restitution, attorney’s fees and costs, and other relief. The parties have entered into a stipulation to stay this lawsuit until the earlier of dismissal of the related securities class action (*Vandersluis*) or the close of discovery in that action.

The Company intends to vigorously defend the foregoing matters; however, at this time, the Company is unable to predict the outcome or reasonably estimate a range of possible loss.

NOTE 10. Net Income (Loss) Per Common Share

Basic net income (loss) per common share (“EPS”) is computed based upon the weighted average number of common shares outstanding. Diluted net income (loss) per common share is computed based upon the weighted average number of common shares outstanding plus the impact of common shares issuable from the assumed conversion of stock options, certain performance restricted stock units, and unvested restricted stock units. Only those instruments having a dilutive impact on basic net income (loss) per share are included in diluted net income (loss) per share during the periods presented.

The following table illustrates the computation of basic and diluted EPS (in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator				
Income (loss) from continuing operations	\$ 17,956	\$ (104,370)	\$ 47,872	\$ (106,258)
Income (loss) from discontinued operations	—	—	19,000	14,000
Net income (loss)	<u>\$ 17,956</u>	<u>\$ (104,370)</u>	<u>\$ 66,872</u>	<u>\$ (92,258)</u>
Denominator				
Weighted average shares outstanding – basic	16,705	16,553	16,653	16,535
Weighted average shares outstanding – diluted	17,213	16,553	16,884	16,535
Basic earnings per common share:				
Continuing operations	\$ 1.07	\$ (6.31)	\$ 2.88	\$ (6.43)
Discontinued operations	—	—	1.14	0.85
Net income (loss)	<u>\$ 1.07</u>	<u>\$ (6.31)</u>	<u>\$ 4.02</u>	<u>\$ (5.58)</u>
Diluted earnings per common share:				
Continuing operations	\$ 1.04	\$ (6.31)	\$ 2.84	\$ (6.43)
Discontinued operations	—	—	1.12	0.85
Net income (loss)	<u>\$ 1.04</u>	<u>\$ (6.31)</u>	<u>\$ 3.96</u>	<u>\$ (5.58)</u>
Number of antidilutive stock options and restricted stock excluded from computation	828	1,864	1,145	1,864

NOTE 11. Supplemental Cash Flow Information

The following table provides supplemental cash flow information (in thousands):

	Six Months Ended June 30,	
	2026	2025
<i>Supplemental cash flow information:</i>		
Interest paid	\$ 3,599	\$ 2,659
Income taxes paid	900	480
<i>Supplemental disclosure of non-cash investing and financing activities:</i>		
Right-of-use asset obtained in exchange for new operating lease liability	2,146	1,602

The following table summarizes cash, cash equivalents and restricted cash equivalents (in thousands):

	June 30, 2026	December 31, 2025
Cash and cash equivalents	\$ 107,184	\$ 173,713
Restricted cash and equivalents	71,627	—
Cash, cash equivalents and restricted cash equivalents	<u>\$ 178,811</u>	<u>\$ 173,713</u>

NOTE 12. Variable Interest Entities

Consolidated Variable Interest Entities

agilon health, inc.'s consolidated assets and liabilities as of June 30, 2026 and December 31, 2025 include certain assets of VIEs that can only be used to settle the liabilities of the related VIE. The VIE creditors do not have recourse to agilon health, inc.

agilon health, inc.'s consolidated assets and liabilities include VIE assets and liabilities as follows (in thousands):

	June 30, 2026	December 31, 2025
Assets		
Cash and cash equivalents	\$ 31,849	\$ 69,242
Receivables, net	1,059,132	672,773
Prepaid expenses and other current assets, net	41,203	37,831
Property and equipment, net	556	632
Intangible assets, net	50,604	55,482
Other assets, net	3,940	4,233
Liabilities		
Medical claims and related payables	1,022,506	929,770
Accounts payable and accrued expenses	235,564	105,157
Other liabilities	1,063	1,285

Risk-bearing Entities. At June 30, 2026, the Company operates 32 wholly-owned risk-bearing entities ("RBEs") for the purpose of entering into risk-bearing contracts with payors. Each RBE's equity at risk is considered insufficient to finance its activities without additional support, and, therefore, each RBE is considered a VIE. The Company consolidates the RBEs as it has determined that it is the primary beneficiary because it has: (i) the ability to control the activities that most significantly impact the RBEs' economic performance; and (ii) the obligation to absorb losses or right to receive benefits that could potentially be significant to the RBEs. Specifically, the Company has the unilateral ability and authority, through the RBE governance and management agreements, to make significant decisions about strategic and operating activities of the RBEs, including negotiating and entering into risk-bearing contracts with payors, and approving the RBEs' annual operating budgets. The Company also has the obligation to fund losses of the RBEs and the right to receive a significant percentage of any financial surplus generated by the RBEs. The assets of the RBEs primarily consist of cash and cash equivalents, receivables, net, intangible assets, net, and other assets. Its obligations primarily consist of medical claims and related payables as well as operating expenses of the RBEs (accounts payable and accrued expenses), including incentive compensation obligations to the Company's physician partners. On February 18, 2021, the Company executed the Credit Facility, which is guaranteed by certain of the Company's VIEs. Assets generated by the RBEs (primarily from medical services revenues) may be used, in certain limited circumstances, to settle the Company's contractual debt obligations.

Unconsolidated Variable Interest Entities

As of June 30, 2026, the Company had 11 equity method investments (liabilities), including nine wholly-owned CMS ACO Models entities discussed below, that were deemed to be VIEs. The Company has determined that the activities that most significantly impact the performance of these VIEs consist of the allocation of resources to and other decisions related to clinical activities and provider contracting decisions. Because the Company does not have the ability to control these activities due to another party's control of the VIEs' board of directors, the Company has determined that it is not the primary beneficiary of and therefore does not consolidate these VIEs. The Company provided support to assist its CMS ACO Models investments in obtaining surety bonds related to risk-bearing capital contributions to CMS. As of June 30, 2026 and December 31, 2025, the CMS ACO Models investments had \$133.0 million and \$131.6 million, respectively, of outstanding surety bonds. The Company's maximum loss exposure as a result of the Company's involvement with the unconsolidated VIEs cannot be quantified as the Company has the obligation to provide ongoing operational support to the unconsolidated VIEs, as needed.

Equity Method Investments

The following table summarizes the Company's equity method investees (in thousands):

	June 30, 2026	December 31, 2025
Equity method investments - Other ⁽¹⁾	\$ 9,423	\$ 9,354
Equity method investments - CMS ACO Models ⁽¹⁾	55,657	50,433
Equity method liabilities - CMS ACO Models ⁽²⁾	(13,312)	(12,156)

(1) Included in Other assets, net in the condensed consolidated balance sheets.

(2) Included in Other liabilities in the condensed consolidated balance sheets.

At June 30, 2026, the Company is a partner in nine wholly-owned CMS ACO Models investments in collaboration with 12 of its physician group partners operating in 12 geographies. The combined summarized operating results of the Company's CMS ACO Models investments are as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Medical services revenue	\$ 379,268	\$ 434,806	\$ 819,113	\$ 848,271
Medical services expense	(352,441)	(401,902)	(720,139)	(753,755)
Other medical expenses ⁽¹⁾	(14,525)	(17,848)	(54,609)	(54,090)
Income (loss) from operations ⁽²⁾	(4,551)	6,396	10,285	22,609
Net income (loss) ⁽³⁾	(7,590)	5,395	4,069	18,072

(1) The three months ended June 30, 2026 and 2025, includes physician incentive expenses of \$7.8 million and \$8.8 million, respectively. The six months ended June 30, 2026 and 2025, includes physician incentive expenses of \$41.5 million and \$36.6 million, respectively.

(2) The three months ended June 30, 2026 and 2025, includes operating expenses for services provided by the Company of \$12.4 million and \$4.3 million, respectively. The six months ended June 30, 2026 and 2025, includes operating expenses for services provided by the Company of \$24.9 million and \$8.5 million, respectively.

(3) Included in Income (loss) from equity method investments in the condensed consolidated statements of operations.

The combined summarized balance sheet of the Company's CMS ACO Models investments are as follows (in thousands):

	June 30, 2026	December 31, 2025
Current assets	\$ 368,467	\$ 222,398
Noncurrent assets	6,600	4,033
Total assets	375,067	226,431
Current and total liabilities	332,722	188,155

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

All references in this report to "agilon," "the Company," "we," "us" or "our" mean agilon health, inc., together with its consolidated subsidiaries. Unless the context suggests otherwise, references to "agilon health, inc." mean the parent company without its subsidiaries.

Cautionary Language Regarding Forward-Looking Statements

Statements in this Quarterly Report on Form 10-Q (the "Report") that are not historical factual statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Some of the forward-looking statements can be identified by the use of forward-looking terms such as "believes," "expects," "may," "will," "shall," "should," "would," "could," "seeks," "aims," "projects," "is optimistic," "intends," "plans," "estimates," "anticipates" or the negative versions of these words or other comparable terms. Forward-looking statements include, without limitation, all matters that are not historical facts. They appear in several places throughout this Report and include, without limitation, statements regarding our intentions, beliefs, assumptions or current expectations concerning, among other things, our financial position, results of operations, cash flows, prospects, growth strategies, and our management transition.

Forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be outside our control. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Report, we caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of the market in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this Report. In addition, even if our results of operations, financial condition, and cash flows, and the development of the market in which we operate, are consistent with the forward-looking statements contained in this Report, those results or developments may not be indicative of results or developments in subsequent periods. You are therefore cautioned not to place undue reliance on the forward-looking statements included in this report. A number of important factors, including, without limitation, the risks and uncertainties discussed under Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, could cause actual results and outcomes to differ materially from those reflected in the forward-looking statements. Furthermore, new risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Report. Factors that could cause actual results and outcomes to differ from those reflected in forward-looking statements include, without limitation:

- our history of net losses and the expectation that our expenses will increase in the future;
- failure to identify and develop successful new geographies, physician partners and payors, or execute upon our growth initiatives;
- success in executing our operating strategies or achieving results consistent with our historical performance;
- medical expenses incurred on behalf of our members may exceed revenues we receive;
- our ability to maintain and secure additional contracts with Medicare Advantage ("MA") payors on favorable terms, if at all;
- our ability to grow new physician partner relationships sufficient to recover startup costs;
- availability of additional capital, on acceptable terms or at all, to support our business in the future;
- significant reduction in our membership;
- transition to a Total Care Model may be challenging for physician partners;
- inaccuracy in estimates of our members' risk adjustment factors, medical services expense, incurred but not reported claims, and earnings pursuant to payor contracts;
- public health crises, such as COVID-19, could adversely affect us;
- the impact of restrictive clauses or exclusivity provisions in some of our contracts with physician partners;
- our ability to hire and retain qualified personnel;

- our ability to realize the full value of our intangible assets;
- security breaches, cybersecurity attacks, loss of data and other disruptions to our information systems;
- our ability to protect the confidentiality of our know-how and other proprietary and internally developed information;
- our reliance on our subsidiaries to perform and fund their operations;
- our use of algorithms, artificial intelligence, and machine learning in our business and challenges with properly managing the development and use of these technologies;
- our reliance on a limited number of key payors;
- the limited terms of contracts with our payors and our ability to renew them upon expiration;
- our ability to navigate the changing healthcare payor market;
- our reliance on our payors, physician partners and other providers to operate our business;
- our ability to obtain accurate and complete diagnosis data;
- our reliance on third-party software, data, infrastructure and bandwidth;
- consolidation and competition in the healthcare industry;
- the impact of changes to, and dependence on, federal government healthcare programs;
- uncertain or adverse economic and macroeconomic conditions, including a downturn or decrease in government expenditures;
- regulation of the healthcare industry and our physician partners' ability to comply with such laws and regulations;
- federal and state investigations, audits and enforcement actions;
- repayment obligations arising out of payor audits;
- negative publicity regarding the managed healthcare industry generally;
- our use, disclosure and processing of personally identifiable information, protected health information, and de-identified data;
- failure to obtain or maintain an insurance license, a certificate of authority or an equivalent authorization;
- changes in tax laws and regulations, or changes in related judgments or assumptions;
- our indebtedness and our potential to incur more debt;
- our dependence on our subsidiaries for cash to fund all of our operations and expenses;
- provisions in our governing documents;
- our ability to achieve a return on investment depends on appreciation in the price of our common stock;
- non-compliance with the New York Stock Exchange could result in a delisting of our securities;
- lawsuits not covered by insurance and securities class action litigation;
- sustainability issues;
- our stock price may be volatile;
- risks related to management transitions, including the transition to our new Chief Executive Officer, and our ability to effectively manage leadership changes; and
- risks related to other factors discussed under Part I, Item 1A "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Except as required by law, we do not undertake, and hereby disclaim, any obligation to update any forward-looking statements, which speak only as of the date on which they are made.

The information set forth in this Item 2 is intended to provide readers with an understanding of our financial condition, changes in financial condition, and results of operations and should be read in connection with the accompanying Condensed Consolidated Financial Statements and notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Report. We will discuss and provide our analysis in the following order:

- Overview and Recent Developments
- Key Financial and Operating Metrics
- Key Components of Our Results of Operations
- Results of Operations
- Non-GAAP Financial Measures
- Liquidity and Capital Resources
- Critical Accounting Estimates
- Recent Accounting Pronouncements

Overview and Recent Developments

Our business is transforming healthcare by empowering primary care physicians (“PCPs”) to be the agent for change in the communities they serve. We believe that PCPs, with their intimate patient-physician relationships, are best positioned to drive meaningful change in quality, cost, and patient experience when provided with the right infrastructure and payment model. Through our combination of the agilon platform, a long-term partnership model with existing physician groups, and a growing network of like-minded physicians, we believe we are poised to revolutionize healthcare for seniors across communities throughout the United States. We believe our purpose-built model provides the necessary capabilities, capital, and business model for existing physician groups to create a Medicare-centric, globally capitated line of business. Our model operates by forming risk-bearing entities (“RBEs”) within local geographies, which enter into arrangements with payors providing for monthly payments to manage the total healthcare needs of our physician partners’ attributed patients (or, global capitation arrangements). The RBEs also contract with agilon to perform certain functions and enter into long-term professional service agreements with one or more anchor physician groups pursuant to which the anchor physician groups receive a base compensation rate and share in the savings from successfully improving quality of care and reducing costs.

Our business model is differentiated by its focus on existing community-based physician groups and is built around three key elements: (1) agilon’s platform; (2) agilon’s long-term physician partnership model; and (3) agilon’s network. With our model, our goal is to remove the barriers that prevent community-based physicians from evolving to a Total Care Model, where the physician is empowered to manage health outcomes and the total healthcare needs of their attributed Medicare patients.

Second Quarter 2026 Results:

- Medicare Advantage members of approximately 437,500 as of June 30, 2026 decreased 12% from June 30, 2025.
- CMS ACO Models (defined below) attributed beneficiaries of approximately 112,200 as of June 30, 2026 decreased 3% from June 30, 2025.
- Total revenue of \$1.5 billion increased 7% compared to \$1.4 billion in the second quarter of 2025.
- Gross profit of \$107 million, compared to gross loss of \$52 million in the second quarter of 2025.
- Medical margin of \$197 million, compared to negative medical margin of \$53 million in the second quarter of 2025.
- Net income of \$18 million, compared to net loss of \$104 million in the second quarter of 2025.
- Adjusted EBITDA of \$70 million, compared to Adjusted EBITDA loss of \$83 million in the second quarter of 2025.

Year to Date 2026 Results as of June 30, 2026:

- Total revenue of \$2.9 billion remained relatively flat in the six months ended June 30, 2026 compared to the same period in 2025.
- Gross profit of \$172 million, compared to gross loss of \$2 million in the six months ended June 30, 2025.
- Medical margin of \$346 million, compared to \$75 million in the six months ended June 30, 2025.
- Net income of \$67 million, compared to net loss of \$92 million in the six months ended June 30, 2025.
- Adjusted EBITDA of \$123 million, compared to Adjusted EBITDA loss of \$63 million in the six months ended June 30, 2025.

Platform Membership Details

MA members decreased 12% from June 30, 2025, which reflects previously disclosed market exits, as well as payor exits in certain markets resulting from a disciplined approach to contracting focused on profitability. Total members live on the agilon platform at June 30, 2026 include 437,500 MA members and 112,200 attributed CMS ACO Models (as defined below) beneficiaries.

Average MA membership was 447,100 during the second quarter of 2026.

Reverse Stock Split

On March 30, 2026, we filed a Certificate of Amendment to our Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware to effect a 1-for-25 reverse stock split of our issued and outstanding common stock (the “Reverse Stock Split”). As a result of the Reverse Stock Split, each twenty-five shares of common stock issued and outstanding was automatically reclassified, combined, and converted into one share of common stock. No fractional shares were issued in connection with the Reverse Stock Split. Stockholders who were otherwise entitled to receive fractional shares automatically became entitled to receive cash in lieu of such fractional share. Proportional adjustments were made to the number of shares of common stock awarded and available for issuance under our equity incentive plans, as well as the exercise price and the number of shares issuable upon the exercise or conversion of our outstanding stock options and other equity securities under our equity incentive plans. The Reverse Stock Split did not affect the number of authorized shares of common stock or the par value of the common stock. All common stock, stock options, restricted stock units, and per share information presented within this Quarterly Report on Form 10-Q have been adjusted to reflect the Reverse Stock Split on a retroactive basis for all periods presented.

Appointment of Chief Executive Officer and President

As previously disclosed in our Current Report on Form 8-K filed on April 27, 2026, on April 24, 2026, the Company entered into an employment agreement with Tim O’Rourke, pursuant to which he began to serve as the Company’s Chief Executive Officer and President, reporting to the Board of Directors, on May 7, 2026. Effective as of his commencement date, the Board also appointed Mr. O’Rourke to serve as a Class III director.

Key Financial and Operating Metrics

All of our key metrics exclude historical results from our Hawaii operations (which are included as discontinued operations in our condensed consolidated financial statements).

We monitor the following key financial and operating metrics to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions. We believe the following key metrics are useful in evaluating our business (dollars in thousands):

	As of and For the			As of and For the		
	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	% Change	2026	2025	% Change
MA members	437,500	497,500	(12)	437,500	497,500	(12)
Medical services revenue	\$ 1,492,921	\$ 1,392,039	7	\$ 2,911,470	\$ 2,921,918	—
Gross profit (loss)	\$ 107,139	\$ (52,427)	304	\$ 172,154	\$ (1,705)	10,197
Medical margin ⁽¹⁾	\$ 196,686	\$ (53,206)	470	\$ 345,607	\$ 74,806	362
Platform support costs	\$ 42,733	\$ 37,423	14	\$ 80,348	\$ 81,661	(2)
Net income (loss)	\$ 17,956	\$ (104,370)	117	\$ 66,872	\$ (92,258)	172
Adjusted EBITDA ⁽¹⁾	\$ 69,571	\$ (83,333)	183	\$ 123,410	\$ (62,766)	297

(1) Medical margin and Adjusted EBITDA are non-GAAP financial measures. Gross profit (loss) is the most directly comparable financial measure calculated in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) to medical margin. Net income (loss) is the most directly comparable financial measure calculated in accordance with U.S. GAAP to Adjusted EBITDA. See “—Non-GAAP Financial Measures” below for additional information.

Medicare Advantage Members

Our MA members include all individuals enrolled in an MA plan that are attributed to the PCPs on our platform at the end of a given period.

Medical Services Revenue

Our medical services revenue consists of capitation revenue under contracts with various payors. Under the typical capitation arrangement, we are entitled to per member per month (“PMPM”) fees to provide a defined range of healthcare services for MA health plan members through our contracted physician partners and affiliated PCPs. Such fees are typically based on a defined percentage of corresponding premium that payors receive from the Centers for Medicare & Medicaid Services (“CMS”). We recognize capitation revenue over the period eligible members are entitled to receive healthcare services.

Gross Profit (Loss)

Gross profit (loss) represents the amount earned from total revenues less medical services expense and other medical expenses. Total revenues include medical services revenue and other operating revenue. The Company’s costs of revenues consist of medical services expense and other medical expenses, which represents the costs that are directly related to providing the services that generate revenue.

The following table presents our gross profit (loss) (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenues	\$ 1,494,743	\$ 1,394,982	\$ 2,915,203	\$ 2,927,764
Medical services expense	(1,296,235)	(1,445,245)	(2,565,863)	(2,847,112)
Other medical expenses ⁽¹⁾	(91,369)	(2,164)	(177,186)	(82,357)
Gross profit (loss)	\$ 107,139	\$ (52,427)	\$ 172,154	\$ (1,705)

- (1) Represents physician incentive expense related to surplus sharing and other care management expenses that help to create medical cost efficiency. Includes costs in geographies that are in implementation and are not yet generating revenue and investments to grow existing markets. For the three months ended June 30, 2026 and 2025, costs incurred in implementing geographies were \$0.7 million and \$0.2 million, respectively. For the six months ended June 30, 2026 and 2025, costs incurred in implementing geographies were \$1.3 million and \$(1.0) million, respectively.

Medical Margin

We define medical margin as medical services revenue after medical services expense is deducted. Medical services expense represents costs incurred for medical services provided to our members. Medical margin PMPM may vary as the percentage of new members brought onto our platform fluctuates. New membership added to the platform is typically dilutive to medical margin PMPM.

See “—Non-GAAP Financial Measures” below for additional information regarding our use of medical margin and a reconciliation of gross profit (loss) to medical margin.

Platform Support Costs

Our platform support costs, which include regionally-based support personnel and other operating costs to support our geographies, are expected to decrease over time as a percentage of revenue as our physician partners add members and our revenue grows. Our operating expenses at the enterprise level include resources and technology to support payor contracting, clinical program development, quality, data management, finance, and legal and compliance functions.

The table below presents costs to support our live geographies and enterprise functions, which are included in general and administrative expenses (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Platform support costs	\$ 42,733	\$ 37,423	\$ 80,348	\$ 81,661
% of Revenue	3 %	3 %	3 %	3 %

Net Income (Loss) and Adjusted EBITDA

Net income (loss) is the most directly comparable U.S. GAAP measure to Adjusted EBITDA. We define Adjusted EBITDA as net income (loss) adjusted to exclude: (i) income (loss) from discontinued operations, net of income taxes, (ii) interest expense, (iii) income tax expense (benefit), (iv) depreciation and amortization, (v) stock-based compensation expense, (vi) severance and related costs, and (vii) certain other items that are not considered by us in the evaluation of ongoing operating performance. We reflect our share of Adjusted EBITDA for equity method investments by applying our actual ownership percentage for the period to the applicable reconciling items on an entity-by-entity basis.

See “—Non-GAAP Financial Measures” below for additional information regarding our use of Adjusted EBITDA and a reconciliation of net income (loss) to Adjusted EBITDA.

Key Components of Our Results of Operations

Revenues

Medical Services Revenue

Our medical services revenue consists of capitation revenue under contracts with various payors. Under the typical capitation arrangement, we are entitled to PMPM fees to provide a defined range of healthcare services for MA health plan members through our contracted physician partners and affiliated PCPs. Such fees are typically based on a defined percentage of corresponding premium that payors receive from CMS. We recognize capitation revenue over the period eligible members are entitled to receive healthcare services. In certain of our payor arrangements, we are also financially responsible for Medicare Part D pharmaceutical costs for prescriptions rendered to members.

Medical services revenue constitutes substantially all our total revenue for the three and six months ended June 30, 2026 and 2025.

Operating Expenses

Medical Services Expense

In each of our geographies, a network of physicians, hospitals, and other healthcare providers provide care to our members. Medical services expense represents costs incurred for medical services provided to our members. Our medical services expense trends primarily relate to changes in per visit costs incurred by our members, along with changes in health system and provider utilization of services. Medical services expense is recognized in the period in which services are provided and includes estimates of our obligations for medical services that have been rendered by third parties but for which claims have either not yet been received, processed, or paid.

Other Medical Expenses

Other medical expenses include: (i) partner physician incentive expense and (ii) other provider costs. Partner physician incentive expense represents obligations to our physician partners corresponding to a portion of the surplus generated in our geographies, which is a function of medical services revenues less the sum of medical services expenses, other provider costs and market operating costs, for the respective geography. Physician payment obligations are reconciled quarterly, and settlement payments are typically issued to providers on an annual basis in arrears, with interim payments issued periodically. Other provider costs include payments to support physician-patient engagement, certain other medical costs, and other care management expenses that help to create medical cost efficiency. Other provider costs include costs incurred for geographies that are in implementation and are not yet generating revenue.

General and Administrative

General and administrative expenses consist of market-based support personnel and other operating costs to support our geographies, personnel and other operating costs to support our enterprise functions, and investments to support development and expansion of our physician partners. Our enterprise functions include salaries and related expenses, stock-based compensation (including shares issued under partner physician group equity agreements), operational support expenses, technology infrastructure, finance, and legal, as well as other costs associated with the continued growth of our platform. For the purposes of calculating physician partner incentive expense, we allocate a portion of our enterprise general and administrative expenses to our geographies. General and administrative expenses also include severance and accruals for unasserted claims.

Depreciation and Amortization

Depreciation and amortization expenses are associated with our property and equipment and acquired intangible assets. Depreciation includes expenses associated with computer equipment and software, furniture and fixtures, and leasehold improvements. Amortization primarily includes expenses associated with acquired intangible assets.

Other Income (Expense)

Income (loss) from equity method investments

Income (loss) from equity method investments consists primarily of income associated with our participation in the CMS' Accountable Care Organization Realizing Equity, Access, and Community Health ("ACO REACH") Medicare Model and Shared Savings Program ("MSSP") (collectively, "CMS ACO Models").

Other Income (Expense), Net

Other income (expense), net includes: (i) trademark licensing and other operating and administrative services to our equity method investments and (ii) interest income, which consists primarily of interest earned on our cash and cash equivalents, restricted cash and equivalents, and marketable securities, including amortization/accretion of discount/premium.

Interest Expense

Interest expense consists primarily of interest expense associated with our outstanding debt, including amortization of debt discounts and issuance costs.

Income Tax Benefit (Expense)

We are subject to corporate U.S. federal, state, foreign, and local income taxation. Deferred tax assets are reduced by a valuation allowance to the extent management believes it is not more likely than not to be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. Management makes estimates and judgments about future taxable income based on assumptions that are consistent with our plans and estimates.

Total Discontinued Operations

Total discontinued operations primarily consist of the results of our former Hawaii operations. For certain of our divestiture transactions, we continue to be responsible for any liabilities arising from the business that were incurred prior to the closing date of such transaction, including any fines, penalties, and other sanctions, the payment of claims for medical services incurred prior to the effective date of each transaction, and other contingent liabilities that we currently believe are remote.

Results of Operations

The following table summarizes key components of our results of operations (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Medical services revenue	\$ 1,492,921	\$ 1,392,039	\$ 2,911,470	\$ 2,921,918
Other operating revenue	1,822	2,943	3,733	5,846
Total revenues	1,494,743	1,394,982	2,915,203	2,927,764
Expenses:				
Medical services expense	1,296,235	1,445,245	2,565,863	2,847,112
Other medical expenses	91,369	2,164	177,186	82,357
General and administrative	88,505	56,281	142,736	122,237
Depreciation and amortization	6,864	7,319	13,651	14,195
Total expenses	1,482,973	1,511,009	2,899,436	3,065,901
Income (loss) from operations	11,770	(116,027)	15,767	(138,137)
Other income (expense):				
Income (loss) from equity method investments	(7,596)	5,412	4,137	18,084
Other income (expense), net	15,015	7,879	31,040	17,140
Interest expense	(1,608)	(1,572)	(3,419)	(3,087)
Income (loss) before income taxes	17,581	(104,308)	47,525	(106,000)
Income tax benefit (expense)	375	(62)	347	(258)
Income (loss) from continuing operations	17,956	(104,370)	47,872	(106,258)
Discontinued operations:				
Adjustments on sale of assets, net	—	—	19,000	14,000
Net income (loss)	\$ 17,956	\$ (104,370)	\$ 66,872	\$ (92,258)

The following table summarizes our results of operations as a percentage of total revenues:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenues:				
Medical services revenue	100 %	100 %	100 %	100 %
Other operating revenue	—	—	—	—
Total revenues	100	100	100	100
Expenses:				
Medical services expense	87	104	88	97
Other medical expenses	6	—	6	3
General and administrative	6	4	5	4
Depreciation and amortization	—	1	—	—
Total expenses	99	108	99	105
Income (loss) from operations	1	(8)	1	(5)
Other income (expense):				
Income (loss) from equity method investments	(1)	—	—	1
Other income (expense), net	1	1	1	1
Interest expense	—	—	—	—
Income (loss) before income taxes	1	(7)	2	(4)
Income tax benefit (expense)	—	—	—	—
Income (loss) from continuing operations	1	(7)	2	(4)
Discontinued operations:				
Adjustments on sale of assets, net	—	—	1	—
Net income (loss)	1 %	(7)%	2 %	(3)%

Comparison of the Three and Six Months Ended June 30, 2026 to the Three and Six Months Ended June 30, 2025

Medical Services Revenue

	Three Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
Medical services revenue	\$ 1,492,921	\$ 1,392,039	\$ 100,882	7 %
% of total revenues	100 %	100 %		

Medical services revenue increased by \$100.9 million, or 7%, for the three months ended June 30, 2026 compared to the same period in 2025. The increase in medical services revenue for the three months ended June 30, 2026 was driven by higher premium yield as a result of constructive rates for 2026 from CMS funding, increased expectations for risk adjustment contribution, more favorable percentage of premium as a result of payor contract negotiations, and a new payor relationship in an existing geography. During the three months ended June 30, 2026, PMPM capitation rates increased 19% compared to the same period in 2025. The increase in medical services revenue was partially offset by an average MA membership decline of 10% as a result of our measured approach to growth, previously disclosed market exits which were

finalized as of January 1, 2026, and payor exits in certain markets which were a result of our disciplined and profitability-focused contracting efforts.

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
<i>(dollars in thousands)</i>				
Medical services revenue	\$ 2,911,470	\$ 2,921,918	\$ (10,448)	— %
% of total revenues	100 %	100 %		

Medical services revenue was relatively flat for the six months ended June 30, 2026 compared to the same period in 2025. Medical services revenue for the six months ended June 30, 2026 was impacted by an average MA membership decline of 12% as a result of our measured approach to growth, previously disclosed market exits which were finalized as of January 1, 2026, and payor exits in certain markets, which were a result of our disciplined and profitability-focused contracting efforts. Additionally, medical services revenue for the six months ended June 30, 2026 was impacted by higher premium yield as a result of constructive rates for 2026 from CMS funding, increased expectations for risk adjustment contribution, more favorable percentage of premium as a result of payor contract negotiations, and a new payor relationship in an existing geography. During the six months ended June 30, 2026, PMPM capitation rates increased 13% compared to the same period in 2025.

Medical Services Expense

	Three Months Ended June 30,		Change	
	2026	2025	\$	%
<i>(dollars in thousands)</i>				
Medical services expense	\$ 1,296,235	\$ 1,445,245	\$ (149,010)	(10)%
% of total revenues	87 %	104 %		

Medical services expense decreased by \$149.0 million, or 10%, for the three months ended June 30, 2026 compared to the same period in 2025 due primarily to a decline in average MA membership of 10% as a result of our measured approach to growth, previously disclosed market exits which were finalized as of January 1, 2026, and payor exits in certain markets which were a result of our disciplined and profitability-focused contracting efforts. Additionally, medical services expense for the three months ended June 30, 2026 benefited from positive claims development from 2025 and the first quarter of 2026. Based on our current census data, cost trends for the three months ended June 30, 2026 remained in line with what has been stated by our payor partners and others in our industry.

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
<i>(dollars in thousands)</i>				
Medical services expense	\$ 2,565,863	\$ 2,847,112	\$ (281,249)	(10)%
% of total revenues	88 %	97 %		

Medical services expense decreased by \$281.2 million, or 10%, for the six months ended June 30, 2026 compared to the same period in 2025 due primarily to a decline in average MA membership of 12% as a result of our measured approach to growth, previously disclosed market exits which were finalized as of January 1, 2026, and payor exits in certain markets which were a result of our disciplined and profitability-focused contracting efforts. Additionally, medical services expense for the six months ended June 30, 2026 benefited from positive claims development from 2025. The decline in MA membership was partially offset by an increase in average medical services expense per member of 2% primarily from higher year-over-year cost trends in 2026. Based on our current census data, cost trends for the six months ended June 30, 2026 remained in line with what has been stated by our payor partners and others in our industry.

Other Medical Expenses

	Three Months Ended June 30,		Change	
	2026	2025	\$	%
<i>(dollars in thousands)</i>				
Other medical expenses	\$ 91,369	\$ 2,164	\$ 89,205	4122 %
% of total revenues	6 %	— %		

Other medical expenses increased by \$89.2 million for the three months ended June 30, 2026 compared to the same period in 2025. Partner physician incentive expense, which is primarily a function of medical services revenues less the sum of medical services expenses, increased by \$94.6 million to \$59.7 million in 2026 compared to \$(34.9) million in the same period in 2025 as a result of the higher margins generated in certain of our geographies during 2026, which were a result of our disciplined and profitability-focused contracting efforts, compared to losses generated in certain of our geographies during the same period in 2025. Other provider costs decreased by \$5.4 million to \$31.7 million in 2026 compared to \$37.1 million in the same period in 2025 primarily as a result of a decline in additional compensation to support physician-patient engagement and other care management expenses.

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
<i>(dollars in thousands)</i>				
Other medical expenses	\$ 177,186	\$ 82,357	\$ 94,829	115 %
% of total revenues	6 %	3 %		

Other medical expenses increased by \$94.8 million, or 115%, for the six months ended June 30, 2026 compared to the same period in 2025. Partner physician incentive expense, which is primarily a function of medical services revenues less the sum of medical services expenses, increased by \$109.1 million to \$118.2 million in 2026 compared to \$9.1 million in the same period in 2025 as a result of the higher margins generated in certain of our geographies during 2026, which were a result of our disciplined and profitability-focused contracting efforts, compared to losses generated in certain of our geographies during the same period in 2025. Other provider costs decreased by \$14.3 million to \$59.0 million in 2026 compared to \$73.3 million in the same period in 2025 primarily as a result of a decline in additional compensation to support physician-patient engagement and other care management expenses.

General and Administrative

	Three Months Ended June 30,		Change	
	2026	2025	\$	%
<i>(dollars in thousands)</i>				
General and administrative	\$ 88,505	\$ 56,281	\$ 32,224	57 %
% of total revenues	6 %	4 %		

General and administrative expenses increased \$32.2 million, or 57%, for the three months ended June 30, 2026 compared to the same period in 2025. Operating costs to support our live geographies and enterprise functions (platform support costs) increased to \$42.7 million in 2026, compared to \$37.4 million in the same period in 2025. Operating costs to support our live geographies and enterprise functions as a percentage of revenue remain flat at 3% for the three months ended June 30, 2026 compared to the same period in 2025. Investments to support geography entry decreased to \$2.9 million in 2026, compared to \$4.2 million in the same period in 2025 due to decreased costs associated with the expansion within existing geographies. Stock-based compensation expense increased \$8.4 million for the three months ended June 30, 2026, compared to the same period in 2025 primarily as the performance conditions on certain performance-based equity awards were deemed probable, and thus the related costs were increased. Costs incurred for severance and transaction-related costs increased by \$19.8 million to \$19.0 million in 2026 compared to \$(0.8) million in the same period in 2025 as a result of our cost management initiatives.

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
General and administrative	\$ 142,736	\$ 122,237	\$ 20,499	17 %
% of total revenues	5 %	4 %		

General and administrative expenses increased \$20.5 million, or 17%, for the six months ended June 30, 2026 compared to the same period in 2025. Operating costs to support our live geographies and enterprise functions (platform support costs) decreased to \$80.3 million in 2026, compared to \$81.7 million in the same period in 2025 as a result of our cost management initiatives. Operating costs to support our live geographies and enterprise functions as a percentage of revenue remain flat at 3% for the six months ended June 30, 2026 compared to the same period in 2025. Investments to support geography entry decreased to \$4.6 million in 2026, compared to \$10.8 million in the same period in 2025 due to decreased costs associated with the expansion within existing geographies. Stock-based compensation expense decreased \$2.0 million for the six months ended June 30, 2026, compared to the same period in 2025 primarily as the performance conditions on certain performance-based equity awards were deemed not probable, and thus the related costs were reversed. Costs incurred for severance and transaction-related costs increased by \$30.1 million to \$27.7 million in 2026 compared to \$(2.4) million in the same period in 2025 as a result of our cost management initiatives.

Income (loss) from equity method investments

	Three Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
Income (loss) from equity method investments	\$ (7,596)	\$ 5,412	\$ (13,008)	(240)%
% of total revenues	1 %	— %		

Income (loss) from equity method investments decreased \$13.0 million to losses of \$7.6 million for the three months ended June 30, 2026 compared to income of \$5.4 million in the same period in 2025. Our CMS ACO Models investees recognized an increase in operating expenses during the three months ended June 30, 2026 compared to the same period in 2025 as a result of additional services we provided, which began in the fourth quarter of 2025.

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
Income (loss) from equity method investments	\$ 4,137	\$ 18,084	\$ (13,947)	(77)%
% of total revenues	— %	1 %		

Income (loss) from equity method investments decreased \$13.9 million to \$4.1 million for the six months ended June 30, 2026 compared to \$18.1 million in the same period in 2025. Our CMS ACO Models investees recognized an increase in operating expenses during the six months ended June 30, 2026 compared to the same period in 2025 as a result of additional services we provided, which began in the fourth quarter of 2025. The decrease in income (loss) from equity method investments was partially offset by an increase in gross profit from our CMS ACO Models investees during the six months ended June 30, 2026 compared to the same period in 2025.

Other income (expense), net

	Three Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
Other income (expense), net	\$ 15,015	\$ 7,879	\$ 7,136	91 %
% of total revenues	1 %	1 %		

Other income (expense), net increased by \$7.1 million, or 91%, for the three months ended June 30, 2026 compared to the same period in 2025 primarily from the increase in income related to additional services rendered to our CMS ACO Models investments recognized beginning in the fourth quarter of 2025.

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
Other income (expense), net	\$ 31,040	\$ 17,140	\$ 13,900	81 %
% of total revenues	1 %	1 %		

Other income (expense), net increased by \$13.9 million, or 81%, for the six months ended June 30, 2026 compared to the same period in 2025 primarily from the increase in income related to additional services rendered to our CMS ACO Models investments recognized beginning in the fourth quarter of 2025.

Total Discontinued Operations

	Six Months Ended June 30,		Change	
	2026	2025	\$	%
(dollars in thousands)				
Total discontinued operations	\$ 19,000	\$ 14,000	\$ 5,000	36 %
% of total revenues	1 %	— %		

Total discontinued operations relate to the sale of our Hawaii operations in October 2023. Total discontinued operations for the six months ended June 30, 2026 and 2025 relate to the release of a contingent obligation from our Hawaii operations.

Non-GAAP Financial Measures

In addition to providing results that are determined in accordance with U.S. GAAP, we present medical margin and Adjusted EBITDA, which are non-GAAP financial measures.

We define medical margin as medical services revenue after medical services expense is deducted. Medical services expense represents costs incurred for medical services provided to our members. As our platform matures over time, we expect medical margin to increase in absolute dollars. However, medical margin PMPM may vary as the percentage of new members brought onto our platform fluctuates. New membership added to the platform is typically dilutive to medical margin PMPM. We believe this metric provides insight into the economics of our capitation arrangements as it includes all medical services expense directly associated with our members' care.

We define Adjusted EBITDA as net income (loss) adjusted to exclude: (i) income (loss) from discontinued operations, net of income taxes, (ii) interest expense, (iii) income tax expense (benefit), (iv) depreciation and amortization, (v) stock-based compensation expense, (vi) severance and related costs, and (vii) certain other items that are not considered by us in the evaluation of ongoing operating performance. We reflect our share of Adjusted EBITDA for equity method investments by applying our actual ownership percentage for the period to the applicable reconciling items on an entity-by-entity basis.

Gross profit (loss) is the most directly comparable U.S. GAAP measure to medical margin. Net income (loss) is the most directly comparable U.S. GAAP measure to Adjusted EBITDA.

We believe medical margin and Adjusted EBITDA help identify underlying trends in our business and facilitate evaluation of period-to-period operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance, allowing comparison of our recurring core business operating results over multiple periods. We also believe medical margin and Adjusted EBITDA provide useful information about our operating results, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to key metrics we use for financial and operational decision-making. We believe medical margin and Adjusted EBITDA or similarly titled non-GAAP measures are widely used by investors, securities analysts, ratings agencies, and other parties in evaluating companies in our industry as a measure of financial

performance. Other companies may calculate medical margin and Adjusted EBITDA or similarly titled non-GAAP measures differently from the way we calculate these metrics. As a result, our presentation of medical margin and Adjusted EBITDA may not be comparable to similarly titled measures of other companies, limiting their usefulness as comparative measures.

Adjusted EBITDA is not considered a measure of financial performance under U.S. GAAP, and the items excluded therefrom are significant components in understanding and assessing our financial performance. Adjusted EBITDA has limitations as an analytical tool and should not be considered in isolation or as an alternative to such U.S. GAAP measures as net income (loss), cash flows provided by or used in operating, investing, or financing activities or other financial statement data presented in our consolidated financial statements as an indicator of financial performance or liquidity. Some of these limitations are:

- Adjusted EBITDA does not reflect changes in, or cash requirements for, working capital needs;
- Adjusted EBITDA does not reflect interest expense or the requirements necessary to service interest or principal payments on debt;
- Adjusted EBITDA does not reflect income tax expense (benefit) or the cash requirements to pay taxes;
- Adjusted EBITDA does not reflect historical cash expenditures or future requirements for capital expenditures or contractual commitments;
- Although depreciation and amortization charges are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- The expenses and other items that we exclude in our calculation of Adjusted EBITDA may differ from the expenses and other items, if any, that other companies may exclude from similarly titled non-GAAP financial measures.

The following table sets forth a reconciliation of gross profit (loss) to medical margin using data derived from our condensed consolidated financial statements for the periods indicated (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Gross profit (loss) ⁽¹⁾	\$ 107,139	\$ (52,427)	\$ 172,154	\$ (1,705)
Other operating revenue	(1,822)	(2,943)	(3,733)	(5,846)
Other medical expenses	91,369	2,164	177,186	82,357
Medical margin	<u>\$ 196,686</u>	<u>\$ (53,206)</u>	<u>\$ 345,607</u>	<u>\$ 74,806</u>

(1) Gross profit (loss) is defined as total revenues less medical services expense and other medical expenses.

The following table sets forth a reconciliation of net income (loss) to Adjusted EBITDA using data derived from our condensed consolidated financial statements for the periods indicated (dollars in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net income (loss)	\$ 17,956	\$ (104,370)	\$ 66,872	\$ (92,258)
(Income) loss from discontinued operations, net of income taxes	—	—	(19,000)	(14,000)
Interest expense	1,608	1,572	3,419	3,087
Income tax expense (benefit)	(375)	62	(347)	258
Depreciation and amortization	6,864	7,319	13,651	14,195
Severance and related costs	7,637	119	13,751	644
Stock-based compensation expense	23,832	15,381	30,087	32,101
EBITDA adjustments related to equity method investments ⁽¹⁾	14,783	4,366	29,666	11,209
Other ⁽²⁾	(2,734)	(7,782)	(14,689)	(18,002)
Adjusted EBITDA	\$ 69,571	\$ (83,333)	\$ 123,410	\$ (62,766)

(1) Includes elimination of certain administrative services provided by agilon health, inc. to equity method investments.

(2) Includes interest income, transaction-related costs and elimination of certain administrative charges by agilon health, inc. for trademark licensing fees and other service arrangements to its equity method investees.

Liquidity and Capital Resources

We strategically maintain a level of liquidity sufficient to allow us to meet our cash needs in the short-term. We have historically financed our operations primarily through funds generated from our capitation arrangements with payors, distributions and or payments from our equity method investments, issuances of equity securities, and borrowings under credit agreements. We generally invest any excess cash in money market accounts and marketable securities. Over the long term, our investment strategies are designed to provide safety and preservation of capital, and sufficient liquidity to meet the cash flow needs of our business operations.

As of June 30, 2026, we had cash and cash equivalents and restricted cash of \$178.8 million and investments in marketable securities of \$78.4 million.

From time to time, we may incur operating losses and may generate negative cash flows from operations. As a result, we may require additional capital resources in the future to execute strategic initiatives to grow our business. Our primary uses of cash include payments for medical claims and other medical expenses, including partner physician incentive expense, general and administrative expenses, costs associated with the development of new geographies and expansion of existing geographies, debt service and capital expenditures. Final reconciliation and receipt of amounts due from payors are typically settled in arrears, following completion of the contractual program year.

Based on our planned operations, we believe that our existing cash and cash equivalents, restricted cash, investments in marketable securities, as well as available borrowing capacity under the Credit Facility (defined below), will be sufficient to meet our working capital and capital expenditure needs over at least the next 12 months, though we may require additional capital resources in the future. We have based these estimates on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. Our cash flows are impacted by the timing of receipts from payors. Our business should normally produce positive cash flows during periods of positive medical margin. Conversely, cash flows would be negatively impacted during periods of negative medical margin. Our cash flows may also be affected by the timing of working capital items including accounts receivable, claims payable, other receivables and payables, and cash requirement covenants under our Credit Agreement (defined below), including daily minimum balances and cash collateral for issuing letters of credit.

We may require additional financing in the future to fund working capital and pay our obligations. We may seek to raise any necessary additional capital through a combination of public or private equity offerings and/or debt financings. There can be no assurance that we will be successful in acquiring additional funding at levels sufficient to fund our operations or on terms favorable to us, if at all. If adequate funds are not available on acceptable terms when needed, we may be required to significantly reduce operating expenses, which may have a material adverse effect on our business, financial condition, cash flows, and results of operations. If we do raise additional capital through public or private equity offerings, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our existing stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends.

Our ability to pay dividends to holders of our common stock is significantly limited as a practical matter by our growth plans as well as the Credit Facility insofar as we may seek to pay dividends out of funds made available to us by agilon health management, inc. or its subsidiaries because the Credit Facility restricts agilon health management, inc.'s ability to pay dividends or make loans to us. The borrower on the Credit Facility is agilon health management, inc., our wholly-owned subsidiary. The Credit Facility is guaranteed by certain of our subsidiaries, including those identified as variable interest entities, and contains customary covenants including, among other things, limitations on restricted payments including: (i) dividends and distributions from restricted subsidiaries, (ii) requirements of minimum financial ratios, and (iii) limitation on additional borrowings based on certain financial ratios.

Cash Flows

The following summary discussion of our cash flows is based on the condensed consolidated statements of cash flows. The following table sets forth changes in cash flows (dollars in thousands):

	Six Months Ended June 30,		
	2026	2025	Change
Net cash provided by (used in) operating activities	\$ (33,569)	\$ (67,072)	\$ 33,503
Net cash provided by (used in) investing activities	39,183	47,369	(8,186)
Net cash provided by (used in) financing activities	(516)	(2,741)	2,225

Net Cash Provided By (Used In) Operating Activities

Net cash used in operating activities was \$33.6 million for the six months ended June 30, 2026 compared to \$67.1 million for the six months ended June 30, 2025. The change in net cash used in operating activities was primarily a result of the increase in medical margin, partially offset by increased provider costs, including partner physician incentive expenses, and timing of settlements with payors. Our cash flow from operations is dependent upon the number of members on our platform, the timing of settlements with payors, and the level of operating and general and administrative expenses necessary to operate and grow our business, among other factors.

Net Cash Provided By (Used In) Investing Activities

Net cash provided by investing activities was \$39.2 million for the six months ended June 30, 2026 compared to \$47.4 million for the six months ended June 30, 2025. During the six months ended June 30, 2026, we received net proceeds from the maturities of marketable securities and repayments of loans receivables of \$46.6 million and made investments of \$7.4 million primarily for the acquisition of intangible assets and property and equipment. During the six months ended June 30, 2025, we received proceeds from the maturities of marketable securities of \$125.3 million and made investments of \$78.0 million primarily for marketable securities, and the acquisition of intangible assets and property and equipment.

Net Cash Provided By (Used In) Financing Activities

Net cash used in financing activities was \$0.5 million for the six months ended June 30, 2026 was primarily related to the repayment of debt, partially offset by proceeds from stock option exercises. Net cash used in financing activities of \$2.7 million for the six months ended June 30, 2025 was primarily related to the payments for equity issuances.

Debt Obligations

On February 18, 2021, we executed a credit facility agreement (as amended by the First Amendment to Credit Agreement, dated as of March 1, 2021, the Second Amendment to Credit Agreement, dated as of May 25, 2023, the Third Amendment to Credit Agreement, dated as of February 12, 2026 (the “Third Amendment”), and the Fourth Amendment to Credit Agreement, dated as of April 9, 2026, the “Credit Agreement”), which includes: (i) a secured term loan facility (the “Secured Term Loan Facility”) and (ii) a senior secured revolving credit facility (the “Secured Revolving Facility,” and together with the Secured Term Loan Facility, the “Credit Facility”). The Third Amendment, among other changes, (a) extended the stated maturity date from February 18, 2026 to February 18, 2028; (b) amended certain covenant “baskets” to be measured as a percentage of EBITDA rather than, or as an alternative to, Consolidated Total Assets; (c) required that we maintain a minimum of \$50.0 million in Total Cash as of the end of each Business Day; (d) conditioned certain payments, including dividends, to Holdings under the available amount “basket” on us achieving positive EBITDA for two consecutive trailing four-quarter periods each ending after the Third Amendment effective date; (e) required that any reduction in outstanding letters of credit be accompanied by a corresponding prepayment of term loans; (f) reduced the aggregate amount of revolving credit commitments from \$100.0 million to \$90.0 million; and (g) required cash collateralization at 103% of the amount of each letter of credit outstanding. Concurrently with the effectiveness of the Third Amendment, we executed and delivered an unsecured guaranty of management’s obligations under the Credit Agreement. All capitalized terms used herein, but not defined herein, shall have the meanings ascribed to such terms in the Third Amendment.

The Secured Overnight Financing Rate (“SOFR”) is used as a benchmark interest rate in accordance with the Credit Agreement. At our option, borrowings under the Credit Facility can be either: (i) Term SOFR Rate Loans, (ii) Daily Simple SOFR Rate Loans, or (iii) Base Rate Loans, each as defined in the Credit Agreement. Daily Simple SOFR Rate Loans and Term SOFR Rate Loans bear interest at a rate equal to the sum of 3.50% and the higher of (a) SOFR, as defined in the Credit Agreement, and (b) 0%. Base Rate Loans bear interest at a rate equal to the sum of 2.50% and the highest of: (a) 0.50% in excess of the overnight federal funds rate, (b) the prime rate established by the administrative agent from time to time, (c) the one-month SOFR rate (adjusted for maximum reserves) plus 1.00% and (d) 0%. Additionally, we pay a commitment fee on the unfunded Secured Revolving Facility amount of 0.375%. We must also pay customary letter of credit fees.

The Credit Facility contains customary covenants including, among other things, limitations on restricted payments including: (i) dividends and distributions from restricted subsidiaries, (ii) requirements of minimum financial ratios, and (iii) limitation on additional borrowings based on certain financial ratios.

For additional discussion on our debt obligations, see Note 8 to the Condensed Consolidated Financial Statements.

Equity

As of June 30, 2026, we had 16.8 million shares of common stock outstanding. See “—Overview and Recent Developments” above for information related to the Reverse Stock Split.

Critical Accounting Estimates

Management’s discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of financial statements in conformity with U.S. GAAP requires us to use judgment in the application of accounting policies, including making estimates and assumptions. We base estimates on the best information available to us at the time, our historical experience, known trends and events, and various other assumptions that we believe are reasonable under the circumstances. These estimates affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting periods. If our judgment or interpretation of the facts and circumstances relating to various transactions or other matters had been different, it is possible that different accounting would have been applied, resulting in a different presentation of our condensed consolidated financial statements. From time to time, we re-evaluate our estimates and assumptions. In the event estimates or assumptions prove to be different from actual results, adjustments are made in subsequent periods to reflect more current estimates and assumptions about matters that are inherently uncertain. A summary of our critical accounting policies is included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 in Part II, Item 7 “Management’s Discussion and Analysis of Financial Conditions and Results of Operations - Critical Accounting

Policies” and Note 2 to the Condensed Consolidated Financial Statements. There have been no significant changes to our critical accounting policies during 2026.

Recent Accounting Pronouncements

For the impact of new accounting standards, see Note 2 to the Condensed Consolidated Financial Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to various market risks, including the potential loss arising from adverse changes in interest rates. We do not use derivative financial instruments in the normal course of business or for speculative or trading purposes.

Our exposures to market risk for changes in interest expense relate primarily to the Credit Facility. Indebtedness under the Credit Facility is floating rate debt and is carried at amortized cost. Therefore, fluctuations in interest rates will impact our consolidated financial statements. A rising interest rate environment will increase the amount of interest paid on this debt. A hypothetical 100 basis point change in interest rates would not have a material impact on our interest expense.

We held cash, cash equivalents, restricted cash and equivalents, and marketable securities of \$257.3 million and \$285.1 million as of June 30, 2026 and December 31, 2025, respectively, consisting of bank deposits, certificates of deposits, money market funds, U.S. Treasury notes, and corporate debt securities. Such interest-earning instruments carry a degree of interest rate risk. A hypothetical 100 basis point change in interest rates would not have a material impact on the fair value of our marketable securities. Declines in interest rates over time will reduce our investment income. The goals of our investment policy are liquidity and capital preservation. We do not enter into investments for trading or speculative purposes.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. Our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), with the assistance of other members of management, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based on that evaluation, our CEO and CFO have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective to provide reasonable assurance that the information we are required to disclose in the reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s (“SEC”) rules and forms and (2) accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect every misstatement. An evaluation of effectiveness is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may decrease over time.

Changes in Internal Control Over Financial Reporting. Under applicable SEC rules (Exchange Act Rules 13a-15(d) and 15d-15(d)), management is required to evaluate any change in internal control over financial reporting that occurred during each fiscal quarter that had materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. There were no changes in our internal control over financial reporting that occurred during our most recently completed fiscal quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

See the “Legal Proceedings” section of Note 9 to the Condensed Consolidated Financial Statements for information regarding legal proceedings, which information is incorporated by reference in this Item 1.

Item 1A. Risk Factors

In addition to the information set forth in this Form 10-Q, you should carefully consider the risk factors disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. There have been no material changes to the risk factors disclosed in that Form 10-K.

Item 5. Other Information

During the three months ended June 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified, or terminated any “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (as such terms are defined in Item 408 of Regulation S-K under the Act).

Item 6. Exhibits

Exhibit Number	Description
3.1	Amended and Restated By-laws of agilon health, inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed August 4, 2025).
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of agilon health, inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed March 30, 2026).
10.1	Employment Agreement, dated as of March 27, 2026, by and between Denise Zamore and agilon health, inc. (incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q filed May 6, 2026). †
10.2	Employment Agreement, dated as of April 24, 2026, by and between Tim O’Rourke and agilon health, inc. (incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q filed May 6, 2026). †
10.3	Employee Restricted Stock Unit Agreement, effective as of May 7, 2026, by and between Tim O’Rourke and agilon health, inc. (incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q filed May 6, 2026). †
10.4	Employee Restricted Performance Stock Unit Agreement, effective as of May 7, 2026, by and between Tim O’Rourke and agilon health, inc. (incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q filed May 6, 2026). †
10.5	Severance Agreement and General Release, dated as of July 17, 2026, by and between agilon health, inc. and Girish Venkatachaliah (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed July 22, 2026). †*
10.6	Fourth Amendment to Credit Agreement, dated as of April 9, 2026, among agilon health, inc., agilon health management, inc. (f/k/a agilon health, inc.), Agilon Health Intermediate Holdings, Inc., the Subsidiary Guarantors party thereto, the Lenders and Issuers from time to time party thereto and J.P. Morgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.9 to the Quarterly Report on Form 10-Q filed May 6, 2026).

Exhibit Number	Description
31.1	Certification by Timothy O'Rourke, agilon's Principal Executive Officer, Pursuant to Securities Exchange Act Rule 13a-14(a).*
31.2	Certification by Jeffrey Schwaneke, agilon's Principal Financial Officer, Pursuant to Securities Exchange Act Rule 13a-14(a).*
32.1	Certification by Timothy O'Rourke, agilon's Principal Executive Officer, Pursuant to Securities Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350.**
32.2	Certification by Jeffrey Schwaneke, agilon's Principal Financial Officer, Pursuant to Securities Exchange Act Rule 13a-14(b) and 18 U.S.C. Section 1350.**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.*
101.SCH	Inline XBRL Taxonomy Extension Schema Document.*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.*
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).*

* Filed herewith.

** Furnished herewith.

† Identifies each management contract or compensatory plan or arrangement.

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 thereunto duly authorized.

Date: August 5, 2026

agilon health, inc.

(Registrant)

/s/ JEFFREY SCHWANEKE

Jeffrey Schwaneke

Chief Financial Officer

(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Timothy O'Rourke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of agilon health, inc. for the period ended June 30, 2026;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

By: /s/ TIMOTHY O'ROURKE

Timothy O'Rourke
Chief Executive Officer and President
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeffrey Schwaneke, certify that:

1. I have reviewed this quarterly report on Form 10-Q of agilon health, inc. for the period ended June 30, 2026;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2026

By: /s/ JEFFREY SCHWANEKE

Jeffrey Schwaneke
Chief Financial Officer
(Principal Financial Officer)

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ TIMOTHY O'ROURKE

Timothy O'Rourke
Chief Executive Officer and President
(Principal Executive Officer)

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ JEFFREY SCHWANEKE
Jeffrey Schwaneke
Chief Financial Officer
(Principal Financial Officer)