



2026 SHAREHOLDER LETTER

April 16, 2026

Dear U.S. Physical Therapy Shareholder,

I want to begin this letter by thanking our dedicated, partner-led teams from around the country. Everyday, our therapists show up making a tremendous difference in the lives of our patients. And to our injury prevention teams who are embedded in our nation's largest and most important employers, by preventing and reducing injuries before they happen, you are helping to save our clients hundreds of millions of dollars while making workplaces safer. Across the full spectrum of all that we do, this is truly impactful and meaningful work.

2025 marked a 5-year period where we were beset with Medicare reimbursement headwinds that felt very incongruent with the associated value and impact of our care. Despite these headwinds, we focused on what we could control, and I hope you will agree that 2025 produced some notable highlights.

Among them:

- Net Revenue increased 16.3% overall...16% from physical therapy and 18% from our industrial injury prevention business.
- Gross Profit across both segments grew more than 20%.
- Adjusted Operating Income grew 18.4%.
- Despite federal rate headwinds, we improved our overall net rate per patient visit and we delivered margin improvement as a result of solid cost control.
- Our net promoter scores across our broad network of partnerships continue to be in the world class range, averaging approximately 94 for the year....a testament to the extraordinary care and concern that is recognized by our patients and differentiates us from other parts of the healthcare continuum.

Additional 2025 Highlights:

- Our Metro acquisition was completed at the end of October 2024 and is now fully integrated and bearing great fruit. **In the first 17 months after the acquisition, we increased our clinic count by 50% to 63 clinics**, as well as significantly expanded our home care services.

- Importantly, we announced our first very **significant hospital alliance with NYU Langone Health**, which will begin phasing in mid-2026 and will provide us with additional support, capabilities, and resources to reach even more patients with our life-impacting care. This hospital initiative will be a material and persistent effort which will help us to strengthen and densify key markets across the country.
- Additionally, **we completed several acquisitions in 2025 in our core PT business, along with a recently announced 2026 injury prevention partnership** based in our rapidly growing New York City market. This partnership, like several of our prior industrial injury prevention acquisitions, broadens our service offering and will help to extend those capabilities to our existing customers and their employees.

Key 2026 initiatives will include:

- Complete our rollout of ambient listening supported documentation.
- Complete our rollout of semi-virtualization of our front office functionality.
- Further expand our cash-based programs
- An enterprise-wide rollout of remote therapeutic monitoring for our Medicare patients.
- Targeted capital deployment for acquisitions in both the industrial injury prevention and physical therapy segments.
- Semi-refreshment of our Board of Directors by replacing 2 outgoing board members at the point of retirement.

Our team is extremely focused and aligned around these key opportunities which will deliver accelerated growth, further densification in key markets, and margin restoration.

The “secret sauce,” however, is our unwavering commitment to providing great care and service to our patients and our industrial injury prevention partners. We appreciate all your support over these past few years. This begins my 23rd year with this great company and I am as excited as I have ever been for our future and the opportunity ahead. We have much yet to accomplish and we have a great team spread around the country to get us there.

As I say often around the office....."Let's GO!!"

God Bless!



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