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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended January 31, 2025
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: 001-38977

PHREESIA, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	20-2275479
(State or Other Jurisdiction of Incorporation or Organization)	**(IRS Employer Identification No.)**
1521 Concord Pike, Suite 301 PMB 221 Wilmington, DE[1]	**19803**
(Address of Principal Executive Offices)	**(Zip Code)**

(888) 654-7473
(Registrant's Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, $0.01 par value per share	PHR	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. **Yes** ☒ **No** ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. **Yes** ☐ **No** ☒

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 for 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, a smaller reporting company, or an emerging growth company. See the 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal controls over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. **Yes** ☒ **No** ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). **Yes** ☐ **No** ☒

The aggregate market value of the common stock held by non-affiliates of the registrant, based on the closing price of a share of common stock on July 31, 2024, the last business day of the registrant's most recently completed second fiscal quarter, as reported by the New York Stock Exchange on such date was approximately $1,355,922,770. This calculation does not reflect a determination that certain persons are affiliates of the registrant for any other purpose.

As of March 7, 2025, there were 58,772,448 shares of the registrant's common stock, par value $0.01 per share, outstanding.

[1] Phreesia, Inc. is a fully remote company and no longer maintains its principal executive office. The address listed here is the mailing address that we maintain. For purposes of compliance with applicable requirements of the Securities Act of 1933, as amended, and
Securities Exchange Act of 1934, as amended, stockholder communications required to be sent to our principal executive offices should
be directed to the email address set forth in our proxy materials and/or identified on our investor relations website.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement relating to its 2025 Annual Meeting of Stockholders to be filed hereafter are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated.

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Summary of Material Risks Associated with our Business

Our business is subject to numerous risks and uncertainties that you should be aware of in evaluating our business. These risks and uncertainties include, but are not limited to, the following:

- We operate in a highly competitive industry, and if we are not able to compete effectively, including with the electronic health records ("EHR") and practice management ("PM") systems with which we integrate, our business and results of operations may be harmed.
- If we fail to manage our future growth effectively, our revenue may not increase, and we may be unable to implement our business strategy.
- Our operating results have fluctuated and may continue to fluctuate significantly, and if we fail to meet the expectations of analysts or investors, our stock price and the value of your investment could decline substantially.
- Privacy concerns, cyber-attacks, data breaches or cybersecurity incidents relating to our SaaS-based solutions could result in economic loss, damage to our reputation, deterring users from using our products, and our exposure to legal penalties and liability.
- Our operations in India subject us to additional risks which could have an adverse effect on our business, operating results, and financial condition.
- We typically incur significant upfront costs in our client relationships, and if we are unable to develop or grow these relationships over time, we are unlikely to recover these costs and our operating results may suffer.
- As a result of our variable sales and implementation cycles, we may be unable to recognize revenue to offset expenditures, which could result in fluctuations in our quarterly results of operations or otherwise harm our future operating results.
- The estimates and assumptions we use to determine the size of our target market may prove to be inaccurate, and even if the markets in which we compete meet our size estimates and forecasted growth, our business may not grow at similar rates, or at all.
- We depend on our senior management team and certain key employees, and the loss of one or more of our executive officers or key employees or an inability to attract and retain highly skilled employees could adversely affect our business.
- We have made, and may in the future make, acquisitions and investments which may be difficult to integrate, divert management resources, result in unanticipated costs or dilute our stockholders.
- We are a fully remote company that does not maintain a physical office presence, which subjects us to unique operational risks.
- We are subject to health care laws and data privacy and security laws and regulations governing our collection, use, disclosure, storage and transmission of personally identifiable information, including protected health information and payment card data, which may impose restrictions on us and our operations, require us to change our business practices and put in place additional compliance mechanisms, and subject us to fines, penalties, lawsuits, adverse publicity, reputational harm, loss of customer trust or government enforcement actions if we are unable to fully comply with such laws.
- We rely on our third-party contractors, vendors and partners, including some outside of the United States, to execute our business strategy. Replacing them could be difficult and disruptive to our business. If we are unsuccessful in forming or maintaining such relationships on terms favorable to us, our business may not succeed.

The summary risk factors described above should be read together with the text of the full risk factors below in the section titled "Risk Factors" and in the other information set forth in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes, as well as in other documents that we file with the U.S. Securities and Exchange Commission (the "SEC"). If any such risks and uncertainties actually occur, our business, prospects, financial condition and results of operations could be materially and adversely affected. The risks summarized above or described in full below are not the only risks that we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial may also materially adversely affect our business, prospects, financial condition and results of operations.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, including the sections entitled "Business," "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations," contains express or implied statements that are not historical facts and are considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance and may contain projections of our future results of operations or of our financial information or state other forward-looking information. In some cases, you can identify forward-looking statements by the following words: "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue," "ongoing," or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words.

Although we believe that the expectations reflected in these forward-looking statements are reasonable, these statements relate to future events or our future operational or financial performance, and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by these forward-looking statements. Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements about:

- our future financial performance, including our revenue, cash flows, costs of revenue and operating expenses;
- the rapidly evolving industry and the market for technology-enabled services in healthcare in the United States being relatively immature and unproven;
- our reliance on a limited number of clients for a substantial portion of our revenue;
- our anticipated growth and growth strategies and our ability to effectively manage that growth;
- our ability to achieve positive net income and our ability to maintain and grow positive Adjusted EBITDA;
- the sufficiency of our cash, cash equivalents and investments to meet our liquidity needs;
- our potential competition with our customers or partners;
- our existing clients not renewing their existing contracts with us, renewing at lower fee levels or declining to purchase additional applications from us;
- our failure to adequately maintain our direct sales force, impeding our growth;
- our ability to recover the significant upfront costs in our customer relationships;
- liability arising from our collection, use, disclosure, or storage of sensitive data collected from or about patients;
- our reliance on third-party vendors, manufacturers and partners to execute our business strategy;
- the impact of privacy concerns, data breaches or other cybersecurity incidents on our business operations, financial performance and results of operations;
- the uncertainty and ongoing flux of the regulatory and political framework, including potential regulatory, judicial, and legislative changes or developments resulting from the change in U.S. presidential administration;
- our ability to comply with laws and regulations;
- our ability to determine the size of our target market;
- the impact of market volatility, including the inflationary and interest rate environment, economic slowdowns and recessions, and other global financial, economic and political events, on our business and our ability to attract, retain and cross-sell to healthcare services clients;
- our ability to obtain, maintain and enforce intellectual property for our technology and products;
- our inability to implement our solutions for clients resulting in loss of clients and reputation;
- our dependency on our key personnel, and our ability to attract, hire, integrate, and retain key personnel, including as a result of being a fully remote company;
- the possibility that we may become subject to future litigation and the expected outcome of any ongoing litigation matters;

- our future indebtedness and contractual obligations;
- our expectations regarding trends in our key metrics and revenue from subscription fees from our healthcare services clients, payment processing fees and fees charged to our life sciences clients and other organizations for delivering direct communications to help activate, engage and educate patients about topics critical to their health;
- our ability to meet our objectives regarding our operations in India; and
- other risks and uncertainties, including those listed under the section titled "Risk Factors."

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Annual Report on Form 10-K. You should not rely upon forward-looking statements as predictions of future events. We have based our forward-looking statements primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors, including, without limitation, those described in the section titled “Risk Factors” in this Annual Report on Form 10-K.

Moreover, we operate in a very competitive and rapidly changing environment. 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 Annual Report on Form 10-K. We cannot assure you that the results, events and circumstances reflected in these forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements contained in this Annual Report on Form 10-K speak only as of the date on which the statements are made. We undertake no obligation to update, and expressly disclaim the obligation to update, any forward-looking statements made in this Annual Report on Form 10-K to reflect events or circumstances after the date of this Annual Report on Form 10-K or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements.

This Annual Report on Form 10-K includes statistical and other industry and market data that we obtained from industry publications and research, surveys and studies conducted by third parties. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. We have not independently verified the information contained in such sources.

NOTE REGARDING COMPANY REFERENCES

Unless the context otherwise requires, the terms “Phreesia,” “the Company,” “we,” “us,” and “our” in this Annual Report on Form 10-K refer to Phreesia, Inc.

PART I

Item 1. Business

Overview

We are a leading provider of comprehensive software solutions that improve the operational and financial performance of healthcare organizations and improve health outcomes by helping patients take a more active role in their care. Phreesia's mission is to make care easier every day. We have created an integrated and streamlined system that automates data capture and activates patients before, during and after their interaction with their healthcare services provider. Our solutions include SaaS-based integrated tools that manage patient access, registration and payments. We offer tools to communicate with patients about their health that have demonstrated increased rates of preventive care and vaccinations. Additionally, our solutions include clinical assessments to screen patients for a variety of physical, behavioral and mental health conditions, helping providers better understand their patients and connect them to needed services, resulting in improved health outcomes. We also provide life sciences companies, government entities, patient advocacy, public interest and not-for-profit and other organizations with a channel for direct education and communication with patients in a privacy-protected environment. Additional products and services include the MediFind provider directory, which helps patients find care based on providers' specialty and condition expertise. In fiscal 2025, we facilitated patient visits in over 4,300 healthcare services clients across all 50 states. We define a patient visit as an individual, in-person or telehealth visit to a healthcare services provider, which may include multiple encounters by the same patient.

Patient intake is a complex and time-consuming process involving numerous tasks, including registration, insurance verification, patient questionnaires, patient-reported outcomes ("PROs") and payments. Inefficiencies during the intake process often result in lower satisfaction for patients and healthcare services organizations, wasted time, missed revenue opportunities and diminished health outcomes.

Our comprehensive range of technology solutions and services include registration, appointment scheduling, payments, automated answering services, and post-appointment patient surveys. We securely collect and analyze each patient's information and provide engagement tools to efficiently guide each patient through their healthcare journey. We deploy our solutions to patients across a range of modalities, including through patients' mobile devices (Phreesia Mobile), and through our self-service intake tablets (PhreesiaPads) and on-site kiosks (Arrivals Kiosks), all of which provide an individualized experience for each patient based on age, gender, appointment type and other clinical and demographic factors. We deploy our solutions to healthcare services clients through a web-based dashboard (Phreesia Dashboard). Our solutions are highly customizable and scalable to any size healthcare service organization and can seamlessly integrate within a client's workflows and leading Practice Management, or PM, and Electronic Health Record, or EHR, systems. Our solutions additionally allow for secure and integrated payments at the time-of-service and after explanation of benefits.

We serve an array of healthcare services clients of all sizes across over 25 specialties, ranging from single-specialty practices, including internal and family medicine, urology, dermatology, and orthopedics, to large, multi-specialty groups and health systems as well as other organizations that provide other types of healthcare-related services. Our network solutions clients include life sciences companies in the pharmaceutical, biotechnology and medical device industries, as well as government entities, patient advocacy, public interest and other not-for-profit organizations seeking to activate, engage and educate patients about topics critical to their health. Our goal is to help patients have more informed conversations to help them make decisions about their care.

Our solutions

We offer our clients a comprehensive range of technology applications and modules that address the growing needs of the healthcare market by helping patients take a more active role in their care.

- ***Our access to care solutions*** provide a comprehensive appointment scheduling system to provide clients with applications for online appointments, reminders and referral tracking and management, in addition to managing inbound patient calls during and after business hours. Through our MediFind.com provider directory, we enable healthcare services clients to manage their MediFind provider profiles, helping patients to find the best doctors, latest medical advances and active clinical trials, and helping patients to book appointments.
- ***Our registration solutions*** automate patient self-registration before or at the time of the patient's visit— via Phreesia Mobile or through the use of a purpose-built PhreesiaPad or Arrivals Kiosk for on-site check-in. Our

Phreesia Dashboard is used by healthcare services organization staff to monitor and manage the intake process. We also collect clinical intake and PRO data for more than 25 specialties, enabling our clients to ask the right clinical questions of the appropriate patients at the right time and gather key data that aligns with their quality-reporting goals. In addition, our registration solutions include electronic forms that streamline workflows, improve compliance and deliver a better patient experience.

- ***Our revenue cycle solutions*** provide insurance-verification processes, point-of-sale payments applications, post-visit payment collection and flexible payment options, which help healthcare services clients maximize the timely collection of patient payments.
- ***Our network solutions*** provide a channel for our life sciences, patient advocacy, government and public health clients to deliver content to patients who use our solutions and our MediFind platform. On behalf of our clients, we deliver clinically relevant content to patients who consent to receive information and engagement. Viewing content is optional, and patients can revoke their authorization at any time. Additionally, our DoctorFinder product allows Life Sciences companies to embed our MediFind doctor directory in their own websites, thereby helping patients find appropriate care for their unique needs.

Our market opportunity

We serve a range of healthcare services clients, including single-specialty practices, large multi-specialty groups and health systems. We provide services to large and small pharmaceutical, medical device and biotechnology companies, as well as government entities and other organizations. We believe our current addressable market is approximately $10.0 billion and is derived from: (1) the potential $6.3 billion of subscription and related services revenue generated from the approximately 1.4 million U.S.-based healthcare services organizations who take medical appointments in ambulatory care settings and healthcare service providers who work in hospital settings, (2) the estimated potential $2.3 billion of consumer-related transaction and payment processing fees, which are based on a percentage of payments that we process through our platform and address approximately $95.0 billion of annual out of pocket patient spend in ambulatory healthcare related professional services, (3) an estimated potential $1.9 billion in Network solutions revenue, based on projections of direct-to-consumer point-of-care marketing spend and other digital, direct-to-consumer life sciences marketing spend. We estimate that our target client universe in the ambulatory and hospital markets is approximately 50,000 unique healthcare services clients. As we develop new products and services, we expect our total addressable market to grow.

Our value proposition

We are focused on providing healthcare services organizations, life sciences companies, government entities and other organizations the tools to help patients take a more active role in their care. We believe our solutions provide a unique value proposition that is differentiated from what is offered by the traditional healthcare system.

Value proposition for patients

- *Improved patient experience*. Our solutions streamline the patient access and patient intake processes and provide consumer-centric options for check-in. We pre-populate information from prior visits, minimizing the frustration of repetitive questions during the intake process and streamlining the information for review by a clinician by the time the patient reaches the exam room. We also offer patients a convenient, flexible, secure intake experience that saves time and provides clarity regarding the amount of payment due. The MediFind provider directory helps patients find the right care for their unique needs. Patients are also able to save time by making their appointments using our technology. Additionally, our smart answering and after hours care solution improves the patient experience by routing incoming patient calls to the appropriate healthcare resources.
- *Flexible payment options.* We provide patients with flexibility and choice in how they pay for healthcare services. Patients are able to pay upfront or set up an automated payment plan that adheres to our healthcare services clients' financial policies. Patients can also choose to pay online on their healthcare services organization’s website or place a card on file, removing the need for difficult payment-related conversations with staff. Additionally, we customize the messaging, channel and timing of payment reminders by providing patients with easy-to-read digital bills through preferred patient channels including text or email.
- *Activation in care.* By leveraging the power of self-service, flexible software solutions and consent-based content delivery, we support and activate patients along their healthcare journey so they can take an active role in their healthcare decisions, resulting in improved health outcomes.

Value proposition for healthcare services clients

- *Simplify operations and enhance staff efficiency.* We enable healthcare services clients to streamline operations through automated patient access and intake, automated answering services and payments that are integrated into existing workflows and PM and EHR systems. By automating the numerous tasks and forms associated with the intake process, our healthcare services clients have been able to save time on patient check-ins and inbound calls. Our automated answering service routes and triages incoming patient calls during a practice's normal business hours to connect patients with appropriate resources and services including medication refills and appointment scheduling, and our after-hours care service connects patients with the appropriate care after hours.
- *Improve cash flow and profitability and gain new business.* We enable our healthcare services clients to increase collections and reduce costs. Based on client feedback received and our internal analysis, we believe that our flexible patient payment options, including card on file, have led to an increase in time-of-service collections for the majority of our healthcare services clients. Our automated eligibility and benefits verification solution also reduces the number of denied claims. Additionally, the MediFind provider directory enables providers to enhance their visibility to prospective new patients by including their profiles in the provider directory.
- *Enhance clinical and cost outcomes.* We enable our healthcare services clients to more efficiently and effectively capture the right clinical information to meet their clinical goals and align with quality reporting initiatives. Our logic-driven delivery of PROs and other questionnaires help healthcare services clients identify at-risk patients in need of specific care and reduce errors by avoiding the need to manually gather the information. These PROs enable our healthcare services clients to close gaps in care, identify successful treatments and engage patients in their care. Through our subsidiary, Insignia Health, LLC ("Insignia"), we license the exclusive worldwide rights to the Patient Activation Measure ("PAM"®), which we believe is widely viewed as the gold standard of patient activation measures. Extensive research over the past decade suggests that the PAM could be a critical pathway in helping healthcare services clients achieve the goals of reducing costs and improving the health of their patients. Beginning in 2024, the Centers for Medicare and Medicaid Services ("CMS") includes the PAM Performance Measure ("PAM-PM") in its Merit-based Incentive Payments System ("MIPS").
- *Improve patient experience.* We activate patients through their journey from access to registration to drive higher patient satisfaction, retention and safety. Our streamlined intake and payments offering provides a consumer-friendly experience and activates patients to take control of their care. Additionally, after obtaining patient consent, we enable healthcare services clients to conduct outreach within 24 hours of visit and generate real-time feedback that informs and drives efforts to improve patient experience.

Value proposition for life sciences and other organizations

- *Direct communications.* We provide life sciences companies, government entities, patient advocacy and other organizations with a channel to reach and engage patients in a relevant, privacy-protected environment. Our data-driven solutions ensure content is appropriately tailored to facilitate conversations with healthcare providers and support improved health outcomes.
- *Speed diagnosis and increase uptake of preventive health services.* Our data and analytics capabilities identify relevant patient populations that align with our life sciences clients' audiences. Based on our ongoing analyses of client marketing and education campaigns conducted by data analytics companies, we believe patients exposed to our campaigns are more likely, on average, to receive a relevant diagnosis, undergo a preventive health screening, or receive a relevant treatment, than control patients.
- *Improve brand conversion, treatment, and adherence.* Our data and analytics capabilities identify patient populations that align with our life sciences clients' audiences. Based on our ongoing analyses of client marketing campaigns conducted by data analytics companies, we believe patients exposed to a brand campaign using our solutions are more likely, on average, to take an action, such as initiating treatment, continuing treatment, or having a prescription filled for that product, than control patients.
- *Learn about patient cohorts.* Our Patient Insights solutions provide a channel for our life sciences clients to deliver surveys to patients and capture direct feedback and access relevant population insights.

Our competitive landscape

We compete in a dynamic patient intake market with direct and indirect competitors that maintain varying degrees of resources and capabilities. We believe many direct competitors are focused on the basic aspects of electronic patient intake and are only starting to expand into the multiple adjacencies beyond patient registration such as

access and clinical support. Some of our existing and potential service providers, particularly EHR providers, have developed their own patient intake solutions and have become direct competitors. Our solutions integrate with a majority of the leading EHR systems.

We believe companies in the market for comprehensive software solutions, including patient intake, compete on the basis of several factors, including:

- price;
- breadth, depth, quality and reliability of product and service offerings;
- ease of use;
- ability to drive tangible return on investment;
- client-focused implementation services and training programs;
- healthcare domain expertise;
- patient clinical content offerings;
- client support and client services; and
- ability to integrate with all of a client’s existing systems, including EHR and/or PM systems.

Life sciences marketing is highly competitive and rapidly evolving and consists of both traditional media platforms (e.g. television and print media) as well as more modern web-based and application-based platforms that provide direct-to-consumer marketing for the life sciences industries. Our direct marketing solutions are unique and compete across the healthcare journey including during the search for care, at the point of care, and at pre- and post-visit moments across an array of digital devices backed by our commitment to transparency and third-party auditing. We compete on the basis of several factors, including price, quality, transparency and the ability to demonstrate meaningful return on investment.

Our growth strategies

The success of our business depends on acquiring new clients and increasing utilization among our existing clients, which in turn drives growth across our solutions. We believe we are well-positioned to benefit from a number of prevailing industry tailwinds across our patient access, registration, revenue cycle and Network solution areas. We intend to continue to proactively grow the business through the following strategies:

Expanding our solutions to new healthcare services organizations

The market for a technology-powered intake and payment solution in the U.S. healthcare industry is large and underserved, and we believe we have a substantial opportunity to grow our client base and market share. With the ability to support over 25 different medical specialties and existing agreements with leading PM and EHR providers, we are able to serve a large portion of the U.S. ambulatory and acute care market. We currently serve a small percentage of ambulatory and acute care organizations, and we plan to continue to utilize our direct sales force to win new clients. We believe that expanding our solutions to new healthcare services organizations supports revenue growth for all of our solutions.

Deepening our relationship with existing healthcare services clients

We generate recurring fees from our healthcare services clients based on the number of subscriptions to our solutions and add-on applications. As our healthcare services clients realize the value our solutions offer, they typically purchase additional subscriptions for their organizations. Our sales strategy is focused on expanding our revenue per average healthcare services client ("AHSC") and we believe there is a significant opportunity to sell new applications.

Continuing to innovate and leverage our solutions

We believe our depth, scalability and robust capabilities allow us to address key challenges facing providers, life sciences companies and other organizations. As an innovative leader across these segments of healthcare, we intend to continue to invest in new value-added offerings for our clients. We have a well-defined technology roadmap to introduce new features and functionality to our products. We intend to leverage our network and patient activation capabilities to eliminate gaps in care and increase care coordination among all key healthcare constituents. By expanding and continuously enhancing our solutions, we believe we can drive incremental revenue from existing clients as well as broaden our appeal to potential new clients.

Pursuing opportunistic strategic investments, partnerships and acquisitions

Our strong growth has included significant organic growth as we have added healthcare services and life sciences clients, while also expanding the solutions we offer those clients. Throughout our history, we have effectively contracted with leading PM and EHR solution providers and will continue to evaluate strategic and innovative

investments and partnerships to accelerate growth. Phreesia has also acquired products and functionalities that expand our suite of solutions. We evaluate many investment, partnership and acquisition opportunities on an ongoing basis. We target opportunities that enhance the breadth or depth of our ability to activate patients in their care. Our acquisitions to date have all been consistent with this philosophy, and we will continue to evaluate growth opportunities that complement our internal initiatives.

Enhancing our margins through continued strategic growth

Our business model is based on developing and deploying new, value-added applications for our clients that increase revenue and enhance our attractive client unit economics. We have invested significantly and expect to continue investing significantly to create a comprehensive, scalable suite of solutions that allow us to gain operating leverage and enhance margins. Over time, we expect to increase net income and margins by adding new clients and by expanding our existing clients with minimal incremental investment. Moreover, we continually aim to improve effectiveness and efficiency.

Our products and services

Our solutions are specifically designed to cater to the needs of patients, healthcare services clients, life sciences companies, government entities and other organizations while improving healthcare engagement.

Access to Care

We offer healthcare services clients convenient online appointment requests for patients, appointment tracking and appointment management in one place, and provide insight into past and upcoming appointments. Our Access to Care solutions include:

- *Provider directory for patients seeking care.* On MediFind.com, healthcare services clients in our network can manage and update their profiles, to help new patients discover their services and book appointments.
- *Integrated patient scheduling.* We give patients 24/7 access to request or schedule their own in-person or virtual appointments online, either through a link or by responding to patient-outreach by their provider. Once patients self-schedule or send an appointment request, their information automatically populates into the Phreesia Appointments Hub for staff to track and manage.
- *Automated appointment rescheduling.* Our appointment rescheduling tool is an automated, text-based solution designed to fill open slots on a healthcare services client's schedule with clinically relevant patients. The tool leverages artificial intelligence and a custom-rules engine to offer earlier appointments for eligible patients as soon as a time slot becomes available.
- *Appointment reminders.* With our appointment reminder solution, patients receive email, text, and voice reminders about upcoming in-person and virtual appointments, reducing no-shows for our healthcare services clients. Patient responses to confirm, cancel or reschedule appointments flow directly into the Phreesia Appointments Hub.
- *Patient text messaging.* We allow healthcare services clients to send and receive text messages from individual patients about their in-person or virtual visits. This capability helps to reduce face-to-face interactions, decrease phone-call volume and improve patient communication.
- *After-hours care.* Our after-hours service helps healthcare services clients manage patients seeking care after-hours. A provider-facing app transcribes patient messages, routes to the on-call provider, and displays key information from the patient’s chart for a more productive call.
- *Smart answering solution.* We help healthcare services clients manage inbound patient calls digitally with the option to follow-up via text message, reducing burden on call center and front desk staff members.
- *Referral management*. We offer a suite of referral management tools for healthcare services clients that enable them to track incoming referrals in a centralized list, send referrals to specialists, and check the status of each request.

Registration

Our Registration applications facilitate mobile and on-site check-in, create a more complete patient record and increase patient convenience and satisfaction. These solutions include:

- *Mobile and in-office intake modalities*. We allow patients to check in securely and conveniently on their computer or mobile device, either prior to their visit or when they arrive at the office. Patients can also

update their clinical and demographic information, take a photo to store in their patient record, capture images of their driver's license and insurance card, sign forms and policies, pay copays and outstanding balances and select and update their preferred pharmacy—all from the privacy and ease of their own device.

- *Registration for virtual visits*. We support healthcare services clients offering telehealth by allowing them to perform all the necessary intake tasks for each virtual visit, including gathering consents, at scale. Intake for telehealth also provides patients with information about how their telehealth visit will work.
- *Specialty-specific workflows*. Our workflows cover over 25 specialties leveraging our proprietary logic to guide patients through a tailored list of questions, allowing them to efficiently enter and verify their demographics, insurance data and clinical information.
- *Consent management. We* streamline the process of collecting consents by ensuring that each patient receives the right forms. These forms can be customized by appointment type and can capture electronic signatures and send required forms directly to the PM or EHR system.
- *Self service patient-reported outcomes and screenings.*
    - We deliver clinical assessments to screen patients for common morbidities, and we own the worldwide exclusive license to the PAM™, a measure that we believe is widely viewed as the gold standard for measuring patient activation.
    - *Behavioral health screenings for primary care.* We identify and screens patients for common behavioral and mental health conditions, including depression, anxiety and substance abuse.
    - *Social determinants of health screening.* We enable healthcare services clients to ask patients confidentially about their access to healthy food, safe housing and other social determinants that can have a critical impact on their health, to help healthcare services clients better understand patients and connect them to needed services.

Revenue cycle

We are able to improve key revenue cycle metrics with our payment solutions, increasing time-of-service and post-visit collections as well as improving patient convenience with online payments and card on file. Our Revenue Cycle solutions include:

- *Point-of-service payments.* We offer self-service payment options on Phreesia Mobile, on the PhreesiaPad or at an Arrivals Kiosk. Healthcare services client staff can also process time-of-service or post-explanation of benefits payments on the Phreesia Dashboard. We are able to replace or support a client's existing payment processor with a fast and secure way to process transactions, as we accept all major credit cards (Visa, MasterCard, American Express and Discover), ApplePay, and other payment methods. Phreesia is a PCI DSS Level 1 Service Provider and offers PCI-compliant point-of-sale solutions that significantly reduce the client's PCI DSS reporting requirements.
- *Insurance verification.* Our automated eligibility and benefits application streamlines verification, reduces staff's manual workload and alerts staff when attention is needed. We can run eligibility and benefits checks in advance, so our clients know their patients' primary and secondary insurance before their visit.
- *Payment plans.* Our healthcare services clients can give patients the option to set up private, automated payment plans when they check in, or have the staff create payment plans for them on the Phreesia Dashboard. Each plan is configured according to the healthcare services client's financial policies and managed automatically.
- *Online payments.* We allow practices to add a custom payment button to their website, send email reminders that direct patients to an online payment page and send bills directly to patients via text or email, based on patient preferences.
- *Card on file and payment assurance.* Patients may sign a financial policy that gives authorization to store their payment card on our secure solution, thus automatically collecting payments once claims are adjudicated.

Network Solutions

We provide several opportunities for third parties to engage with the patients and providers who are using the tools and products we offer.

- *Education and engagement before, during and after the visit*.
    - PatientConnect is our point of care offering which enables third parties to deliver personalized health content to users who consent to receive such content after they have completed checking in for a doctor's appointment via Phreesia's intake software. Clients of this tool include life sciences organizations, government entities and patient advocacy groups.
    - Educational and promotional content about health is delivered to raise patient awareness and help patients start the right conversations with their providers, improving outcomes for these individuals. Educational material includes information about different therapy options to assist in advocating for their needs and preferences; disease education, which speeds up the time to diagnosis; screening tools and information to aid in early detection and disease prevention; engagement regarding prescriptions, and public service materials about vaccines, avoiding use of tobacco products, and more.
- *Patient insights.* Similar to delivery of educational materials, we conduct primary research among interested users after they check in for appointments via our intake software to understand sentiments and behaviors, uncover unmet needs, and learn about preferences and health beliefs. These insights aid clients in understanding their patients' experiences and enhancing their existing products and services.

Our technology

We have continued to enhance and develop our proprietary solutions with a focus on delivering reliability, performance, security and privacy. Our solutions have demonstrated scalability and robust integration within the operating infrastructure of our healthcare services clients. Our core technology capabilities include:

- *Robust integration.* We integrate our technology into PMs, EHRs and ambulatory and acute system workflows for over 4,300 healthcare services clients. Data captured from the patient or generated by the use of our solutions automatically integrate into the PM and EHR systems of healthcare services clients. We currently contract with leading PM and EHR providers that collectively represent the majority of the total PM and EHR market. These providers of PM and EHR solutions and our healthcare services clients can leverage our expanding APIs to embed the functionality of our solutions for their patients, while controlling the look and feel.
- *Embedded payments.* Our payment processing features have been designed to operate seamlessly within the workflows of our healthcare services clients, and our revenue cycle solutions can connect directly to those making payments, to multiple clearinghouses and directly with PM, EHR and other systems.
- *Scalable at cost.* Our robust and scalable SaaS-based solution allows us to iterate on existing technology and develop new solutions quickly and efficiently to meet the needs of our clients. Our unique architecture also allows new integrated applications to be quickly deployed to clients and allows real-time integration without expensive and difficult-to-manage VPN tunnels. This is particularly important in a regulatory environment and industry that continues to evolve.
- *Consumer-oriented.* Through technological innovation, we have continued to ensure our products and services evolve to meet growing and increasingly consumer-centric demands. Our technological innovations include enhancements to our user interface, which we believe has improved user experience, accessibility and satisfaction.
- *Reliable.* Our technology is engineered to provide strong reliability and availability. We process hundreds of thousands of transactions, including eligibility and benefits verification, payment card processing and email and text messaging, quickly and reliably at a low cost every day.
- *Secure and private.* We securely manage billions of data points for millions of patients using multiple devices. Maintaining the integrity of our solutions is critical to our business, our clients and the patients they treat. As our product offerings increase and become more robust, we continue to enhance and evolve our security program.

Privacy and security

Privacy and security are our top priorities. We maintain a comprehensive security program designed to safeguard the confidentiality, integrity and availability of our clients' data. In particular, we deploy physical, administrative and technical controls to appropriately safeguard patient information. Our infrastructure is deployed to three co-located data centers, and within multiple Microsoft Azure and Amazon Web Service environments, to securely manage and maintain our clients' information.

We use external security auditors and industry-leading vendors, such as Sikich, A-LIGN, and Bluefin to ensure we have the controls and procedures in place to protect our clients' sensitive information. We have industry certifications, including HITRUST, PCI-DSS Level 1 Service Provider, Systems and Organization Controls 2 ("SOC 2") and PCI Point-to-Point Encryption. As a PCI-DSS Level 1 Service Provider, we are committed to upholding industry security standards to cardholder data.

We are committed to protecting the information of and safeguarding privacy for our clients and their patients. To the extent we work as a third-party for our healthcare provider partners, we are a "Business Associate" as defined under the federal Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information and Technology for Economic and Clinical Health Act ("HITECH Act") and their implementing regulations, collectively referred to as “HIPAA.” As a Business Associate, we sign Business Associate Agreements that govern our uses and disclosures of protected health information ("PHI") on behalf of our covered entity clients that engage us to provide our software solutions. In certain contexts, we also process personal data and consumer health data as a controller and are regulated by various federal and state laws when we do so, including the Federal Trade Commission Act, Washington's My Health My Data Act, the California Consumer Privacy Act, and other similar U.S. state consumer privacy laws. Our publicly available privacy policies provide detailed information regarding how we protect consumers' data and the data subject rights of consumers.

Refer to Item 1C. Cybersecurity in Part I of this Annual Report on Form 10-K for additional information regarding our processes to assess, identify and manage material risks from cybersecurity threats and our board's role in overseeing risks from cybersecurity threats.

Sales and marketing

We market and sell our products and services to healthcare services prospects throughout the U.S. using a direct sales organization. Our database team is responsible for the hygiene and health of our data and is tasked with validating information by using various tools to enrich it. This data powers our sales development organization. Our marketing team identifies customer profiles, develops content and deploys one-to-many communications to soften the market. This helps prepare our sales development team to engage with new prospective customers. The sales development team creates opportunities and works with the direct sales team to qualify those opportunities. Our sales force executes on these qualified sales leads, partnering with our sales enablement and client services functions to ensure prospects are educated on the breadth of our capabilities and demonstrable value proposition, with the goal of attracting and retaining clients and expanding their use of our solutions over time. Most of our healthcare services customer contracts are structured as annual, auto-renewing agreements. Our sales typically involve competitive processes, and sales cycles have, on average, varied in duration from three months to six months, depending on the size of the potential client. After we secure new contracts, our sales team offers additional add-on solutions and services to healthcare services customers, expanding the breadth of solutions provided to clients, which we believe increases customer satisfaction and retention. In addition, through Phreesia University (Phreesia's in-house training program), live and virtual events, we help our healthcare services clients optimize their businesses and, as a result, support client retention.

We also sell products and services to life sciences and other organizations, healthcare advertising agencies, government entities and advocacy groups through our direct sales and marketing teams. Most of the life science campaigns need to be measured and resold each year. Like healthcare services, the marketing team supports net new business and client retention for life sciences by educating ideal customer profiles about the value of Phreesia and the positive impact on health outcomes Phreesia campaigns have on patients.

Subscriber services and support

Our operations and support organizations differentiate and enhance our clients' and patients' experience. Our teams have significant experience integrating with various EHR and PM systems, which can help take our healthcare

services clients from sale to go-live much quicker than other solutions. Our client-focused operations are structured to provide a seamless process.

- *Client services.* Our dedicated Client Services team is responsible for pre-sales engagement, new client onboarding and implementation, existing client implementation and on-site optimization. Client Services is organized by market specialization, ensuring that our team provides deep expertise in the markets they support. In addition, our implementation teams have extensive knowledge of the PM and EHR systems that our healthcare services clients use. Through our designed implementation approach and expertise, we are able to take healthcare services clients live efficiently and quickly. Our Client Services team is also able to demonstrate early return on investment in land-and-expand deals, enabling us to roll out to additional locations.
- *Client success.* Our success is driven by our ability to retain and expand relationships with existing and new clients. Our dedicated Client Success team is focused on the retention of our client base, coordinating directly with Sales and Client Services to meet this objective. Furthermore, we are continuously expanding our business and enhancing our clients' experience by offering additional products to our clients and driving adoption and utilization.
- *Client support.* We provide technical support to our healthcare services clients through our dedicated Client Support team to directly resolve any product and/or service issues. We serve as the single starting point for client issues and offer a collaborative support model in contrast to tiered support models. This model has proven to help large companies continue to scale, while leveraging the benefits of smaller operations.

We are committed to providing quality services and support, with a focus on integration, implementation support and overall client satisfaction.

Regulatory Matters

Our business is subject to extensive, complex and rapidly changing federal and state laws and regulations. Various federal and state agencies have discretion to issue regulations and interpret and enforce privacy and other laws applicable to businesses such as ours. While we routinely evaluate our legal positions under applicable healthcare, data privacy, security and other laws and regulations, these regulations can vary significantly from jurisdiction to jurisdiction, and interpretation and enforcement of existing laws and regulations can be uncertain or may change periodically. We cannot be assured that a review of our business by courts or regulatory authorities will not result in determinations that could adversely affect our operations or that the regulatory environment will not change in a way that restricts our operations. Federal and state legislatures also may enact various legislative proposals that could materially impact certain aspects of our business. In addition, our payments business is subject to certain financial services laws, regulations and rules, such as the Payment Card Industry Data Security Standards.

U.S. state and federal health information privacy and security laws

There are numerous U.S. federal and state laws and regulations related to the privacy and security of personally identifiable information, including protected health information. In particular, HIPAA establishes privacy and security standards that limit the use and disclosure of PHI, and requires the implementation of administrative, physical, and technical safeguards to ensure the confidentiality, integrity and availability of individually identifiable health information in electronic form. Many of our customers are regulated as covered entities under HIPAA. As a service provider that creates, receives, maintains or transmits PHI on behalf of our covered entity customers, Phreesia is a “business associate” as defined under HIPAA, and certain HIPAA requirements are directly applicable to business associates.

Violations of HIPAA may result in civil and criminal penalties and a single data breach can result in violations of multiple standards. We must also comply with HIPAA’s breach notification rule. Under the breach notification rule, business associates must notify covered entities of a breach, and those covered entities must notify affected individuals without unreasonable delay in the case of a breach of unsecured PHI, which may compromise the privacy, security or integrity of the PHI. In addition, notification must be provided to the U.S. Department of Health and Human Services (“HHS”), and, in cases where a breach affects more than 500 individuals, the local media. Breaches affecting fewer than 500 individuals must be reported to HHS on an annual basis. In the event of a breach, our covered entity customers may require that we provide assistance or request that we make these notifications on behalf of the covered entity in the breach notification process and may seek indemnification and other contractual remedies.

State attorneys general also have the right to prosecute HIPAA violations in their states. While HIPAA does not create a private right of action that would allow individuals to sue in civil court, its standards have been used as the

basis for the duty of care in state civil suits, such as those for negligence or recklessness in misusing personal information. In addition, HIPAA tasks HHS with establishing a methodology whereby harmed individuals who were the victims of breaches of unsecured PHI may receive a percentage of the Civil Monetary Penalty fine paid by the violator. We expect a continued or increased level of federal and state HIPAA privacy and security enforcement efforts.

On December 27, 2024, the HHS Office for Civil Rights (“HHS-OCR”) issued a Notice of Proposed Rulemaking to modify the HIPAA Security Rule to enhance cybersecurity protections for electronic protected health information (“ePHI”). The proposed rule would modify the HIPAA Security Rule to require covered entities and business associates to strengthen cybersecurity protections for individuals’ protected health information. Key proposals include removing the distinction between “required” and “addressable” implementation specifications and mandating the development and revision of a technology asset inventory and a network map. Given the recent change in presidential administration, it is difficult to anticipate when the proposed rule will be finalized or if the NPRM will be withdrawn.

In recent years, federal and state regulators have increased their focus on the application of HIPAA and other privacy laws to the digital space and to technology companies, and states have adopted new statutes applicable to this area.

Beyond HIPAA, it is important to note that additional federal and state laws restrict the use and disclosure of personally identifiable information, particularly sensitive information such as individually identifiable health information. For example, the Federal Trade Commission (“FTC”) has advised that failing to take appropriate steps to keep consumers’ personal information private and secure may constitute an unfair act or practice in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act (the “FTCA”). The FTC expects a company’s data privacy and security policies and practices to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business and the cost of available tools to improve security and reduce vulnerabilities. In recent years, the FTC’s enforcement actions and guidance have focused on disclosures of sensitive health information by commonly used digital tracking technologies such as cookies, pixels, and software development kits in circumstances in which such disclosures are unfair or misleading. The FTC has initiated enforcement actions against entities in the health space that mislead consumers, make false or misleading statements in privacy policies, fail to limit third-party use of personal health information, fail to implement policies to protect personal health information or engage in other unfair practices that harm customers. We regularly review our privacy program in light of FTC guidance and enforcement actions and believe that our privacy standards are fair and transparent under the FTCA. However, in such an evolving regulatory space, there can be no assurances as to how future interpretations of law may affect our business.

Regulators and legislators in the United States are also increasingly scrutinizing and restricting certain personal data transfers and transactions involving foreign countries. For example, the Biden Administration’s executive order Preventing Access to Americans’ Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern as implemented by Department of Justice regulations issued in December 2024, prohibits data brokerage transactions involving certain sensitive personal data categories, including health data, genetic data, and biospecimens, to countries of concern, including China. The regulations also restrict certain investment agreements, employment agreements and vendor agreements involving such data and countries of concern, absent specified cybersecurity controls. Actual or alleged violations of these regulations may be punishable by criminal and/or civil sanctions, and may result in exclusion from participation in federal and state programs.

Many states also have laws that protect the privacy and security of sensitive and personal information, including health information, and are, in many cases, not preempted by HIPAA and may be subject to varying interpretations by courts and government agencies. For example, the California Consumer Privacy Act (“CCPA”), as amended by the California Privacy Rights Act (“CPRA”), creates individual privacy rights for California consumers (as defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide certain disclosures to consumers about its data collection, use and sharing practices, and provides consumers with additional rights in their personal data, such as to have their data deleted and to opt-out of certain sales or transfers of personal information. While any information we maintain in our role as a business associate may be exempt from the CCPA, other records and information we maintain may be subject to the CCPA.

In addition to the CCPA, new privacy and data security laws have been enacted in numerous other states and have been proposed in even more states as well as in the U.S. Congress, reflecting a trend toward more stringent privacy legislation in the U.S., which may accelerate. Some of these laws are similar in scope to the CCPA, while other state laws, such as Washington’s My Health My Data Act or U.S. state biometric privacy laws, apply to distinct subsets of sensitive personal data, impose additional and different requirements on businesses, and grant distinct privacy

rights to consumers. The legislature in New York recently passed the Health Information Privacy Act. While the legislation has not been signed by the Governor, if enacted, the legislation would create protections for certain regulated health information, including limitations on processing such information without authorization unless such processing is strictly necessary for providing or maintaining a specific product or service requested by the individual, conducting internal business operations, or certain other purposes. A request for authorization would have to be made at least 24 hours after an individual creates an account or first uses the requested service. The legislation would also prohibit making the provision of a product or service contingent on an individual providing authorization for processing of their regulated health information. The legislation would not apply to protected health information collected by a covered entity or business association or information collected as part of a clinical trial regulated by the Federal Policy for the Protection of Human Subjects which is commonly known as the Common Rule.

We expect that there will continue to be new proposed and amended laws, regulations and industry standards concerning privacy, data protection and information security in the U.S. Already in the U.S. we have witnessed significant developments at the state level. These new laws and proposed legislation have added additional complexity, variation in requirements, restrictions and potential legal risk, and required additional investment of resources in compliance programs and impact strategies. While we continue to evaluate the potential impact of new and proposed laws on our business, the application of such laws and their potential impact on our business is difficult to predict. In certain cases, it may become necessary to modify our planned operations and procedures to comply with more stringent state laws. The existence of privacy laws in different states in the country have increasingly made compliance obligations more complex and costly and may increase the likelihood that we may be subject to enforcement actions or otherwise incur liability for noncompliance. Not only may some of these state laws impose fines and penalties upon violators, but also some state laws, unlike HIPAA, may afford private rights of action to individuals who believe their personal information has been misused. In addition, state laws are changing rapidly, and there is discussion of a new federal privacy law to which we may be subject.

In recent years, there have been a number of well publicized data breaches involving the improper use and disclosure of personally identifiable information and PHI. Many states have responded to these incidents by enacting laws requiring holders of personal information to maintain safeguards and to take certain actions in response to a data breach, such as providing prompt notification of the breach to affected individuals and state officials. In addition, under HIPAA and pursuant to the related contracts with our business associates, we must report breaches of unsecured PHI to our contractual partners following discovery of the breach. Notification must also be made in certain circumstances to affected individuals, federal authorities and others.

U.S. federal and state telecommunications laws

There are number of U.S. federal and state laws and regulations that concern telephone calls, text messages and other telephonic communications to patients, potential patients, clients and potential clients. For example, the Telephone Consumer Protection Act (“TCPA”) is a federal statute that restricts certain calls and text messages to individuals. Some states, including Florida and Oklahoma, have mini-TCPA laws that restrict certain calls and text messages to their residents and mini-TCPA laws have been proposed in other state legislatures. Our call and text communications are or may be (or may become) subject to these laws.

U.S. federal contracting laws

Our subsidiary, Insignia, receives a portion of its revenue from customers that are governmental agencies or funded by government programs. As a federal government contractor, Insignia’s government contracts and subcontracts subject Insignia to the Federal Acquisition Regulation (“FAR”) and, among other requirements, the following: (a) termination when appropriated funding for the current fiscal year is exhausted; (b) termination for the governmental customer’s convenience, subject to a negotiated settlement for costs incurred and profit on work completed, along with the right to place contracts out for bid before completion of the full contract term, as well as the right to make unilateral changes in contract requirements, subject to negotiated price adjustments; (c) compliance and reporting requirements related to, among other things, agency-specific policies and regulations, information security, subcontracting requirements, equal employment opportunity, affirmative action for veterans and workers with disabilities and accessibility for the disabled; (d) broad audit rights; (e) specialized remedies for breach and default, including setoff rights, retroactive price adjustments and civil or criminal fraud penalties under the False Claims Act (as described below), re-procurement expenses, as well as mandatory administrative dispute resolution procedures instead of state contract law remedies; and (f) requirements to calculate overhead rates in accordance with the accounting procedures and internal controls required under the FAR standards.

U.S. federal and state fraud and abuse laws

We are subject to additional healthcare regulation by the federal government and by authorities in the states and foreign jurisdictions in which we conduct our business that may constrain our financial arrangements with third parties. Such laws include, without limitation, state and federal anti-kickback, fraud and abuse, false claims, and transparency laws and regulations and other transfers of value made to physicians and other healthcare providers. If our operations are found to be in violation of any of such laws or any other governmental regulations that apply, we may be subject to penalties, including, without limitation, administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of operations, integrity oversight and reporting obligations, exclusion from participation in federal and state healthcare programs and responsible individuals may be subject to imprisonment. Such laws and regulations include:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons or entities from knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, the purchase, lease, order, arrangement, or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs. A person or entity does not need to have actual knowledge of this statute or specific intent to violate it to have committed a violation. In addition to statutory exceptions, the U.S. Department of Health and Human Services Office of Inspector General, or OIG, has enacted safe-harbor regulations that outline categories of activities that are deemed protected from prosecution under the Anti-Kickback Statute provided all applicable criteria are met. The failure of a financial relationship to meet all of the applicable safe harbor criteria does not necessarily mean that the particular arrangement violates the Anti-Kickback Statute. Violations are subject to civil and criminal fines and penalties for each violation, imprisonment, and exclusion from government healthcare programs. Moreover, the government may assert that a claim including items or services resulting from a violation of the Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act or federal civil monetary penalty laws;
- the federal civil and criminal false claims laws and civil monetary penalty laws, such as the federal False Claims Act, which impose criminal and civil penalties and authorize civil whistleblower or qui tam actions, against individuals or entities for, among other things: knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent; knowingly making, using or causing to be made or used, a false statement or record material to a false or fraudulent claim or obligation to pay or transmit money or property to the federal government or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay money to the federal government. Companies can be held liable under the federal False Claims Act even when they do not submit claims directly to government payors if they are deemed to “cause” the submission of false or fraudulent claims. The federal False Claims Act also permits a private individual acting as a “whistleblower” to bring actions on behalf of the federal government alleging violations of the federal False Claims Act and to share in any monetary recovery;
- HIPAA, which created new federal criminal statutes that prohibit a person from knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false, fictitious, or fraudulent statements or representations in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters; similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation; and
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers.

Additionally, we are subject to state and foreign equivalents of each of the healthcare laws and regulations described above, among others, some of which may be broader in scope and may apply regardless of the payor. Many U.S. states have adopted laws similar to the federal Anti-Kickback Statute and False Claims Act, and may apply to our business practices, including, but not limited to, arrangements involving healthcare items or services reimbursed by non-governmental payors, including private insurers. There are ambiguities as to what is required to comply with these state requirements and if we fail to comply with an applicable state law requirement we could be subject to penalties.

Intellectual property

Our continued growth and success depend, in part, on our ability to protect our intellectual property and proprietary technology. We primarily protect our intellectual property through a combination of trademarks, trade secrets and other contractual rights, including confidentiality, non-disclosure and assignment-of-invention agreements with our employees, independent contractors, consultants and companies with which we conduct business.

However, these intellectual property rights and procedures may not prevent others from creating a competitive SaaS solution or otherwise competing with us. We may be unable to obtain, maintain and enforce the intellectual property rights on which our business depends, and assertions by third parties that we violate their intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

Human Capital Resources

As of January 31, 2025, we had 2,082 full-time employees, including 623 in sales and marketing, 614 in research and development, 610 in services and support and 235 in general and administrative. As of January 31, 2025, we had 817 full-time employees in the United States and 1,265 full-time employees internationally. We also supplement our workforce with contractors and consultants, including a number of contractors and consultants in international locations. None of our employees are represented by labor unions or covered by collective bargaining agreements. We consider our relationship with our employees to be good, and we have not experienced any work stoppages.

Talent and Culture: The success and continued evolution of our company has been due in large part to the talent and engagement of our entire team. Our team members are key pillars of our success and fostering and developing their talent is central to our culture. Attracting and retaining top talent is a high priority for us, and we look to hire smart, passionate and driven individuals who want to be a part of our mission. Our strong company culture and investment in long-term career growth for our people is evidenced by the long tenure of many of our team members with our organization. During our fiscal year ended January 31, 2025, Modern Healthcare magazine recognized Phreesia as one of the “Best Places to Work in Healthcare” for the eighth time, and Phreesia was named to the list of "The Top 100 Software Companies of 2024" by the Software Report, our third year in a row on the list. Phreesia has also had representation on the Software Report's Top 50 Women Leaders in Software for the past seven years. All of these achievements optimally position us to continue to attract top healthcare and technology talent.

Access and Equal Opportunity: We are committed to hiring, developing and supporting an inclusive workplace. We seek to recruit employees of all backgrounds and support their professional development. We strive to make career paths, career development opportunities and mentorships available to all employees. Additionally, we cultivate opportunities for diverse voices to be heard and supported. Our employee resource groups ("ERGs") support our commitment to promoting and maintaining an inclusive culture for all employees by bringing together individuals from a wide range of backgrounds, experiences and perspectives. These groups seek to foster a sense of shared community and empowerment for employees. Phreesians can voluntarily join an ERG to network, discuss and exchange ideas and enhance their professional development.

We are also committed to supporting gender equality in our organization, including through our inclusive culture, board representation, pathways to leadership for women, pay equity and strong family-leave policies.

Remote Workforce: We have operated as a fully remote company since 2020, as we believe this arrangement allows us access to the best talent and creates optimal flexibility for our employees. We are intentional about building a remote-only culture that gives our employees a sense of meaning, connection and belonging, including through our mentorship program, town halls, regular in-person offsites and virtual activities.

Corporate Information

We are a fully remote company and do not maintain principal executive offices. Our mailing address is 1521 Concord Pike, Suite 301, PMB 221, Wilmington, DE 19803, and our telephone number is (888) 654-7473. Our website address is http://www.phreesia.com. We do not incorporate the information on or accessible through our website into this report, and you should not consider any information on, or that can be accessed through, our website as part of this report.

Available Information

Our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to these filings, are available free of charge from our investor relations website at https://ir.phreesia.com as soon as reasonably practicable following our filing with or furnishing to the Securities and Exchange Commission, or SEC, of any of these reports. The SEC maintains an Internet website at https://www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

Phreesia investors and others should note that we announce material information to the public about our company, products and services and other issues through a variety of means, including our website at https://www.phreesia.com, our investor relations website at https://ir.phreesia.com, press releases, SEC filings and public conference calls, in order to achieve broad, non-exclusionary distribution of information to the public. We also use the following social media channels as a means of disclosing information about the company, our solutions, our planned financial and other announcements and attendance at upcoming investor and industry conferences, and other matters and for complying with our disclosure obligations under Regulation FD:

PHREESIA X Account (https://x.com/phreesia)
PHREESIA Facebook Page (https://www.facebook.com/phreesia/)
PHREESIA LinkedIn Page (https://www.linkedin.com/company/phreesia)
PHREESIA Instagram Account (https://www.instagram.com/phreesia.co)
PHREESIA News Page (https://www.phreesia.com/news/)
PHREESIA Life Sciences X Account (https://x.com/phreesialifesci)
PHREESIA Life Sciences Facebook Page (https://www.facebook.com/phreesialifesciences/)
PHREESIA Life Sciences LinkedIn Page (https://www.linkedin.com/company/phreesia-life-sciences/)
PHREESIA Life Sciences Page (https://lifesciences.phreesia.com)
INSIGNIA Health website (https://www.insigniahealth.com/)
MEDIFIND website (https://www.medifind.com/)

We encourage our investors and others to review the information we make public in these locations as such information could be deemed to be material information. Please note that this list may be updated from time to time.

The contents of any website or social media channel referred to in this Annual Report on Form 10-K are not intended to be incorporated into this Annual Report on Form 10-K or in any other report or document we file with the SEC, and any references to our websites are intended to be inactive textual references only.

Item 1A. Risk Factors

Risk factors

A description of the risks and uncertainties associated with our business and industry is set forth below. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including our consolidated financial statements and notes thereto and the "Management's discussion and analysis of financial condition and results of operations" section of this Annual Report on Form 10-K, before deciding whether to purchase shares of our common stock. If any of the following risks are realized, our business, financial condition, operating results and prospects could be materially and adversely affected. In that event, the price of our common stock could decline, perhaps significantly. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations. Certain statements in this Annual Report on Form 10-K are forward-looking statements. See the section of this Annual Report on Form 10-K titled "Special Note Regarding Forward-Looking Statements."

Risks relating to our business and industry

We operate in a highly competitive industry, and if we are not able to compete effectively, including with the EHR and PM systems with which we integrate, our business and results of operations may be harmed.

The market for our products and services is fragmented, competitive and characterized by rapidly evolving technology standards, evolving regulatory requirements, changes in client needs and the frequent introduction of new products and services, including as a result of artificial intelligence ("AI") technologies. Our competitors range from smaller niche companies to large, well-financed and technologically-sophisticated entities, including the EHR and PM systems with which we integrate. As costs fall and technology improves, increased market saturation may change the competitive landscape in favor of competitors with greater scale than we currently possess.

In order to remain competitive, we are continually involved in a number of projects to compete with new market entrants by developing new services, expanding offerings to our existing client base, growing our client base, and penetrating new markets. These projects carry risks, such as cost overruns, delays in delivery, performance problems and lack of acceptance by our clients.

The success of our business and growth strategy depend upon our continued ability to maintain and expand a network of healthcare services clients, which also requires us to provide and develop new high-quality products and services that are helpful to our clients and used and positively received by patients. If we are unable to attract and retain healthcare services clients, including because we are unable to adapt to new industry standards in developing new products and services, it would have a material adverse effect on our business and ability to grow

and would adversely affect our results of operations. Additionally, if we do not maintain our current client network, or if we have to renegotiate existing contracts, our business, financial condition and results of operations may be harmed.

We believe demand for our products and services has been driven in large part by increasing patient responsibility, engagement and consumerism. Our ability to streamline the intake process and critical workflows in order to improve healthcare services organization, staff efficiency and patient engagement to allow for optimal allocation of resources will be critical to our business. Our success also depends on the ability of our solutions to increase patient engagement, and our ability to demonstrate the value of our solutions to healthcare services clients, patients and life sciences companies. If our existing clients do not recognize or acknowledge the benefits of our solutions or our solutions do not drive patient engagement, then the market for our products and services might develop more slowly than we expect, which could adversely affect our operating results.

In addition, as we and the EHR and PM solutions with which we integrate, grow and expand product offerings, the EHR and PM solutions with which we integrate could offer more competitive services or make it more cost prohibitive to do business with them. Some of these EHR and PM systems offer, or may begin to offer, services, including patient intake and engagement services, payment processing tools and direct patient communication services, in the same or similar manner as we do. Although there are many potential opportunities for, and applications of, these services, these EHR and PM systems may seek opportunities or target new clients in areas that may overlap with those that we have chosen to pursue. Such competition from these EHR and PM systems may adversely affect our business, market share and results from operations.

We compete on the basis of several factors. Some of our competitors have greater name recognition, longer operating histories and significantly greater resources than we do. As a result, our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards or client requirements or provide faster implementations. As a result, even if our services are more effective than the products and services that our competitors offer, potential customers might select competitive products and services in lieu of purchasing our services. In addition, current and potential competitors have established, and may in the future establish, cooperative relationships with vendors of complementary products, technologies or services to increase the availability of their products to the marketplace. Accordingly, new competitors or providers of EHR and PM solutions may emerge that have greater market share, larger client bases, more widely adopted proprietary technologies, greater marketing expertise, greater financial resources and larger sales forces than we have, which could put us at a competitive disadvantage. We also may be subject to pricing pressures as a result of, among other things, competition within the industry, consolidation of healthcare industry participants, practices of managed care organizations, government action and financial stress experienced by our clients. If our pricing experiences significant downward pressure, our business will be less profitable and our results of operations will be adversely affected. We cannot be certain that we will be able to retain our current client base in this competitive environment. If we do not retain current clients or expand our client base, or if we have to renegotiate existing contracts, our business, financial condition and results of operations will be harmed. Moreover, we expect that competition will continue to increase as a result of consolidation in both the healthcare information technology and healthcare industries. If one or more of our competitors or potential competitors were to merge or partner with another of our competitors, the change in the competitive landscape could also adversely affect our ability to compete effectively and could harm our business, financial condition and results of operations.

If we fail to manage our future growth effectively, our revenue may not increase, and we may be unable to implement our business strategy.

We have experienced significant growth in the past. Rapid expansion has historically placed, and may in the future place, strain on our business, operations and employees. We anticipate that our operations will continue to expand. As we continue to grow, both organically and through acquisitions, we must effectively integrate, develop, and manage an increasingly distributed employee base in a fully remote working environment. We may find it challenging to maintain the same level of employee productivity while executing our growth plan, fostering collaboration, and maintaining the beneficial aspects of our culture, and any such failures could negatively affect our future success, including our ability to attract and retain highly qualified employees and to achieve our business objectives. If we do not manage the demands of our growing operations effectively, our efficiency may decline, our operations could be disrupted, and we may not be able to meet our financial projections, which could adversely affect our business performance and stock price.

In addition, to manage our current and anticipated future growth effectively, we must continue to maintain and enhance our IT infrastructure, financial and accounting systems and controls and continue to build our qualified work force in key areas of our company. A key element of how we manage our growth is our ability to scale our capabilities and satisfactorily implement solutions for our clients’ needs. Our healthcare services clients often

require specific features or functions unique to their organizational structure, which, at a time of significant growth or during periods of high demand, may strain our implementation capacity and hinder our ability to successfully implement our solutions for our clients in a timely manner. If we are unable to address the needs of our healthcare services clients or our healthcare services clients are unsatisfied with the quality of our solutions or our services due to our inability to manage our rapid growth, they may not renew their contracts, seek to cancel or terminate their relationship with us or renew on less favorable terms, any of which could adversely affect our business.

Failure to effectively manage our growth could also lead us to over-invest or under-invest in development and operations, result in weaknesses in our infrastructure, systems or controls, give rise to operational mistakes, financial losses, loss of productivity or business opportunities and result in loss of employees and reduced productivity of remaining employees. If our management is unable to effectively manage our growth, our revenue may not increase (including sufficiently to offset our expenses) or may grow more slowly than expected, and we may be unable to implement our business strategy.

Our operating results have fluctuated and may continue to fluctuate significantly, and if we fail to meet the expectations of analysts or investors, our stock price and the value of your investment could decline substantially.

Our operating results are likely to fluctuate, and if we fail to meet or exceed the expectations of securities analysts or investors, the trading price of our common stock could decline. Moreover, our stock price may be based on expectations of our future performance that may be unrealistic or that may not be met. Some of the important factors that could cause our revenues and operating results to fluctuate from quarter to quarter include:

- the extent to which our products and services achieve or maintain market acceptance;
- our ability to introduce new products and services and enhancements to our existing products and services on a timely basis;
- new competitors and the introduction of enhanced products and services from new or existing competitors;
- the length of our contracting and implementation cycles;
- the financial condition of our current and potential clients;
- our ability to integrate our solutions with the systems utilized by our healthcare services clients, including but not limited to, EHR and PM systems;
- changes in client budgets and procurement policies;
- patients' desires to receive communications from Phreesia and/or our partners, the extent to which they opt-in to such communications, and our ability to deliver a consistent volume of such communications;
- amount and timing of our investment in research and development activities and other areas of our business;
- technical difficulties or interruptions in our services, like the one we experienced with ConnectOnCall in 2024;
- our ability to hire and retain qualified personnel, including the rate of expansion of our sales force;
- changes in the regulatory environment related to healthcare;
- regulatory compliance costs;
- the timing, size and integration success of recent and potential future acquisitions;
- unforeseen legal expenses, including litigation and settlement costs; and
- buying patterns of our clients and the related seasonality impacts on our business.

Many of these factors are not within our control, and the occurrence of one or more of them might cause our operating results to vary widely. As such, we believe that quarter-to-quarter comparisons of our revenues and operating results may not be meaningful and should not be relied upon as an indication of future performance.

A significant portion of our operating expense is relatively fixed in nature, and planned expenditures are based in part on expectations regarding future revenue. Accordingly, unexpected revenue shortfalls may decrease our margins and could cause significant changes in our operating results from quarter to quarter.

Privacy concerns, cyber-attacks, data breaches or cybersecurity incidents relating to our SaaS-based solutions could result in economic loss, damage to our reputation, deterring users from using our products, and exposure to legal penalties and liability.

We collect, process and store significant amounts of sensitive, confidential and proprietary information, including personally identifiable information, such as payment data and protected health information, of patients received in connection with the utilization of our solutions. Attacks on information technology systems are increasing in their frequency, levels of persistence, sophistication and intensity, they are being conducted by increasingly sophisticated and organized groups and individuals with a wide range of motives and expertise, and they may remain undetected for an extended period of time. Like other companies in our industry, we, and our third party vendors, have

experienced threats and cybersecurity incidents relating to our information technology systems and infrastructure. For example, in 2024, we experienced a cybersecurity incident which impacted our ConnectOnCall product. Although we do not believe this, or any other cybersecurity incident, has had a material impact on our business to date, any interruption in our business or disclosure, loss, processing or other compromise of personal information or individually identifiable health information (violating certain privacy laws such as HIPAA) or confidential information, or event that jeopardizes the confidentiality, integrity, or availability of our solutions, could result in a material disruption to our solutions and our business operations, require us to expend significant resources and subject us to litigation, fines and penalties. In addition to extracting sensitive information, such attacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering fraud (including phishing attacks), and other means to affect service reliability and threaten the confidentiality, integrity and availability of information. While we aim to maintain a robust security program for all of our products to protect such data, techniques used to gain unauthorized access to data and systems, disable or degrade service, or sabotage systems, are constantly evolving, and may be the result of criminal groups, state sponsored or other malicious actors. We may be unable to anticipate such techniques or implement adequate preventative measures to avoid unauthorized access or other adverse impacts to such data or our systems.

In addition, some of our third-party service providers and partners, such as Change Healthcare and other clearinghouses, also collect and/or store our sensitive information and our clients' data on our behalf, and these service providers and partners have in the past, and may in the future be subject to similar threats of cyber-attacks and other malicious internet-based activities, which could also expose us to risk of loss, litigation, and potential liability. Even though we may have contractual protections with such vendors, contractors, or other organizations, notifications and follow-up actions related to a cybersecurity incident or data breach could impact our reputation, cause us to incur significant costs, including legal expenses, harm customer confidence, expose us to government enforcement action, hurt our expansion into new markets, cause us to incur remediation costs, or cause us to lose existing customers. The risk of state-supported and geopolitical-related cyber-attacks may increase in connection with political unrest or wars and any related political or economic responses and counter-responses. We may not discover all such cybersecurity incidents, data breaches, or other activity or be able to respond or otherwise address them promptly, in sufficient respects or at all.

We are subject to state laws requiring notification of affected individuals and state regulators in the event of a breach of personal information. Furthermore, certain health privacy laws, data breach notification laws, consumer protection laws and genetic testing laws may apply directly to our business and/or those of our collaborators and may impose restrictions on our collection, use and dissemination of individuals’ health information. Patients about whom we obtain health information, as well as the healthcare services clients who share this information with us, may have statutory or contractual rights that limit our ability to use and disclose the information. We may be required to expend significant capital and other resources to ensure ongoing compliance with applicable privacy and data security laws. Claims that we have violated individuals’ privacy rights, violated applicable privacy laws and regulations or breached our contractual obligations, even if we are not found liable, could be expensive and time-consuming to defend and could result in adverse publicity that could harm our business. Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to our privacy and data security obligations. Further, although we maintain cyber liability insurance, this insurance may not provide adequate coverage against potential liabilities related to any experienced cybersecurity incident or breach.

Like all internet services, our service is vulnerable to software bugs, computer viruses, internet worms, break-ins, phishing attacks, attempts to overload servers with denial-of-service, wrongful or inadvertent conduct by insider employees or vendors, or other attacks or similar disruptions from unauthorized use of our and third-party computer systems, any of which could lead to system interruptions, delays, or shutdowns, causing loss of critical data or the unauthorized access of data. Though it is difficult to determine what, if any, harm may directly result from any specific interruption or attack, any failure to maintain performance, reliability, security and availability of our products, or failure to prevent software bugs, to the satisfaction of our clients or the health and safety of their patients, such events may harm our reputation and our ability to retain existing clients, and negatively affect our clients and their patients. We have in place systems and processes that are designed to protect our data, prevent data loss, disable undesirable accounts and activities on our platform and prevent or detect cybersecurity incidents or data breaches, however, we cannot assure you that such measures will provide absolute security.

Further, the security systems in place at our employees’ and service providers’ offices and homes may be less secure than those used in a corporate office, and while we have implemented technical and administrative safeguards to help protect our systems as our employees and service providers work from their offices, homes and other remote locations, we may be subject to increased cybersecurity risk, which could expose us to risks of data or financial loss, and could disrupt our business operations. There is no guarantee that the data security and privacy

safeguards we have put in place will be completely effective or that we will not encounter risks associated with employees and service providers accessing company data and systems remotely. If an actual or perceived cybersecurity incident or data breach occurs to our systems or a third-party's systems, we also could be required to expend significant resources to mitigate the breach of security, pay any applicable fines and address matters related to any such breach, including notifying users or regulators, defend against claims related to the breach and address reputational harm.

Our operations in India subject us to additional risks which could have an adverse effect on our business, operating results, and financial condition.

We have a subsidiary in India that performs a number of functions that were previously performed by outside contractors. While we believe our Indian operations are advantageous to our business, they also create risks that we must effectively manage. Conducting business abroad subjects us to increased legal and regulatory compliance and oversight. A failure to comply with applicable laws and regulations could result in regulatory enforcement actions, as well as substantial civil and criminal penalties assessed against us and our employees. The management of our Indian operations has, and will continue to, require significant management attention and financial resources that could adversely affect our operating performance. Wages in India are increasing at a faster rate than those in many countries, including the United States. In addition, with the significant increase in the numbers of foreign businesses that have established operations in India, the competition to attract and retain employees there has increased significantly. As a result, we may be unable to cost-effectively retain our current employee base in India or hire additional new talent. In addition, India has experienced significant inflation, low growth in gross domestic product and shortages of foreign exchange. India also has experienced civil unrest and terrorism and, in the past, has been involved in conflicts with neighboring countries. The occurrence of any of these circumstances could result in disruptions to our India operations, which, if continued for an extended period of time, could have a material adverse effect on our business.

Our operating expenses incurred outside the United States and denominated in foreign currencies will increase as we expand our operations in India. Transactions denominated in foreign currencies are subject to fluctuations due to changes in foreign currency exchange rates. If we are not able to successfully hedge against the risks associated with foreign currency fluctuations, our financial condition and operating results could be adversely affected.

We typically incur significant upfront costs in our client relationships, and if we are unable to develop or grow these relationships over time, we are unlikely to recover these costs and our operating results may suffer.

We devote significant resources to establish relationships with new clients and deepen relationships with existing clients. Our efforts involve educating our clients and patients about the use, technical capabilities and benefits of our products and services. We do not provide access to our solutions and do not charge fees during this initial sales period. For clients that decide to enter into a contract with us, most of these contracts may provide for a preliminary trial period where a subset of the client's healthcare services locations is granted access to our solutions. Following any such trial period, we aim to increase the number of the client's healthcare services locations that utilize our solutions. Accordingly, our operating results depend in substantial part on our ability to deliver a successful client and patient experience and persuade our clients and patients to grow their relationship with us over time. If we are unable to do so, we are unlikely to recover these costs and our operating results may suffer.

As a result of our variable sales and implementation cycles, we may be unable to recognize revenue to offset expenditures, which could result in fluctuations in our quarterly results of operations or otherwise harm our future operating results.

The sales cycle for our services can be variable, typically ranging from three to six months from initial contact to contract execution. During the sales cycle, we expend time and resources, and we do not recognize any revenue to offset such expenditures. Our implementation cycle is also variable, typically ranging from one to 24 months from contract execution to completion of implementation. The variability of our sales and implementation cycle is dependent on numerous factors, including the discretionary nature of potential clients' purchasing and budget decisions and the size and complexity of the applicable client. Some of our new client set-up projects are complex and require a considerable time commitment and significant implementation work, including educating prospective clients about the uses and benefits of our solutions. Each customer's situation is different, and unanticipated difficulties and delays may arise as a result of failure by us or by the client to meet our respective implementation responsibilities. During the implementation cycle, we expend substantial time, effort and financial resources implementing our service, but accounting principles do not allow us to recognize the resulting revenue until the service has been implemented, at which time we begin recognition of subscription and related implementation revenue over the life of the contract. This could harm our future operating results. If implementation periods are

extended, our revenue cycle will be delayed and our financial condition may be adversely affected. In addition, cancellation of any implementation after it has begun may involve loss to us of time, effort and expenses invested in the cancelled implementation process and lost opportunity for implementing paying clients in that same period of time.

These factors may contribute to substantial fluctuations in our quarterly operating results, particularly in the near term and during any period in which our sales volume is relatively low. As a result, in future quarters our operating results could fall below the expectations of securities analysts or investors, in which event our stock price would likely decrease.

The growth of our business relies, in part, on the growth and success of our clients and certain revenues from our engagements, which is difficult to predict and is subject to factors outside of our control.

We enter into agreements with our healthcare services clients, under which a significant portion of our fees are variable, including fees which are dependent upon the number of add-on features subscribed for by our clients and the number of patients utilizing our payment processing tools. If there is a general reduction in spending by healthcare services organizations on healthcare technology solutions, it may result in a reduction in fees generated from our healthcare services clients or a reduction in the number of add-on features subscribed for by our healthcare services clients. This could lead to a decrease in our revenue, which could harm our business, financial condition and results of operations.

In addition, the number of patients utilizing our payment processing tools, and the amounts those patients pay directly to our healthcare services clients for services, is often impacted by factors outside of our control. Accordingly, revenue under these agreements can be uncertain and unpredictable. If the number of patients utilizing our payment systems, or the aggregate amounts paid by such patients directly to our healthcare services clients through our solutions, were to be reduced by a material amount, such decrease would lead to a decrease in our revenue, which could harm our business, financial condition and results of operations.

We also generate Network solutions revenue through fees charged to our life sciences and other clients by delivering direct communications to help activate, engage and educate patients who provide consent for the delivery of such communications about topics critical to their health. The growth of our revenue stream from life sciences and other clients is driven, in part, by our ability to grow our network of healthcare services clients and available population of patients to engage, the desirability of optional communications to patients, the number of newly approved drugs, the success of newly launched drugs, and the continued success of certain types of drugs, each of which is impacted by factors outside of our control. If there is a reduction in newly approved drugs, newly launched drugs are not successful, or certain drugs' popularity decreases, this could negatively affect the ability of our life sciences clients to deliver relevant messages to patients who would have otherwise been candidates to receive such drugs. A reduction in the available population of patients to engage or a lack of relevant content could lead to a decrease in our Network solutions revenue, which could harm our business, financial condition and results of operations.

If our existing clients are not satisfied with our services, it could have a material adverse effect on our business, financial condition, results of operations and reputation.

We depend on our existing clients' satisfaction with our products and services. We expect to derive a significant portion of our revenue from renewal of existing clients' contracts and sales of additional applications and services to existing clients. As part of our growth strategy, we have focused on expanding our services amongst current clients. As a result, achieving a high client retention rate and selling additional applications and services to existing clients are critical to our future business, revenue growth and results of operations. We also believe that maintaining and enhancing our reputation and brand recognition is critical to our relationships with existing clients and the patients that they serve and to our ability to attract new clients. The promotion of our brand may require us to make substantial investments, and we anticipate that, as our market becomes increasingly competitive, these marketing initiatives may become increasingly difficult and expensive. In addition, the loss or dissatisfaction of any client could substantially harm our brand and reputation, inhibit widespread adoption of our solutions and impair our ability to attract new clients.

Factors that may affect our client satisfaction and our ability to sell additional applications and services include, but are not limited to, the following:

- the price, performance and functionality of our solutions;
- patient acceptance and adoption of services and utilization of our payment processing tools;
- the availability, price, performance and functionality of competing solutions;
- our ability to develop and sell complimentary applications and services;

- the stability, performance and security of our hosting infrastructure and hosting services;
- changes in healthcare laws, regulations or trends;
- the business environment of our clients including healthcare staffing shortages and headcount reductions by our clients; and
- our ability to maintain and enhance our reputation and brand recognition.

We typically enter into annual contracts with our clients, which have a stated initial term of one year and automatically renew for one-year subsequent terms. Our clients have no obligation to renew their subscriptions for our solutions after the initial term expires. In addition, our clients may negotiate terms less advantageous to us upon renewal, which may reduce our revenue from these clients and may decrease our annual revenue. If our clients fail to renew their contracts, renew their contracts upon less favorable terms or at lower fee levels or fail to purchase new products and services from us, our revenue may decline or our future revenue growth may be constrained. Should any of our clients terminate their relationship with us after implementation has begun, we would not only lose our time, effort and resources invested in that implementation, but we would also have lost the opportunity to leverage those resources to build a relationship with other clients over that same period of time.

The estimates and assumptions we use to determine the size of our target market may prove to be inaccurate, and even if the markets in which we compete meet our size estimates and forecasted growth, our business may not grow at similar rates, or at all.

Market estimates and growth forecasts that we disclose are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The estimates and forecasts relating to the size and expected growth of the markets for our services may prove to be inaccurate. These estimates and forecasts may be impacted by economic uncertainty that is outside our control, including international conflicts that may impact international trade and global economic performance and other macroeconomic trends, such as international and domestic supply chain risks, inflationary pressure, interest rate increases and declines in consumer confidence that impact our customers.

The principal assumptions relating to our market opportunity include the number of healthcare services organizations currently taking appointments, the amount of annual out of pocket consumer spend for healthcare-related services, and the amount of annual spend by life sciences companies and other organizations on direct communications with patients at the point of care. Our market opportunity is also based on the assumption that the strategic approach that Phreesia enables for our potential clients will be more attractive in creating efficiencies in patient care than competing solutions. If these assumptions prove inaccurate, our business, financial condition and results of operations could be adversely affected.

If we cannot implement our solutions for clients or resolve any technical issues in a timely manner, we may incur costs in the form of service credits or other remedial steps and/or lose clients, and our reputation may be harmed.

Our clients utilize a variety of data formats, applications and infrastructure and we must support our clients' data formats. Furthermore, the healthcare industry has shifted towards digitalized record keeping, and accordingly, many of our healthcare services clients have developed their own software, or utilize third-party software, for practice management and secure storage of electronic medical records. Our ability to develop and maintain logic-based and scalable technology for patient intake management and engagement and payment processing that successfully integrates with our clients' software systems for practice management and storage of electronic medical records is critical. If we do not currently support a client's required data format or appropriately integrate with clients' systems, then we must configure our solutions to do so, which could increase our expenses. Additionally, we do not control our clients' implementation schedules. As a result, if our clients do not allocate the internal resources necessary to meet their implementation responsibilities or if we face unanticipated implementation difficulties, the implementation may be delayed. If the client implementation process is not executed successfully or if execution is delayed, we could incur significant costs, clients could become dissatisfied and decide not to increase utilization of our services or not to implement our solutions beyond an initial period prior to their term commitment or, in some cases, revenue recognition could be delayed. In addition, competitors with more efficient operating models with lower implementation costs could jeopardize our client relationships.

Our clients and patients depend on our support services to resolve any technical issues relating to our solutions and our services, and we may be unable to respond quickly enough to accommodate short-term increases in demand for support services, particularly as we increase the size of our client bases (including healthcare services clients and the number of patients that they serve). In addition, we may experience unexpected service interruptions due to cyber-attacks or other cybersecurity incidents or data breaches, such as one that affected our ConnectOnCall product in 2024. In such cases, we may be unable to restore service in a timely manner, if at all. We also may be

unable to modify the format of our support services to compete with changes in support services provided by competitors. It is difficult to predict client and patient demand for technical support services, and if client or patient demand increases significantly, we may be unable to provide satisfactory support services to our clients. Further, if we are unable to address the needs of our clients and their patients in a timely fashion or further develop and enhance our solutions, or if a client or patient is not satisfied with the quality of work performed by us or with the technical support services rendered, then we could incur additional costs to address the situation or be required to issue credits or refunds for amounts related to unused services, and our profitability may be impaired and clients' or patients' dissatisfaction with our solutions could damage our ability to expand the number of applications and services purchased by such clients. These clients may not renew their contracts, seek to terminate their relationships with us or renew on less favorable terms. Moreover, negative publicity related to our client and patient relationships, or regarding patient confidentiality and privacy in the context of technology-enabled healthcare, regardless of its accuracy, may further damage our business by affecting our reputation or ability to compete for new business with current and prospective clients. If any of these were to occur, our revenue may decline and our business, financial condition and results of operations could be adversely affected.

We historically derive a significant portion of our revenues from our largest clients.

Historically, we have relied on a limited number of clients for a substantial portion of our total revenue and accounts receivable. The sudden loss of any of our larger clients, or the renegotiation of any of their contracts on less favorable terms, could adversely affect our operating results. Because we rely on a limited number of clients for a significant portion of our revenues, we depend on the creditworthiness of these clients. If the financial condition of our larger clients declines, our credit risk could increase. Should one or more of our significant clients declare bankruptcy, it could adversely affect the collectability of our accounts receivable and affect our bad debt reserves and net income.

We have experienced net losses in the past and we may not achieve positive net income in the future.

We have incurred significant operating losses since our inception. For the years ended January 31, 2025 and January 31, 2024, we had net losses of $58.5 million and $136.9 million, respectively, and losses from operations of $58.1 million and $136.5 million, respectively. Our operating expenses may increase in the foreseeable future as we continue to invest to grow our business and build relationships with our clients and partners, develop new solutions and operate as a public company. In addition, to the extent we are successful in increasing our client base, we could incur increased losses because significant costs associated with entering into client agreements are generally incurred up front, while revenue is generally recognized ratably over the term of the agreement. As a result, we may need to raise additional capital through equity and debt financings in order to fund our operations, which may not be available to us on favorable terms or at all. If we are unable to effectively manage these risks and difficulties as we encounter them or effectively access the capital markets, our business, financial condition and results of operations may suffer.

We depend on our senior management team and certain key employees, and the loss of one or more of our executive officers or key employees or an inability to attract and retain highly skilled employees could adversely affect our business.

Our success depends, in part, on the skills, working relationships and continued services of our founders, Chaim Indig (Chief Executive Officer) and Evan Roberts (Chief Operating Officer), and our senior management team and other key personnel. From time to time, there may be changes in our senior management team resulting from the hiring or departure of executives, which could disrupt our business.

In addition, we must attract, train and retain a significant number of highly skilled employees in the U.S., India and Canada, including sales and marketing personnel, client support personnel, professional services personnel, software engineers, technical personnel and management personnel, and the availability of such personnel, in particular software engineers, may be constrained. We also believe that our future growth will depend on the continued development of our direct sales force and its ability to obtain new clients and to manage our existing client base. If we are unable to hire and develop sufficient numbers of productive direct sales personnel or if new direct sales personnel are unable to achieve desired productivity levels in a reasonable period of time, sales of our services will suffer and our growth will be impeded.

Competition for qualified management and employees in our industry is intense, and identifying and recruiting qualified personnel and training them requires significant time, expense and attention. Many of the companies with which we compete for personnel have greater financial and other resources than we do. Our North American employees are employed on a contract-employment basis or are "at-will" employees, and, in most cases, their employment can be terminated by us or them at any time, for any reason and without notice, subject, in certain cases, to severance payment rights. The departure and replacement of one or more of our executive officers or

other key employees would likely involve significant time and costs, may significantly delay or prevent the achievement of our business objectives and could materially harm our business. In addition, volatility or lack of performance in our stock price may affect our ability to attract replacements should key personnel depart.

We have made, and may in the future make, acquisitions and investments which may be difficult to integrate, divert management resources, result in unanticipated costs or dilute our stockholders.

We have in the past acquired, and we may continue to acquire or invest in, businesses, products or technologies that we believe could complement or expand our products and services, enhance our market coverage or technical capabilities or otherwise offer growth opportunities. This may include acquiring or investing in companies, businesses, products or technologies that are tangential to our current business and/or in which we have limited or no prior operating experience.

There are inherent risks in integrating and managing acquisitions, and the pursuit of potential acquisitions may divert the attention of management and cause us to incur various expenses related to identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. We cannot assure you that we will realize the anticipated benefits of these or any future acquisitions. We also may not achieve the anticipated benefits from an acquired business due to a number of factors, including, without limitation:

- difficulty integrating the purchased operations, products or technologies and maintaining the quality and security standards consistent with our brand;
- the need to integrate or implement additional controls, procedures and policies;
- privacy concerns, cyber-attacks, data breaches or cybersecurity incidents relating to the acquired businesses, such as the security incident we experienced with ConnectOnCall in 2024;
- our inability to comply with the regulatory requirements applicable to the acquired business;
- assimilation of the acquired businesses, which may divert significant management attention and financial resources from our other operations and could disrupt our ongoing business;
- the use of substantial portions of our available cash, issuance of our equity securities or incurrence of debt to consummate the acquisition;
- the loss of key employees, particularly those of the acquired operations; difficulty retaining or developing the acquired business' customers;
- adverse effects on our existing business relationships;
- failure to realize the potential cost savings or other financial benefits or the strategic benefits of the acquisitions, including failure to consummate any proposed or contemplated transaction; and
- liabilities from the acquired businesses for infringement of intellectual property rights or other claims and failure to obtain indemnification for such liabilities or claims.

Acquisitions also increase the risk of unforeseen legal liability, including for potential violations of applicable law or industry rules and regulations, arising from prior or ongoing acts or omissions by the acquired businesses which are not discovered by due diligence during the acquisition process. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our business, results of operations or financial condition. Even if we are successful in completing and integrating an acquired business, it may not perform as we expect or enhance the value of our business as a whole.

Certain of our operating results and financial metrics, including the key metrics included in this report, may be difficult to predict as a result of seasonality.

We believe there are significant seasonal factors that may cause us to record higher revenue in some quarters compared with others. We believe this variability is largely due to our focus on the healthcare industry. For example, with respect to our healthcare services clients, we receive a disproportionate increase in payment processing revenue from such clients during the first two to three months of the calendar year relative to the other months of the year, which is driven, in part, by the resetting of patient deductibles at the beginning of each calendar year. Sales for our life sciences solutions are also seasonal, primarily due to the annual spending patterns of our clients. This portion of our sales is usually the highest in the fourth quarter of each calendar year. While we believe we have visibility into the seasonality of our business, our rapid growth rate over the last several years may have made seasonal fluctuations more difficult to detect. If our rate of growth slows over time, seasonal or cyclical variations in our operations may become more pronounced, and our business, results of operations and financial position may be adversely affected.

Business or economic disruptions or global health concerns could harm our business and increase our costs and expenses.

Broad-based business or economic disruptions or global health concerns could materially and adversely impact our business and results of operations due to, among other factors:

- a general decline in business activity;
- a potentially disproportionate impact on the healthcare services clients with whom we contract;
- disruptions to our supply chains and our third-party vendors, partners, and suppliers;
- difficulty accessing the capital and credit markets on favorable terms, or at all, and a severe disruption and instability in the global financial markets, or deteriorations in credit and financing conditions that could affect our access to capital necessary to fund business operations or address maturing liabilities on a timely basis; and
- social, economic, and labor instability in the countries in which we or the third parties with whom we engage operate.

In addition, macroeconomic challenges (including changes in inflation and interest rates) and a tight labor market have adversely affected, and may continue to adversely affect, workforces, organizations, governments, clients, economies, and financial markets globally and have disrupted the normal operations of many businesses, including our business, making it potentially very difficult for our clients and us to accurately forecast and plan future business activities. These factors have and could further decrease healthcare industry spending, adversely affect demand for our products and services, impair the ability of our clients to pay for the products and services they have already purchased from us, cause one or more of our clients to file for bankruptcy protection or go out of business, cause one or more of our clients to fail to renew, terminate, or renegotiate their contracts, impact expected spending from new clients, negatively impact collections of accounts receivable, and harm our business, results of operations, and financial condition.

If our internal controls over financial reporting or our disclosure controls and procedures are not effective, we may not be able to accurately report our financial results, prevent fraud or file our periodic reports in a timely manner, which may cause investors to lose confidence in our reported financial information and may lead to a decline in our stock price.

As a public company, we are required to maintain internal control over financial reporting and disclosure controls and procedures. Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act") requires that we evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report on the internal control over financial reporting. Our testing, or the subsequent testing by our independent public accounting firm, may reveal deficiencies in our internal control over financial reporting that are deemed to be material weaknesses. If we are not able to comply with the requirements of Section 404 in a timely manner, or if we or our accounting firm identify deficiencies in our internal control over financial reporting that are deemed to be material weaknesses, the market price of our stock would likely decline and we could be subject to lawsuits, sanctions or investigations by regulatory authorities, including SEC enforcement actions, and we could be required to restate our financial results, any of which would require additional financial and management resources.

If material weaknesses in our internal control over financial reporting are discovered or occur in the future, our consolidated financial statements may contain material misstatements and we could be required to restate our financial results, which could materially and adversely affect our business, results of operations and financial condition, restrict our ability to access the capital markets, require us to expend significant resources to correct the material weakness, subject us to fines, penalties or judgments, harm our reputation or otherwise cause a decline in investor confidence.

We continue to invest in more robust technology and resources to manage our reporting requirements. Implementing the appropriate changes to our internal controls may distract our officers and employees, result in substantial costs and require significant time to complete. Any difficulties or delays in implementing these controls could impact our ability to timely report our financial results. For these reasons, we may encounter difficulties in the timely and accurate reporting of our financial results, which would impact our ability to provide our investors with information in a timely manner. As a result, our investors could lose confidence in our reported financial information, and our stock price could decline. In addition, any such changes do not guarantee that we will be effective in maintaining the adequacy of our internal controls, and any failure to maintain that adequacy could prevent us from accurately reporting our financial results.

From time to time, we are subject to various legal proceedings that could adversely affect our business, financial condition and results of operations.

From time to time, we are or may become involved in claims, lawsuits (whether class actions or individual lawsuits), arbitration proceedings, governmental investigations, and other legal or regulatory proceedings involving commercial, corporate and securities matters; privacy, marketing and communications practices; labor and employment matters; alleged infringement of third-party patents and other intellectual property rights; and other matters. The results of any such claims, lawsuits, arbitration proceedings, government investigations, or other legal or regulatory proceedings cannot be predicted with any degree of certainty. Any claims against us, whether meritorious or not, could be time-consuming, result in costly litigation, require significant management attention, and divert significant resources. Determining reserves for our pending litigation is a complex and fact-intensive process that requires significant subjective judgment and speculation. It is possible that a resolution of one or more such proceedings could result in substantial damages, settlement costs, fines, and penalties. These proceedings could also result in harm to our reputation and brand, sanctions, consent decrees, injunctions, or other orders requiring a change in our business practices. Any of these consequences could adversely affect our business, financial condition, and results of operations. Further, under certain circumstances, we have contractual and other legal obligations to indemnify and to incur legal expenses on behalf of our business, customers, and commercial partners and current and former directors and officers. In addition, certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage, which could adversely impact our results of operations and cash flows, expose us to increased risks that would be uninsured, and adversely impact our ability to attract directors and officers. Notwithstanding the terms of our agreements with our customers, it is possible that one or more of our customers could breach their obligations, which in the aggregate, could adversely affect our business, financial condition, or results of operations. For example, if a customer defaults on its obligations under a customer agreement or terminates a customer agreement prior to the contractual termination date, we may be required to assert a claim to acquire the amount in full due under the customer agreement, which we may choose not to pursue. However, if we choose to pursue any such claim, we may incur substantial costs to resolve claims or enter into litigation or arbitration, and even if we were to prevail in the event of claims, litigation or arbitration, such claims, litigation, or arbitration could be costly and time-consuming and divert the attention of our management and other employees from our business operations.

We are a fully remote company that does not maintain a physical office presence, which subjects us to unique operational risks.

Being a fully remote company subjects us to unique operational risks. For example, technologies in our employees' homes may not be as robust as in a corporate office and could cause the networks, information systems, applications, and other tools available to employees and service providers to be more limited or less reliable than in a corporate office. Further, the security systems in place at our employees' homes may be less secure than those used in a corporate office, and while we have implemented technical and administrative safeguards to help protect our systems as our employees and service providers work from home, we may be subject to increased cybersecurity risk, which could expose us to risks of data or financial loss and could disrupt our business operations. There is no guarantee that the data security and privacy safeguards we have put in place will be completely effective or that we will not encounter risks associated with employees accessing company data and systems remotely. In addition, operating remotely may negatively impact our corporate culture, including employee engagement and productivity.

Risks relating to our payments business

If our payments platform is limited, restricted, curtailed or degraded in any way, or if we fail to continue to grow and develop our payments platform, our business may be materially and adversely affected.

Our payments platform is a core element of our business. For the fiscal year ended January 31, 2025, our payments platform generated 24% of our total revenue. Our future success depends in part on the continued growth and development of our payments platform. If such activities are limited, restricted, curtailed or degraded in any way, or if we fail to continue to grow and develop our payments platform, our business may be materially and adversely affected. The utilization of our payment processing tools may be impacted by factors outside of our control, such as changes in laws governing medical bill payments or disruptions in the payment processing industry generally. If the number of patients utilizing our payments platform, the aggregate amounts paid by such patients directly to our healthcare services clients through our payments platform, or the credit card interchange fees we receive from such payments were to be reduced as a result of disruptions in the payment processing industry, laws discouraging the use of credit card payments for medical services or other factors, it could result in a decrease to our revenue. In addition, some potential or existing clients may not desire to use our payment processing services or to switch from their existing payment processing vendors for a variety of reasons, such as transition costs, business disruption, and loss of accustomed functionality. There can be no assurance that our efforts to overcome these factors will be successful, and this resistance may adversely affect our growth.

The attractiveness of our payment processing services may also depend on our ability to integrate emerging payment technologies, including crypto-currencies, other emerging or alternative payment methods, and credit card systems that we or our processing partners may not adequately support or for which we or they do not provide adequate processing rates. In the event such methods become popular among consumers, any failure to timely integrate emerging payment methods into our software, anticipate client behavior changes, or contract with payment processing partners that support such emerging payment technologies could reduce the attractiveness of our payment processing services, potentially resulting in a corresponding loss of revenue.

Increases in card network fees and other changes to fee arrangements may result in the loss of clients who use our payment processing services or a reduction in our earnings.

From time to time, card networks, including Visa, MasterCard, American Express and Discover, increase the fees that they charge acquirers, which would be passed down to processors, payment facilitators and merchants. We could attempt to pass these increases along to our clients, but this strategy might result in the loss of clients to competitors who do not pass along the increases. If competitive practices prevent us from passing along the higher fees to our clients in the future, we may have to absorb all or a portion of such increases, which may increase our operating costs and reduce our earnings.

If we fail to comply with the applicable requirements of card networks, they could seek to fine us, suspend us or terminate our payment facilitator status. If our clients or sales partners incur fines or penalties that we cannot collect from them, we may have to bear the cost of such fines or penalties.

We provide a payments solution for the secure processing of patient payments. Our payment processing tools can connect to multiple clearinghouses and can also connect directly with patients. We have developed partnerships with primary credit card processors in the United States to facilitate payment processing, and we are registered with Visa, MasterCard, American Express, Discover and other card networks as a service provider (payment facilitator or the equivalent) for acquiring member institutions. These card networks set the operating rules and standards with which we must comply. The termination of our status as a certified service provider, a decision by the card networks to disallow payment facilitators or bar us from serving as such, or any changes in network rules or standards, including interpretation and implementation of the operating rules or standards, that increase the cost of doing business or limit our ability to provide transaction processing services to our clients or partners, could adversely affect our business, financial condition or results of operations.

We and our clients are subject to card network rules that could subject us or our clients to a variety of fines or penalties that may be levied by card networks for certain acts or omissions by us or our clients. If a client or sales partner fails to comply with the applicable requirements of card networks, we could be subject to a variety of fines or penalties that may be levied by card networks. We may have to bear the cost of such fines or penalties if we cannot collect them from the applicable client or sales partner, resulting in lower earnings or losses for us. Our violation of the network rules may result in the termination or suspension of our registration with the affected network. The termination of our registration, including a card network barring us from acting as a payment facilitator, or any changes in card network rules that would impair our registration, could require us to stop providing payment processing services relating to the affected card network, which would adversely affect our ability to conduct our business.

In addition, the rules of card networks are set by their boards, which may be influenced by card issuers. Many banks directly or indirectly sell processing services to clients in competition with us. These banks could attempt, by virtue of their influence on the networks, to alter the networks' rules or policies to the detriment of non-members, including us.

Changes in laws and regulations relating to interchange fees on payment card transactions would adversely affect our revenue and results of operations.

We pay interchange fees to the card networks or the card issuers for each transaction we process. The card networks may increase, from time to time, the fees that they charge members or service providers. Although we may attempt to pass these increases along to our clients, this may result in the loss of clients to our competitors that do not pass along the increases. A provision of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") known as the Durbin Amendment empowered the Board of Governors of the Federal Reserve System ("FRS"), to establish and regulate a cap on the interchange fees that issuers (e.g. banks) may charge or receive for electronic clearing of debit card transactions. The original regulations implementing the Durbin Amendment established standards for assessing whether debit card interchange fees received by debit card issuers were reasonable and proportional to the costs incurred by issuers for electronic debit transactions, and it established a maximum permissible interchange fee that an issuer may receive for an electronic debit transaction, limiting the fee revenue to debit card issuers and payment processors. If the maximum permissible interchange fee

for debit cards, credit cards, or other payment cards is changed or the exempt status of HSA-linked payment cards from such maximum interchange rate caps is lost as a result of amendment to Regulation II by the FRS or any other new rulemaking, legislation, or private litigation challenge, our revenue and profit from payment card transactions processed through our payments platform could decrease, and there could be a material adverse effect on our financial condition and results of operations.

Risk relating to our data and intellectual property

If our intellectual property is not adequately protected, we may not be able to build name recognition, protect our technology and products, and our business may be adversely affected.

Our business depends on proprietary technology and content, including software, databases, confidential information and know-how, the protection of which is crucial to the success of our business. We rely on a combination of trademark, trade-secret and copyright laws, confidentiality procedures and contractual provisions to protect our intellectual property rights in our proprietary technology, content and brand. We may, over time, increase our investment in protecting our intellectual property through additional trademark, patent and other intellectual property filings that could be expensive and time-consuming. Effective trademark, trade-secret and copyright protection is expensive to develop and maintain, both in terms of initial and ongoing registration requirements and the costs of defending our rights. These measures, however, may not be sufficient to offer us meaningful protection. If we are unable to protect our intellectual property and other proprietary rights, our brand, competitive position and business could be harmed, as third parties may be able to dilute our brand or commercialize and use technologies and software products that are substantially the same as ours without incurring the development and licensing costs that we have incurred. Any of our owned or licensed intellectual property rights could be challenged, invalidated, circumvented, infringed or misappropriated, our trade secrets and other confidential information could be disclosed in an unauthorized manner to third parties, or our intellectual property rights may not be sufficient to permit us to take advantage of current market trends or otherwise provide us with competitive advantages, which could result in costly redesign efforts, discontinuance of certain offerings or other competitive harm.

Monitoring unauthorized use of our intellectual property is difficult and costly. From time to time, we seek to analyze our competitors' products and services, and may in the future seek to enforce our rights against potential infringement. However, the steps we have taken to protect our proprietary rights may not be adequate to prevent infringement or misappropriation of our intellectual property. We may not be able to detect unauthorized use of, or take appropriate steps to enforce, our intellectual property rights. Any inability to meaningfully protect our intellectual property rights could result in harm to our brand or our ability to compete and reduce demand for our technology and products. Moreover, our failure to develop and properly manage new intellectual property could adversely affect our market positions and business opportunities. Also, some of our products and services rely on technologies and software developed by or licensed from third parties. Any disruption or disturbance in such third-party products or services, which we have experienced in the past, could interrupt the operation of our solutions. We may not be able to maintain our relationships with such third parties or enter into similar relationships in the future on reasonable terms or at all.

We may also be required to protect our proprietary technology and content in an increasing number of jurisdictions, a process that is expensive and may not be successful, or which we may not pursue in every location. In addition, effective intellectual property protection may not be available to us in every country, and the laws of some foreign countries may not be as protective of intellectual property rights as those in the United States. Additional uncertainty may result from changes to intellectual property legislation enacted in the United States and elsewhere, and from interpretations of intellectual property laws by applicable courts and agencies. Accordingly, despite our efforts, we may be unable to obtain and maintain the intellectual property rights necessary to provide us with a competitive advantage. Our failure to obtain, maintain and enforce our intellectual property rights could therefore have a material adverse effect on our business, financial condition and results of operations.

Any restrictions on our use of, or ability to license and integrate, third-party technologies could have a material adverse effect on our business, financial condition and results of operations.

We integrate into our proprietary applications and use third-party software to maintain and enhance, among other things, content generation and delivery, and to support our technology infrastructure. Some of this software is proprietary and some is open source software. Our use of third-party technologies and open source software exposes us to increased risks, including, but not limited to, risks associated with the integration of new technology into our solutions, the diversion of our resources from development of our own proprietary technology and our inability to generate revenue from licensed technology sufficient to offset associated acquisition and maintenance costs. These technologies may not be available to us in the future on commercially reasonable terms or at all and could be difficult to replace once integrated into our own proprietary applications. Most of these licenses can be

renewed only by mutual consent and may be terminated if we breach the terms of the license and fail to cure the breach within a specified period of time. Our inability to obtain, maintain or comply with any of these licenses could delay development until equivalent technology can be identified, licensed and integrated, which would harm our business, financial condition and results of operations.

Most of our third-party licenses are non-exclusive and our competitors may obtain the right to use any of the technology covered by these licenses to compete directly with us. If our data suppliers choose to discontinue support of the licensed technology in the future, we might not be able to modify or adapt our own solutions.

Third parties may initiate legal proceedings alleging that we are infringing or otherwise violating their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on our business, financial condition and results of operations.

Our commercial success depends on our ability to develop and commercialize our services and use our proprietary technology without infringing the intellectual property or proprietary rights of third parties. Intellectual property disputes can be costly to defend and may cause our business, operating results and financial condition to suffer. As the market for healthcare in the United States expands and more patents are issued, the risk increases that there may be patents issued to third parties that relate to our products and technology of which we are not aware or that we must challenge to continue our operations as currently contemplated. Whether merited or not, we may face allegations that we, our partners, our licensees or parties indemnified by us have infringed or otherwise violated the patents, trademarks, copyrights or other intellectual property rights of third parties. Such claims may be made by competitors seeking to obtain a competitive advantage or by other parties. Additionally, in recent years, individuals and groups have begun purchasing intellectual property assets for the purpose of making claims of infringement and attempting to extract settlements from companies like ours. We may also face allegations that our employees have misappropriated the intellectual property or proprietary rights of their former employers or other third parties. It may be necessary for us to initiate litigation to defend ourselves in order to determine the scope, enforceability and validity of third-party intellectual property or proprietary rights, or to establish our respective rights. Regardless of whether claims that we are infringing patents or other intellectual property rights have merit, such claims can be time-consuming, divert management’s attention and financial resources and can be costly to evaluate and defend. Results of any such litigation are difficult to predict and may require us to stop commercializing or using our products or technology, obtain licenses, modify our services and technology while we develop non-infringing substitutes or incur substantial damages, settlement costs or face a temporary or permanent injunction prohibiting us from marketing or providing the affected products and services. If we require a third-party license, it may not be available on reasonable terms or at all, and we may have to pay substantial royalties, upfront fees or grant cross-licenses to intellectual property rights for our products and services. We may also have to redesign our products or services so they do not infringe third-party intellectual property rights, which may not be possible or may require substantial monetary expenditures and time, during which our technology and products may not be available for commercialization or use. Even if we have an agreement to indemnify us against such costs, the indemnifying party may be unable to uphold its contractual obligations. If we cannot or do not obtain a third-party license to the infringed technology, license the technology on reasonable terms or obtain similar technology from another source, our revenue and earnings could be adversely impacted.

From time to time, we may be subject to legal proceedings and claims in the ordinary course of business with respect to intellectual property. We are not currently subject to any claims from third parties asserting infringement of their intellectual property rights. Some third parties may be able to sustain the costs of complex litigation more effectively than we can because they have substantially greater resources. Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our technical and management personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our common stock. Moreover, any uncertainties resulting from the initiation and continuation of any legal proceedings could have a material adverse effect on our ability to raise the funds necessary to continue our operations. Assertions by third parties that we violate their intellectual property rights could therefore have a material adverse effect on our business, financial condition and results of operations.

Interruption or failure of our information technology and communications systems could impair our ability to effectively deliver our products and services, which could cause us to lose clients and harm our operating results.

Our business depends on the continuing operation of our technology infrastructure and systems. Proprietary software development is time-consuming, expensive and complex, and may involve unforeseen difficulties. We may encounter technical obstacles in enhancing our existing software and developing new software, and it is possible

that we may discover additional problems that prevent our proprietary applications from operating properly. In addition, any damage to or failure of our existing systems, or the systems of our third-party providers, could result in interruptions in our ability to deliver our products and services. Interruptions in our service, such as one that affected our ConnectOnCall product in 2024, have in the past and could in the future reduce our revenue and profits, and our reputation could be damaged if people believe our systems are unreliable.

Our systems and operations, and those of our third-party providers, are vulnerable to damage or interruption from natural disasters or man-made problems, such as earthquakes, floods, fires, political unrest, acts of terrorism, armed conflict or war (such as the current Russian invasion of Ukraine and the conflict in the Middle East), power loss, break-ins, hardware or software failures, telecommunications failures, computer viruses, cyber-attacks or other attempts to harm our systems and similar events. Any unscheduled interruption in our service would result in an immediate loss of revenue. Frequent or persistent system failures that result in the unavailability of our solutions or slower response times could reduce our clients' ability to access our solutions, impair our delivery of our products and services and harm the perception of our solutions as reliable, trustworthy and consistent. Our insurance policies provide only limited coverage for service interruptions and may not adequately compensate us for any losses that may occur due to any failures or interruptions in our systems.

If our services fail to provide accurate and timely information, or if our content or any other element of our service is associated with errors or malfunctions, we could have liability to clients or patients which could adversely affect our results of operations.

Our software, content and services are used to assist medical groups, health systems and other organizations with managing the patient intake process and to empower patients and healthcare organizations as they navigate the challenges of an evolving healthcare system. If our software, content or services fail to provide accurate and timely information or are associated with errors or malfunctions, then healthcare services clients or patients could assert claims against us that could result in substantial costs to us, harm our reputation in the industry and cause demand for our services to decline.

Our proprietary service is utilized in patient intake and engagement and to help healthcare services organizations better understand patients through medical histories, insurance benefits and socio-economic indicators. If our service fails to provide accurate and timely information, or if our content or any other element of our service is associated with errors or malfunctions, we could have liability to healthcare services clients or patients. We attempt to limit by contract our liability for damages and to require that our clients assume responsibility for medical care and approve key system rules, protocols and data. Despite these precautions, the allocations of responsibility and limitations of liability set forth in our contracts may not be enforceable, may not be binding upon patients or may not otherwise protect us from liability for damages.

Our proprietary software may contain errors or failures that are not detected until after the software is introduced or updates and new versions are released. It is challenging for us to test our software for all potential problems because it is difficult to simulate the wide variety of computing environments or methodologies that our clients may deploy or rely upon. From time to time we have discovered defects or errors in our software, and such defects or errors can be expected to appear in the future. Defects and errors that are not timely detected and remedied could expose us to risk of liability to healthcare services clients and patients and cause delays in introduction of new services, result in increased costs and diversion of development resources, require design modifications or decrease market acceptance or client satisfaction with our services. If any of these risks occur, they could materially and adversely affect our business, financial condition or results of operations.

We may be liable for use of incorrect or incomplete data we provide, which could harm our business, financial condition and results of operations.

We collect, store and display data, including patient health information, for use by healthcare services clients in handling patient intake and engagement. Our clients, their patients, or third parties provide us with most of this data. If this data is incorrect or incomplete, or if we make mistakes in the capture or input of this data, adverse consequences may occur and give rise to product liability and other claims against us. In addition, a court or government agency may take the position that our storage and display of health information exposes us to liability arising out of our intake, storage and display of erroneous health information. While we maintain insurance coverage, we cannot be certain that this coverage will prove to be adequate or will continue to be available on acceptable terms, if at all. Even unsuccessful claims could result in substantial costs and diversion of management

resources. A claim brought against us that is uninsured or under-insured could harm our business, financial condition and results of operations.

Our use of "open source" software could adversely affect our ability to offer our services and subject us to possible litigation.

We may use open source software in connection with our products and services. Companies that incorporate open source software into their products have, from time to time, faced claims challenging the use of open source software and/or compliance with open source license terms. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source software or claiming noncompliance with open source licensing terms. Some open source software licenses require users who distribute software containing open source software to publicly disclose all or part of the source code to such software and/or make available any derivative works of the open source code, which could include valuable proprietary code of the user, on unfavorable terms or at no cost. While we monitor the use of open source software and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open source agreement, such use could inadvertently occur, in part because open source license terms are often ambiguous. Any requirement to disclose our proprietary source code or pay damages for breach of contract could have a material adverse effect on our business, financial condition and results of operations and could help our competitors develop products and services that are similar to or better than ours.

Risks relating to laws and regulations applicable to our industry

We are subject to health care laws and data privacy and security laws and regulations governing our collection, use, disclosure, storage and transmission of personally identifiable information, including protected health information and payment card data, which may impose restrictions on us and our operations, require us to change our business practices and put in place additional compliance mechanisms, and subject us to fines, penalties, lawsuits, adverse publicity, reputational harm, loss of customer trust or government enforcement actions if we are unable to fully comply with such laws.

Numerous complex federal and state laws and regulations govern the collection, use, disclosure, storage and transmission of personally identifiable information, including protected health information. State laws may be even more restrictive and not preempted by HIPAA, and may be subject to varying interpretations by the courts and government agencies. These laws and regulations, including their interpretation by governmental agencies, are subject to frequent change and could have a negative impact on our business. Further, these varying interpretations could create complex compliance issues for us and our partners and potentially expose us to additional expense, liability, penalties, negatively impact our client relationships, and lead to adverse publicity, and all of these risks could adversely affect our business in the short and long term. In addition, contractual obligations and in the future, legislation may limit, forbid or regulate the use or transmission of health information outside of the United States or across other national borders. These developments, if adopted, could render our use of Indian employees and other non-U.S. resources for work related to such data impracticable or substantially more expensive.

We are a "Business Associate" as defined under HIPAA. The HHS Office for Civil Rights may impose civil penalties on a Business Associate for a failure to comply with HIPAA requirements. The U.S. Department of Justice is responsible for criminal prosecutions under HIPAA. Penalties can vary significantly depending on a number of factors, such as whether the Business Associate's failure to comply was due to willful neglect. State attorneys general also have the right to prosecute HIPAA violations in their states. While HIPAA does not create a private right of action that would allow individuals to sue in civil court, its standards have been used as the basis for the duty of care in state civil suits, such as those for recklessness in misusing individuals' health information. If we are subject to investigation or litigation related to an alleged violation of HIPAA, then we may elect to resolve the matter through a settlement. Such settlement could require payment of a civil penalty or damages, corrective action and/or monitoring of our business by a third party.

The security measures that we and our third-party vendors and subcontractors have in place to ensure compliance with privacy and data protection laws are not guarantees that we and our subcontractors will not be the victims of cyber-attacks, acts of vandalism or theft, computer viruses, misplaced or lost data, malfeasance, programming and human errors or other similar events. Under the HITECH Act, as a Business Associate we may also be liable for privacy and security breaches and failures of our subcontractors. Even though we provide for appropriate protections through our agreements with our subcontractors, we still have limited control over their actions and practices. A breach of privacy or security of individually identifiable health information by a subcontractor may result in an enforcement action, including criminal and civil liability, against us. We are not able to predict the extent of the impact such incidents may have on our business. Enforcement actions against us could be costly and could interrupt regular operations, which may adversely affect our business. While we are not aware of any non-

compliance or violations of any applicable privacy and data protection laws and believe we are in compliance with such laws, there can be no assurance that we will not receive notices of non-compliance or violations in the future.

Even when HIPAA does not apply, according to the FTC, failing to take appropriate steps to keep consumers' personal information secure constitutes unfair acts or practices in or affecting commerce in violation of Section 5(a) of the FTCA. The FTC's current guidance for appropriately securing consumers' personal information is similar to what is required by the HIPAA security regulations, but this guidance may change in the future, resulting in increased complexity and the need to expend additional resources to ensure we are complying with the FTCA.

Federal and state consumer protection laws are increasingly being applied by the FTC and states' attorneys general to regulate the collection, use, storage and disclosure of personal or personally identifiable information, through websites or otherwise, and to regulate the presentation of website content. The FTC has authority to initiate enforcement actions against entities that mislead customers about HIPAA compliance, make deceptive statements about privacy and data sharing in privacy policies, fail to limit third-party use of personal health information, fail to implement policies to protect personal health information or engage in other unfair practices that harm customers or that may violate Section 5(a) of the FTCA, and has brought enforcement actions against companies in the healthcare space in recent years. As a result of regulatory enforcement proceedings, we may be subject to related litigation, settlements or enforcement actions that could include monetary penalties and/or compliance requirements that (1) impose significant and material costs, (2) require us to make modifications to our data practices and our marketing programs, (3) result in negative publicity, or (4) have a negative impact on consumer demand for our products and services, or on our commercial or industry relationships. Even an unsuccessful challenge of our privacy practices by our consumers, regulatory authorities or other third parties could result in negative publicity and could require a costly response from and defense by us. Any of these events could adversely affect our ability to operate our business and our financial results.

Other federal and state laws restrict the use and protect the privacy and security of personally identifiable information, in many cases are not preempted by HIPAA and may be subject to varying interpretations by courts and government agencies. These varying interpretations can create complex compliance issues for us and our partners and potentially expose us to additional expense, adverse publicity and liability, any of which could adversely affect our business. States continue to introduce and adopt new and amended laws, regulations and industry standards concerning privacy, data protection and information security. The first of these was the CCPA, as amended by the CPRA, which amendments went into effect on January 1, 2023. The CCPA created specific obligations with respect to processing and storing personal information, and the CPRA amendments created a new state agency that is vested with authority to implement and enforce the CCPA. In addition to the CCPA, similar privacy and data security laws have been enacted or proposed in numerous other states as well as in the U.S. Congress. These new laws will impose similar, additional, and in some cases more restrictive requirements than the CCPA created.

Furthermore, other states have proposed or enacted legislation that is focused on more narrow aspects of privacy. For example, a number of states have passed laws that protect biometric information and a smaller number of states have passed or are considering laws that are specifically focused upon health privacy, such as Washington's My Health My Data Act. The My Health My Data Act imposes new state restrictions and requirements on the processing and sale of consumer health data and creates a private right of action, which further increases the relevant compliance risk. Connecticut and Nevada have also passed similar laws regulating consumer health data, and New York's Health Information Privacy Act is awaiting the governor's signature. The effects of state and federal privacy laws are potentially significant and may require us to modify our data processing practices and policies and to incur substantial costs and potential liability in an effort to comply with such legislation.

We cannot yet determine the full impact these laws or other such future laws, regulations and standards may have on our current or future business. Any of these laws may broaden their scope in the future, and similar laws have been proposed on both a federal level and in various states in the U.S. Such proposed legislation, if enacted, may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment of resources in compliance programs, impact strategies and the availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies. The existence of comprehensive privacy laws in different states in the country, and the heightened scrutiny associated with the enforcement of such laws, could make our compliance obligations more complex and costly and may increase the likelihood that we may be subject to enforcement actions or otherwise incur liability for noncompliance. State laws are changing rapidly and there are discussions in the U.S. Congress of new comprehensive federal data privacy laws to which we could become subject, if enacted.

While we primarily process data of consumers located within the United States, we process data of consumers located in other jurisdictions and have employees outside of the United States that may be subject to foreign laws. Internationally, virtually every jurisdiction in which we operate has established its own data security and privacy legal

framework with which we or our customers must comply. Cross-border data transfers and other future developments regarding local data residency and access could increase the cost and complexity of delivering our services in some markets and may lead to governmental enforcement actions, litigation, fines and penalties or adverse publicity, which could adversely affect our business and financial position could greatly increase our cost of providing our products and services, require significant changes to our operations or even prevent us from offering certain services in specific jurisdictions. In addition, any limitation on our ability to use or transmit health information outside of the U.S. could impose restrictions on our ability to recruit and maintain employees residing outside of the U.S., which could, in turn, adversely affect our business.

We expect that there will continue to be new or amended laws, regulations, standards and obligations proposed and enacted in various foreign jurisdictions. Many countries around the world have enacted comprehensive privacy and data protection laws that can impact our business. Some of the businesses we have acquired are subject to additional laws and regulations in jurisdictions outside of the United States, for example, the EU, in May 2018, adopted the General Data Protection Regulation, or EU GDPR, and the EU GDPR was incorporated into the laws of the United Kingdom (“UK GDPR”, together with the EU GDPR, “GDPR”). The GDPR in the EU and the UK, which have been incorporated into their respective laws, impose stringent requirements on the processing of health and other sensitive data. These requirements encompass: (i) providing information to individuals regarding data processing activities; (ii) ensuring a legal basis or condition applies to the processing of personal data and, where applicable, obtaining consent from individuals to whom the data processing relates; (iii) responding to data subject requests; (iv) imposing requirements to notify the competent national data protection authorities and data subjects of personal data breaches; (v) implementing safeguards in connection with the security and confidentiality of the personal data; (vi) accountability requirements; and (vii) taking certain measures when engaging third-party processors. Compliance with such laws and regulations requires resources and could be more costly and take more time than we anticipate, and could involve new fines or penalties for non-compliance, all of which could adversely affect our business.

We have operations in Canada, where our collection, use, disclosure and management of personal information must comply with both federal and provincial privacy laws, which impose separate requirements, but may overlap in some instances. The Personal Information Protection and Electronic Documents Act ("PIPEDA") applies in all Canadian provinces except Alberta, British Columbia and Québec, as well as to the transfer of consumer data across provincial borders. PIPEDA imposes stringent consumer data protection obligations, requires privacy breach reporting and limits the purposes for which organizations may collect, use, and disclose consumer data. The provinces of Alberta, British Columbia and Québec have enacted separate data privacy laws that are substantially similar to PIPEDA, but all three additionally apply to our handling of our own employees’ personal data within their respective provinces. Notably, Québec’s Act respecting the protection of personal information in the private sector (the “Private Sector Act”), was amended by Bill 64, an Act to modernize legislative provisions as regards the protection of personal information, which introduced major amendments to the Private Sector Act, notably, to impose significant and stringent new obligations on Québec businesses while increasing the powers of Quebec’s supervisory authority. We may incur additional costs and expenses related to compliance with these laws and may incur significant liability if we are not able to comply with these laws. We are also subject to Canada’s anti-spam legislation, or CASL, which includes rules governing commercial electronic messages, which include marketing emails, text messages and social media advertisements. Under these rules, we must follow certain standards when sending marketing communications, are prohibited from sending them to customers without their consent and can be held liable for violations.

Certain of our products and services are also subject to self-regulatory standards and industry certifications that may legally or contractually apply to us. These include the Payment Card Industry Data Security Standards ("PCI-DSS"), AICPA Security Organization Control 2 ("SOC 2") and HITRUST certification, which apply to or are maintained by certain of our solutions. In the event we fail to comply with the PCI-DSS or fail to maintain our SOC 2 or HITRUST certification, we could be in breach of our obligations under customer and other contracts, fines and other penalties could result, and we may suffer reputational harm and damage to our business. Further, our clients may expect us to comply with more stringent privacy, data storage and data security requirements than those imposed by laws, regulations or self-regulatory requirements, and we may be obligated contractually to comply with additional or different standards relating to our handling or protection of data.

All of these evolving compliance and operational requirements impose significant costs, such as costs related to organizational changes, implementing additional protection technologies, training employees and engaging consultants and legal advisors, which are likely to increase over time. In addition, such requirements may require us to modify our data processing practices and policies, utilize management’s time and/or divert resources from other initiatives and projects. Any failure or perceived failure by us to comply with domestic or foreign laws or regulations, industry standards or other legal obligations, or any actual or suspected privacy or security incident, whether or not

resulting in unauthorized access to, or acquisition, release or transfer of personally identifiable information or other data, may result in governmental enforcement actions and prosecutions, private litigation, fines and penalties or adverse publicity and could cause our clients to lose trust in us, which could have an adverse effect on our reputation and business. We may be unable to make such changes and modifications in a commercially reasonable manner or at all, and our ability to develop new products and features could be limited. Any of these developments could harm our business, financial condition and results of operations. Privacy and data security concerns, whether valid or not valid, may inhibit retention of services by existing clients or adoption of our services by new clients.

Existing laws regulate our ability to engage in direct marketing, and changes in privacy laws could adversely affect our ability to market our products effectively and could impact our results from operations or result in costs and fines.

We rely on a variety of direct marketing techniques, including email marketing. These activities are regulated by legislation such as the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (“CAN-SPAM Act”). Any failure by us to comply fully with the CAN-SPAM Act may leave us subject to substantial fines and penalties. In addition, any future restrictions in laws such as the CAN-SPAM Act, and various United States state laws, or new federal laws regarding marketing and solicitation or international data protection laws that govern these activities could adversely affect the continuing effectiveness of our marketing efforts and could force changes in our marketing strategies. If this occurs, we may not be able to develop adequate alternative marketing strategies, which could have a material adverse impact on our results of operations.

Additionally, while we do not allow any third-party cookies, tags or trackers (collectively, “cookies”) to be placed in our software solutions, we utilize cookies on some of our public websites to collect data about visitors to our websites in order to administer our sites, enhance users’ web-browsing experience, analyze trends and gather information about users’ activities on our sites. Our ability to collect, analyze, use and share information collected via cookies is governed by U.S. and foreign laws and regulations which change from time to time, such as those regulating the level of consumer notice and consent required before a company can employ cookies to collect data about interactions with users online.

In recent years, there has been increasing public and regulatory scrutiny of the use of cookies by companies in the healthcare space. For example, the FTC has brought enforcement actions against online healthcare services and service providers, and there has been an increase in litigation alleging the unauthorized collection and sharing of sensitive health information in violation of federal and state privacy laws. While we do not collect HIPAA-regulated PHI via the use of cookies on our websites, and we believe our use of cookies on those websites complies with all applicable laws, we may from time to time receive public or regulatory inquiries about our use of tracking technologies. Continued regulation of cookies, changes in the interpretation and enforcement of existing laws and regulations, and increased scrutiny of the use of cookies by healthcare technology companies could restrict our ability to engage in certain activities or require changes to our practices. If we are believed or found to have not complied with our obligations under applicable laws, we may also be subject to litigation, substantial financial penalties, injunctive actions and reputational harm. All of the above could impact our business, financial condition or results of operations.

Any failure by us to comply fully with website accessibility standards could result in us being subject to considerable fines and penalties.

We conduct business through various Internet websites and web-based applications that are subject to accessibility requirements. Courts have ruled that the Americans with Disabilities Act (“ADA”) applies to Internet websites and other digital experiences, and litigation related to ADA website accessibility has soared in recent years. Failing to comply with those requirements could leave us subject to claims, litigation, lawsuits and, ultimately, substantial fines and penalties.

The healthcare regulatory and political framework is uncertain and evolving.

Healthcare laws and regulations are rapidly evolving and may change significantly in the future, which could adversely affect our financial condition and results of operations. For example, in 2020, the HHS, Office of the National Coordinator for Health Information Technology ("ONC") and CMS promulgated final rules to clarify and operationalize provisions of the 21st Century Cures Act ("Cures Act"), regarding interoperability and “information blocking,” and create significant new requirements for health care industry participants. Information blocking is defined as activity that is likely to interfere with, prevent, or materially discourage access, exchange, or use of EHI, where a health information technology developer, health information network or health information exchange knows or should know that such practice is likely to interfere with access to, exchange or use of EHI. In April 2023, the ONC issued a notice of proposed rulemaking that would modify certain components of the Final Rule, including

modifying and expanding certain exceptions to the information blocking regulations, which are intended to support information sharing.

While these rules benefit us in that certain EHR vendors will no longer be permitted to interfere with our attempts at integration, they may also make it easier for other similar companies to enter the market, creating increased competition and reducing our market share.

In addition, on December 27, 2024, HHS-OCR issued a Notice of Proposed Rulemaking to modify the HIPAA Security Rule to enhance cybersecurity protections for electronic protected health information. The proposed rule would modify the HIPAA Security Rule to require covered entities and business associates to strengthen cybersecurity protections for individuals' protected health information. Key proposals include removing the distinction between "required" and "addressable" implementation specifications and mandating the development and revision of a technology asset inventory and a network map. Given the recent change in presidential administration, it is difficult to anticipate when the proposed rule will be finalized or if the NPRM will be withdrawn. If the NPRM is finalized, we may be subject to additional compliance obligations and incur additional costs in connection with compliance.

In addition, we are subject to various other laws and regulations, including, among others, anti-kickback laws, antitrust laws and the privacy and data protection laws described below.

We conduct business in a heavily regulated industry, and any failure to comply with applicable healthcare laws and government regulations, could result in financial penalties, adverse regulatory action and adverse publicity, or could require us to make significant operational changes, any of which could harm our business.

Our current and future arrangements with healthcare professionals and life sciences companies may subject us to various federal and state fraud and abuse laws and other healthcare laws, including, without limitation, the federal Anti-Kickback Statute, the federal civil and criminal false claims laws, HIPAA and regulations promulgated under such laws. These laws will impact, among other things, proposed sales, marketing and educational programs, and other interactions with healthcare providers. For more information regarding the risks related to these laws and regulations please see "*Business – Regulatory Matters – U.S. Federal and State Fraud and Abuse Laws*."

The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment. Federal and state enforcement bodies have recently increased their scrutiny of interactions between healthcare industry participants, which has led to a number of investigations, prosecutions, convictions and settlements in the healthcare industry. Because of the breadth of these laws and the narrowness of their statutory or regulatory exceptions and safe harbors, some of our business activities may be subject to challenge under one or more of them.

Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. The risk of our being found in violation of healthcare laws and regulations is increased by the fact that their provisions are sometimes complex and open to a variety of interpretations.

It is possible that governmental authorities will conclude that our business practices do not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including administrative, civil and criminal penalties, damages, fines, disgorgement, the exclusion from participation in federal and state healthcare programs, individual imprisonment, reputational harm, and the curtailment or restructuring of our operations, as well as additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws. Likewise, if any of the healthcare providers or entities with whom we do business are found to not be in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs and imprisonment. Further, defending against any such actions can be costly and time consuming, and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. If any of the above occur, our ability to operate our business and our results of operations could be adversely affected.

We may be subject to risks related to government contracts and related procurement regulations.

Our contracts with federal, state, local and foreign government entities are subject to various procurement regulations and other requirements relating to their formation, administration and performance. We are from time to time subject to audits and investigations relating to our government contracts, and any violations could result in

various civil and criminal penalties and administrative sanctions, including termination of contracts, refunding or suspending of payments, forfeiture of profits, payment of fines and suspension or debarment from future government business. In addition, such contracts may provide for termination by the government at any time, without cause. Any of these risks related to contracting with government entities could adversely impact our future sales and operating results.

The U.S. Food and Drug Administration ("FDA") may in the future determine that our technology solutions are subject to the Federal Food, Drug, and Cosmetic Act and we may face additional costs and risks as a result.

The FDA may promulgate a policy or regulation that affects our products and services. FDA regulations govern, among other things, product development, testing, manufacture, packaging, labeling, storage, clearance or approval, advertising and promotion, sales and distribution and import and export for regulated drugs, biologics and devices. Non-compliance with applicable FDA requirements can result in, among other things, public warning letters, fines, injunctions, civil penalties, recall or seizure of products, total or partial suspension of production, failure of the FDA to grant marketing approvals, withdrawal of marketing approvals, criminal prosecutions or a recommendation by the FDA to disallow us from entering into government contracts. The FDA also has the authority to request repair, replace or refund of the cost of any device.

Individuals may claim our calling or text messaging services are subject to, and are not compliant with, the Telephone Consumer Protection Act or similar state laws.

Our clients may use our products to place various short message service, or SMS, text messages and calls to patients. Additionally, we place certain calls and text messages as part of our operations. There are a number of federal and state statutes and regulations that govern certain of these telecommunications, including the Telephone Consumer Protection Act ("TCPA"), the Telemarketing Sales Rule ("TSR"), and various state laws similar in scope to the TCPA and TSR. The U.S. Federal Communications Commission ("FCC"), and the FTC have responsibility for regulating various aspects of some of the TCPA, TSR and other federal laws. The FCC has recognized that certain healthcare-related telecommunications from or on behalf a healthcare provider to a patient are exempt from some TCPA restrictions if the calls or text messages meet certain requirements. For certain informational calls and text messages that do not qualify as a healthcare-related telecommunication, the TCPA requires callers to obtain prior express consent from the call recipient. Further, for calls and texts for telemarketing purposes, the TCPA requires callers to obtain prior express written consent from the call recipient and to adhere to "do-not-call" registry requirements which, in part, mandate that callers maintain and regularly update lists of consumers who have chosen not to be called and restrict calls to consumers who are on the national do-not-call list. Florida, Oklahoma and other states also have mini-TCPA and other similar consumer protection laws regulating calls and texts directed to their residents. As currently construed, the TCPA does not distinguish between voice and data, and, as such, text and SMS/MMS messages are also "calls" for the purpose of TCPA (and, in some cases, state mini-TCPA) obligations and restrictions.

For violations of the TCPA, the law provides for a private right of action under which a plaintiff may recover monetary damages of $500 for each call or text made in violation of the prohibitions on certain calls made using an artificial or pre-recorded voice or an ATDS and certain calls made to numbers properly registered on the federal "do-not-call" list. A court may treble the $500 amount upon a finding of a willful or knowing violation. There is no statutory cap on maximum aggregate exposure (although some courts have applied in TCPA class actions constitutional limits on excessive penalties). An action may be brought by the FCC, a state attorney general, an individual, or a class of individuals. As with the TCPA, Florida's mini-TCPA, for example, restricts certain calls and calls and texts made using an automated system to Florida residents without prior consent, allows a plaintiff to obtain $500 for each call or text made in violation of its prohibitions, and permits a court to treble the $500 amount for willful or knowing violations of the statute. The TCPA, TSR, mini-TCPA laws and other similar state laws are subject to interpretations that may change. We regularly evaluate how they may apply to our business. The FCC, FTC, a state attorney general or other regulator, or a court, however, may disagree with our interpretation of these laws and conclude that we are not in compliance and impose damages, civil penalties and other consequences upon us for noncompliance. Determination by a court or regulatory agency that our services did not comply may also invalidate all or portions of some of our client contracts, could require us to change or terminate some portions of our business, could require us to refund portions of our services fees, and could have an adverse effect on our business. Further, we could be subject to putative class action lawsuits alleging violations of the TCPA, state mini-TCPA laws and other similar state laws. Our call and SMS texting services are potential sources of risk for class action lawsuits and liability for us. Numerous class-action suits under federal and state laws have been filed in recent years against companies who conduct call and SMS texting programs, with many resulting in multi-million-

dollar settlements to the plaintiffs. Even an unsuccessful challenge by consumers or regulatory authorities of our activities could result in adverse publicity and could require a costly response from us.

If in the future we are found to have violated such laws in a class action, the amount of damages and potential liability could be extensive and adversely impact our business. Accordingly, were such a class certified or if we are unable to successfully defend such a suit, then the damages could have a material adverse effect on our results of operations and financial condition.

Our business is dependent in part on phone, email and text messaging channels, and any technical, legal or other restrictions on the sending of such correspondence or a decrease in consumer willingness to receive such correspondence could adversely affect our business.

Our business is dependent in part on phone, email and other messaging channels, such as text messages. Actions taken by third parties that block, impose restrictions on or charge more for the delivery of these communications could harm our business. For example, from time to time, internet service providers or other third parties may block bulk communications or otherwise experience difficulties that result in our inability to successfully deliver communications to patients. In addition, our use of email and text messaging channels to send communications to patients, potential patients, clients and potential clients may result in legal claims against us, which if successful might limit or prohibit our ability to send such communications.

Our product relies on a third-party service provider for delivery of calls, emails, text messages and other forms of electronic communication. If we were unable to use any one of our current service providers, alternate providers are available; however, we believe our revenue could be impacted for some period as we transition to a new provider, and the new provider may be unable to provide equivalent or satisfactory services. Any disruption or restriction on the distribution of our communications, termination or disruption of our relationships with our third-party service providers or any increase in the associated costs, may be beyond our control and would adversely affect our business.

Artificial intelligence ("AI") presents risks and challenges that can impact our business, including by posing security risks to our confidential information, proprietary information and personal data.

Issues in the development and use of artificial intelligence, combined with an uncertain regulatory environment, may result in reputational harm, liability or other adverse consequences to our business operations. As with many technological innovations, AI presents risks and challenges that could impact our business. We currently incorporate a limited number of AI technologies into certain of our products, and we may continue to adopt and integrate AI, including generative AI, into our products in the future for specific use cases reviewed by legal and information security. If we, our vendors, or our third-party partners experience an actual or perceived data breach or cybersecurity incident because of the use of generative AI, we may lose valuable intellectual property, personal data and/or confidential information, and our reputation and the public perception of the effectiveness of our security measures could be harmed. Further, bad actors around the world use increasingly sophisticated methods, including the use of AI, to engage in illegal activities involving the theft and misuse of personal information, confidential information, and intellectual property. Any of these outcomes could damage our reputation, subject us to legal liability, result in the loss of valuable property and information, and adversely impact our business.

The rapid evolution of artificial intelligence will require the application of significant resources to design, develop, test and maintain such systems to help ensure that artificial intelligence is implemented in accordance with applicable law and regulation and in a socially responsible manner and to minimize any real or perceived unintended harmful impacts. The use of certain artificial intelligence technologies can also give rise to intellectual property risks, including by disclosing or otherwise compromising our confidential or proprietary intellectual property, or by undermining our ability to assert or defend ownership rights in intellectual property created with the assistance of artificial intelligence tools. Our vendors may in turn incorporate artificial intelligence tools into their offerings, and the providers of these artificial intelligence tools may not meet existing or rapidly evolving regulatory or industry standards, including with respect to privacy and data security.

A growing number of legislators and regulators are adopting laws and regulations and have focused enforcement efforts on the adoption of artificial intelligence and the use of such technologies in compliance with ethical standards and societal expectations. These developments may increase our compliance burden and costs in connection with the use of artificial intelligence and lead to legal liability if we fail to meet evolving legal standards or if use of such technologies results in harms or other causes of action we did not predict. For example, several states, including Colorado and California, passed laws that will take effect in 2026 to regulate various uses of artificial intelligence, including to make consequential decisions. In addition, various federal regulators have issued guidance and focused enforcement efforts on the use of AI in regulated sectors. If we develop or use AI systems governed by these laws or regulations, we will need to meet higher standards of data quality, transparency, monitoring and

human oversight, and we would need to adhere to specific and potentially burdensome and costly ethical, accountability, and administrative requirements, with the potential for significant enforcement or litigation in the event of any perceived non-compliance. Any of these effects could damage our reputation, result in the loss of valuable property and information, cause us to breach applicable laws and regulations, and adversely impact our business.

In addition, our competitive position could be harmed if we fail to adopt and integrate AI effectively into our operations and product offerings. The successful implementation of AI technology requires significant investment in talent, infrastructure, and ongoing research and development. Misjudging the convergence of AI with our business needs may lead to inefficiencies or obsolescence of our services or products. Additionally, AI systems can present risks of unintended bias, errors, or regulatory compliance challenges that could affect our reputation and legal standing. Our future success will depend, in part, on our ability to leverage AI responsibly and effectively.

We may be adversely affected by the operation of laws in non-U.S. jurisdictions.

Our employment practices and corporate activities in non-U.S. jurisdictions, such as Canada and India, where certain of our employees are based, are in many cases subject to the laws of those jurisdictions rather than U.S. law. Laws in some jurisdictions differ in significant respects from those in the U.S. and may impose additional requirements, particularly with respect to employment and tax matters, which can make our compliance obligations more complex and costly and may increase the likelihood that we may be subject to enforcement actions or otherwise incur liability for noncompliance. These differences can also affect our ability to react to changes in our business, and our rights or ability to enforce rights may be different than would be expected under U.S. law. Moreover, enforcement of laws in some overseas jurisdictions can be inconsistent and unpredictable, which can affect both our ability to enforce our rights and to undertake activities that we believe are beneficial to our business. In addition, the business and political climate in some jurisdictions may encourage corruption, which could reduce our ability to compete successfully in those jurisdictions while remaining in compliance with local laws or U.S. anti-corruption laws applicable to our businesses.

Due to the particular nature of certain services we provide or the manner in which we provide them, we may be subject to additional government regulation and foreign government regulation.

While our solutions are primarily subject to government regulations pertaining to healthcare, certain aspects of our solutions may require us to comply with regulatory schema from other areas. Examples of such regulatory schema include:

- *Foreign Corrupt Practices Act ("FCPA") and foreign anti-bribery laws*. The FCPA makes it illegal for U.S. persons, including U.S. companies, and their subsidiaries, directors, officers, employees, and agents, to promise, authorize or make any corrupt payment, or otherwise provide anything of value, directly or indirectly, to any foreign official, any foreign political party or party official, or candidate for foreign political office to obtain or retain business. Violations of the FCPA can also result in violations of other U.S. laws, including anti-money laundering, mail and wire fraud, and conspiracy laws. There are severe penalties for violating the FCPA. The Company may also be subject to other non-U.S. anti-corruption or anti-bribery laws, such as the U.K. Bribery Act 2010. In many foreign countries, particularly in those with developing economies, it may be common to engage in business practices that are prohibited by laws and regulations applicable to us, such as the FCPA and other anti-bribery laws. Any violations of the FCPA or local anti-corruption laws by us, our subsidiaries or our local agents in India or elsewhere could have a material adverse effect on our business, financial condition, results of operations, and prospects, as well as our reputation, and result in substantial financial penalties or other sanctions.
- *Economic sanctions and export controls*. Economic and trade sanctions programs that are administered by the U.S. Treasury Department’s Office of Foreign Assets Control (“OFAC”) prohibit or restrict transactions to or from, and dealings with specified countries and territories, their governments, and in certain circumstances, with individuals and entities that are located in or nationals of those countries, and other sanctioned persons, including specially designated nationals, narcotics traffickers and terrorists or terrorist organizations. As federal, state and foreign legislative regulatory scrutiny and enforcement actions in these areas increase, we expect our costs to comply with these requirements will increase as well. Failure to comply with any of these requirements could result in the limitation, suspension or termination of our services, imposition of significant civil and criminal penalties, including fines, and/or the seizure and/or forfeiture of our assets.
- Further, our solutions incorporate encryption technology. The U.S. Export Administration Regulations require authorization for the export of certain encryption items, including by a license, a license exception or other appropriate government authorizations. Such solutions may also be subject to certain regulatory

reporting requirements. While we believe our products meet certain exceptions that reduce the scope of export control restrictions applicable to such products, these exceptions may be determined not to apply to our products and our products and underlying technology may become subject to export control restrictions.

- Our subsidiary, Insignia, receives a portion of its revenue from customers that are governmental agencies or funded by government programs. As a federal government contractor, Insignia's government contracts and subcontracts subject Insignia to the Federal Acquisition Regulation ("FAR") and, among other requirements, the following: (a) termination when appropriated funding for the current fiscal year is exhausted; (b) termination for the governmental customer's convenience, subject to a negotiated settlement for costs incurred and profit on work completed, along with the right to place contracts out for bid before completion of the full contract term, as well as the right to make unilateral changes in contract requirements, subject to negotiated price adjustments; (c) compliance and reporting requirements related to, among other things, agency-specific policies and regulations, information security, subcontracting requirements, equal employment opportunity, affirmative action for veterans and workers with disabilities and accessibility for the disabled; (d) broad audit rights; (e) specialized remedies for breach and default, including setoff rights, retroactive price adjustments and civil or criminal fraud penalties under the False Claims Act (as described below), re-procurement expenses, as well as mandatory administrative dispute resolution procedures instead of state contract law remedies; and (f) requirements to calculate overhead rates in accordance with the accounting procedures and internal controls required under the FAR standards.
- In addition, our establishment of a subsidiary in India to bring outside services in-house could increase our risk of violations of the aforementioned laws and regulations. Despite our policies, procedures and compliance programs, our internal controls and compliance systems may not be able to protect us from prohibited acts willfully committed by our employees, agents or business partners that would violate such applicable laws and regulations.

Risks relating to our dependence on third parties

We rely on our third-party contractors, vendors and partners, including some outside of the United States, to execute our business strategy. Replacing them could be difficult and disruptive to our business. If we are unsuccessful in forming or maintaining such relationships on terms favorable to us, our business may not succeed.

We have entered into contracts with third-party contractors and vendors to provide critical services relating to our business, including initial software development and cloud hosting. We also rely on third-party providers to enable automated eligibility and benefits verification through our solutions, and we outsource certain of our software development and design, quality assurance and operations activities to third-party contractors that have employees and consultants in international locations that may be subject to political and economic instability, including India and Ukraine.

Our dependence on third-party contractors to support key functions of our business creates numerous risks, in particular, the risk that we may not maintain service quality, control or effective management with respect to these operations. In the event that these service providers fail to maintain adequate levels of support, do not provide high quality service, increase the fees they charge us, discontinue their lines of business, terminate our contractual arrangements or cease or reduce operations, we may suffer additional costs and be required to pursue new third-party relationships, which could materially disrupt our operations and our ability to provide our products and services, and could divert management's time and resources. Our reputation and our customers' willingness to purchase our products and partners' willingness to use our products depend, in part, on our third-party contractors' compliance with ethical employment practices, such as with respect to child labor, wages and benefits, forced labor, discrimination, safe and healthy working conditions, and with all legal and regulatory requirements relating to the conduct of their businesses. If our third-party contractors fail to comply with applicable laws, regulations, safety codes, employment practices, human rights standards, quality standards, environmental standards, production practices, or other obligations, norms, or ethical standards, our reputation and brand image could be harmed and we could be exposed to litigation and additional costs that would harm our business, reputation, and results of operations.

These third-party contractors, some of which handle sensitive data on our behalf, could be non-compliant with regulatory requirements or our contractual provisions regarding the handling of sensitive data, despite our best efforts to monitor their compliance and mitigate risks in our contractual cost-shifting provisions. Even if these third parties are compliant, they still could be the victims of sophisticated cyber-attacks or other unforeseeable events, such as the cyber-attack affecting Change Healthcare. The ability of our third-party contractors to effectively satisfy our business requirements could be impacted by financial difficulty of our third-party contractors or damage to their

operations caused by fire, terrorist attack, natural disaster, or other events. It would be difficult to replace some of our third-party contractors and third-party vendors in a timely manner if they were unwilling or unable to provide us with these services in the future, and our business and operations could be adversely affected. If these services fail or are of poor quality, our business, reputation and operating results could be harmed. For example, the continued Russian invasion of Ukraine has, and may continue to, impact macroeconomic conditions, give rise to regional instability, increase the threat of cyberwarfare and result in heightened economic sanctions from the U.S. and the international community in a manner that adversely affects us and our third-party contractors that have employees and consultants located in Ukraine. Further, although the length and impact of the continuing conflict are highly unpredictable, individuals located in these areas have been and could continue to be forced to evacuate or voluntarily choose to relocate, making them unavailable to provide services, such as software engineering, to support our business. It could also disrupt or delay our communications with such resources or the flow of funds to support their operations, or otherwise render some of our resources unavailable. While we have risk mitigation efforts in place, the realization of any of these risks could adversely affect our product development, operations, business and/or financial results and may require us to shift some of our development activities to other jurisdictions and/or third-party contractors, which may result in significant disruption, including delays in releases of new versions or updates of our software and incurrence of additional costs. We anticipate that we will continue to depend on these and other third-party relationships in order to grow our business for the foreseeable future. If we are unsuccessful in maintaining existing and, if needed, establishing new relationships with third parties, our ability to efficiently operate existing services or develop new services could be impaired, and, as a result, our competitive position or our results of operations could suffer.

We also depend on our third-party processing partners to perform payment processing services, which generate almost all of our payments revenue. Our processing partners may go out of business or otherwise be unable or unwilling to continue providing such services, which could significantly and materially reduce our payments revenue and disrupt our business. A number of our processing contracts require us to assume liability for any losses our processing partners may suffer as a result of losses caused by our healthcare services clients and their patients, including losses caused by chargebacks and fraud. Thus, in the event of a significant loss by our processing partners, we may be required to pay-out a large amount of cash in one or two business days following such event and, if we do not have sufficient cash on hand, may be deemed in breach of such contracts. A contractual dispute with our processing partners could adversely impact our revenue. Certain contracts may expire or be terminated, and we may not be able to enter into a new payment processor relationship that replicates the associated revenue for a considerable period of time.

In addition, we have entered into contracts with providers of EHR and PM solutions, and we intend to pursue such agreements in the future. These contracts are typically structured as commercial and technical agreements, pursuant to which we integrate certain of our solutions into the EHR and PM systems that are utilized by many of our clients, for agreed payments or provision of services to such providers of EHR and PM solutions. Our ability to form and maintain these agreements in order to facilitate the integration of our solutions into the EHR and PM systems used by our healthcare services clients and their patients is important to the success of our business. We or the providers of EHR and PM solutions with which we contract may terminate or seek to amend our agreements in response to future laws or regulations, such as those involving the access, exchange, and use of EHI. If providers of EHR or PM solutions amend, terminate or fail to perform their obligations under their agreements with us, we may need to seek other ways of integrating our solutions with the EHR and PM systems of our healthcare services clients, which could be costly and time consuming, and could adversely affect our business results.

We may also seek to enter into new agreements in the future, and we may not be successful in entering into future agreements on terms favorable to us. Any delay in entering agreements with providers of EHR or PM solutions or other technology providers could either delay the development and adoption of our products and services and reduce their competitiveness. Any such delay could adversely affect our business.

We rely on a limited number of third-party suppliers and contract manufacturers to support our products, and a loss or degradation in performance of these suppliers and contract manufacturers could have a negative effect on our business, financial condition and results of operations.

We rely on third-party suppliers and contract manufacturers for the materials and components used to operate our solutions and product offerings, and to manufacture and assemble our hardware, including the PhreesiaPad and our on-site kiosks, which we refer to as Arrivals Kiosks. We rely on a sole supplier, for example, as the manufacturer of our PhreesiaPads and Arrivals Kiosks, which help drive our business and support our subscription, payment processing and life sciences offerings. In connection with these services, our supplier builds new hardware for us and refurbishes and maintains existing hardware.

Any of our other suppliers or third-party contract manufacturers may be unwilling or unable to supply the necessary materials and components or manufacture and assemble our products reliably and at the levels we anticipate or that are required by the market. Our ability to supply our products commercially and to develop any future products depends, in part, on our ability to obtain these materials, components and products in accordance with regulatory requirements and in sufficient quantities for commercialization. If we are required to change contract manufacturers due to any change in or termination of our relationships with these third parties, or if our manufacturers are unable to obtain the materials they need to produce our products at consistent prices or at all, (including, without limitation, because of the effect of tariffs or other trade restrictions), we may lose sales, experience manufacturing or other delays, incur increased costs or otherwise experience impairment to our client relationships. We cannot guarantee that we will be able to establish alternative relationships on similar terms, without delay or at all.

If our third-party suppliers fail to deliver the required quantities of materials on a timely basis and at commercially reasonable prices, and we are unable to find one or more replacement suppliers capable of production at a substantially equivalent cost in substantially equivalent volumes and quality on a timely basis, the supply of our products to clients and the development of any future products will be delayed, limited or prevented, which could have material adverse effect on our business, financial condition and results of operations.

We rely on Internet infrastructure, bandwidth providers, data center providers, other third parties and our own systems for providing services to our clients, and any failure or interruption in the services provided by these third parties or our own systems could expose us to litigation and negatively impact our relationships with clients, adversely affecting our brand and our business.

Our ability to deliver our products and services, particularly our cloud-based solutions, is dependent on the development and maintenance of the infrastructure of the Internet and other telecommunications services by third parties. This includes maintenance of a reliable network connection with the necessary speed, data capacity and security for providing reliable Internet access and services and reliable telephone and facsimile services. Our services are designed to operate without interruption in accordance with our service level commitments.

However, we have experienced limited interruptions in these systems in the past, including server failures that temporarily slow down the performance of our services, and we may experience more significant interruptions in the future. We rely on internal systems as well as third-party suppliers, including bandwidth and telecommunications equipment providers, to provide our services. We do not maintain redundant systems or facilities for some of these services. Interruptions in these systems, whether due to system failures, computer viruses, physical or electronic attacks or other catastrophic events, could affect the security or availability of our services, compromise the data we handle on behalf of our partners and prevent or inhibit the ability of our partners to access our services. In the event of a catastrophic event with respect to one or more of these systems or facilities, we may experience an extended period of system unavailability, which could result in substantial costs to remedy those problems or negatively impact our relationship with our clients, our business, results of operations and financial condition.

Any disruption in the network access, telecommunications or co-location services provided by third-party providers or any failure of or by third-party providers' systems or our own systems to handle current or higher volume of use could significantly harm our business. We exercise limited control over third-parties, which increases our vulnerability to problems with services they provide. We have experienced failures by third-party providers' systems which resulted in a limited interruption of our system. For example, in February 2024, Change Healthcare, a subsidiary of UnitedHealth Group and the largest clearinghouse for medical claims in the U.S., was the subject of a cyber-attack that required it to take offline its computer systems that handled electronic payments and insurance claims. One of our clearinghouse clients, for whom we act as merchant processor for patient payments, contracted with Change Healthcare to operate their online payment portal and handle print communications. As a result of the outage, the online payment portal was impacted, resulting in a decline in our patient payment volume during the three months ended April 30, 2024. Similar events could occur in the future, and the impact to our business could be material. Any errors, failures, interruptions or delays experienced in connection with these third-party technologies and information services or our own systems could negatively impact our relationships with clients and adversely affect our business and could expose us to third-party liabilities.

The reliability and performance of our Internet connection may be harmed by increased usage or by denial-of-service attacks. The Internet has experienced a variety of outages and other delays as a result of damages to portions of its infrastructure, and it could face outages and delays in the future. These outages and delays could reduce the level of Internet usage as well as the availability of the Internet to us for delivery of our Internet-based services.

Risks relating to taxes and accounting standards

Our financial results are based in part on our estimates or judgments relating to our critical accounting policies. Changes in related judgments or assumptions, or changes in accounting standards and tax regulations could materially impact our financial position and results of operations.

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) and our key metrics requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes and amounts reported in our key metrics. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in Management’s Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies and Estimates. The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity and the amount of revenue and expenses that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to, but not limited to, revenue recognition, the allowance for doubtful accounts, contingent liabilities, the useful lives, the capitalization, valuation and recoverability of long-lived assets, the grant-date fair value of stock-based compensation awards, and the fair value of identifiable assets acquired and liabilities assumed in business combinations. Changes in accounting rules and interpretations or in our accounting assumptions, estimates and/or judgments could significantly impact our consolidated financial statements. In some cases, we could be required to delay the filing of our consolidated financial statements, or to apply a new or revised standard retroactively, resulting in restating prior period consolidated financial statements. Any of these circumstances could have a material adverse effect on our business, prospects, liquidity, financial condition and results of operations.

Furthermore, we are subject to federal and state income, sales, use, value added and other taxes in the United States and other countries in which we conduct business, and such laws and rates vary by jurisdiction. We are registered in all states that assess sales and use taxes on our services. Although we believe our tax practices and provisions are reasonable, the final determination of tax audits and any related litigation, changes in the taxation of our operations and proposed changes in tax laws could cause the ultimate settlement of our tax liabilities to be materially different from our historical tax practices, provisions and accruals. If we receive an adverse ruling as a result of an audit, or we unilaterally determine that we have misinterpreted provisions of the tax regulations to which we are subject, there could be a material effect on our tax provision, net income or cash flows in the period or periods for which that determination is made, which could materially impact our financial results. Further, any changes in the taxation of our operations, including certain proposed changes in U.S. tax laws, may increase our effective tax rate and adversely affect our financial position and results of operations. In addition, liabilities associated with taxes are often subject to an extended or indefinite statute of limitations period. Therefore, we may be subject to additional tax liability (including penalties and interest) for a particular year for extended periods of time.

Our ability to use our net operating losses to offset future taxable income may be subject to certain limitations.

As of January 31, 2025, we had U.S. federal and state net operating loss carryforwards ("NOLs") of $596.5 million due to prior period losses, which, subject to the following discussion, are generally available to be carried forward to offset a portion of our future taxable income, if any, until such NOLs are used or expire. In general, under Section 382 ("Section 382") of the Internal Revenue Code of 1986, as amended (the "Code"), a corporation that undergoes an “ownership change” is subject to limitations on its ability to utilize its pre-ownership change NOLs to offset future taxable income. Similar rules may apply under state tax laws. We have completed a Section 382 study and as a result of the analysis, it is more likely than not that we have experienced an "ownership change." In addition, it is more likely than not that our existing NOLs are subject to limitations arising from previous ownership changes. Future changes in our stock ownership, some of which are outside of our control, could result in an ownership change under Section 382 of the Code. In addition, under the Tax Cuts and Jobs Act of 2017, as amended by The Coronavirus Aid, Relief, and Economic Security Act of 2020, the amount of post-2017 NOLs that we are permitted to utilize in any taxable year is limited to 80% of our taxable income in such year, where taxable income is determined without regard to the NOL deduction itself. For these reasons, we may not be able to realize a tax benefit from the use of our NOLs. We have a valuation allowance related to our NOLs to recognize only the portion of the deferred tax asset that is more likely than not to be realized.

Risks relating to our financing needs

Our cash and cash equivalents could be adversely affected if the financial institutions in which we hold our cash and cash equivalents fail.

We regularly maintain cash balances at third-party financial institutions in excess of the Federal Deposit Insurance Corporation ("FDIC") insurance limit, and there can be no assurance that we will be able to access uninsured funds in a timely manner or at all in the event of a failure of these financial institutions. If any such depositary institution fails to return our deposits, or if a depository institution is subject to other adverse conditions in the financial or credit markets, this could further impact access to our invested cash or cash equivalents and could adversely impact our operating liquidity and financial performance.

In order to support the growth of our business, we may need to incur additional indebtedness under our current credit facilities or seek capital through new equity or debt financings, which sources of additional capital may not be available to us on acceptable terms or at all.

Our operations have consumed substantial amounts of cash since inception and we intend to continue to make significant investments to support our business growth, respond to business challenges or opportunities, develop new applications and services, enhance our existing solution and services, enhance our operating infrastructure and potentially acquire complementary businesses and technologies. For the year ended January 31, 2025, our net cash provided by operating activities was $32.4 million. As of January 31, 2025, we had $84.2 million of cash and cash equivalents, which are held for working capital purposes. As of January 31, 2025, we had no outstanding borrowings under the Capital One Credit Facility, with the ability to borrow up to $50.0 million.

Our future capital requirements may be significantly different from our current estimates and will depend on many factors, including the need to:

- finance unanticipated working capital requirements;
- develop or enhance our technological infrastructure and our existing products and services;
- fund strategic relationships, including joint ventures and co-investments;
- fund additional implementation engagements;
- respond to competitive pressures; and
- acquire complementary businesses, technologies, products or services.

Accordingly, we may need to engage in equity or debt financings or collaborative arrangements to secure additional funds. Additional financing may not be available on terms favorable to us, or at all. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing secured by us in the future could involve additional restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, during times of economic instability, it has been difficult for many companies to obtain financing in the public markets or to obtain debt financing, and we may not be able to obtain additional financing on commercially reasonable terms, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us, it could have a material adverse effect on our business, financial condition and results of operations.

Restrictive covenants in the agreements governing our Capital One Credit Facility may restrict our ability to pursue our business strategies.

The Credit Agreement governing our Capital One Credit Facility contains various restrictive covenants that limit our ability to take certain actions, including, but not limited to, our ability to grant or incur liens, dispose of assets, incur additional indebtedness, make certain investments, restricted payments (including dividends) and restricted debt payments, enter into certain transactions with affiliates and enter into certain mergers and acquisitions. In addition, the Capital One Credit Facility contains financial covenants applicable from time to time, which include Minimum Consolidated EBITDA, Consolidated Fixed Charge Coverage Ratio and Minimum Liquidity, as such terms are defined in the Credit Agreement.

Our ability to comply with these covenants and meet these financial ratios and tests may be affected by events beyond our control, and we may not be able to meet those covenants. A breach of any such covenants could result in a default under the applicable loan agreement, which could cause all of the outstanding indebtedness under such credit facility to become immediately due and payable and terminate all commitments to extend further credit. These covenants could also limit our ability to seek capital through the incurrence of new indebtedness or, if we are unable to meet our obligations, require us to repay any outstanding amounts with sources of capital we may otherwise use to fund our business, operations and strategy.

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties,

could adversely affect our current and projected business operations and our financial condition and results of operations.

Adverse developments that affect financial institutions, transactional counterparties or other third parties, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. For example, in early 2023, several financial institutions closed and were taken into receivership by the FDIC. There is no guarantee that the U.S. Department of Treasury, FDIC and Federal Reserve Board will provide access to uninsured funds in the future in the event of the closure of other banks or financial institutions, stabilize financial institutions through access to loans or other liquidity or support programs, or that they would do so in a timely fashion.

Although we assess our banking relationships as we believe necessary or appropriate, our access to cash in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impaired by factors that affect us, the financial institutions with which we have banking relationships, or the financial services industry or economy in general. Further, investor concerns regarding domestic or international financial systems could result in less favorable commercial financing terms, including higher interest rates or costs and tighter financial and operating covenants, or systemic limitations on access to credit and liquidity sources, thereby making it more difficult for us to acquire financing on acceptable terms or at all. Any decline in available funding or access to cash and liquidity resources could, among other risks, adversely impact our ability to meet our financial obligations, which could have material adverse impacts on our liquidity and our business, financial condition, or results of operations.

In addition, a partner or supplier could be adversely affected by any of the liquidity or other risks that are described above as factors that could result in material adverse impacts on us, including but not limited to delayed access or loss of access to uninsured deposits or loss of the ability to draw on existing credit facilities involving a troubled or failed financial institution. Any partner or supplier bankruptcy or insolvency, or the failure of any partner to make payments when due, or any breach or default by a partner or supplier, or the loss of any significant supplier relationships, may have a material adverse impact on our business.

Risks relating to ownership of our common stock

Our share price has been and may in the future be volatile, and you could lose all or part of your investment.

The trading price of our common stock has been and may be volatile and subject to wide price fluctuations in response to various factors, including, but not limited to:

- market conditions in the broader stock market in general, or in our industry in particular, which create highly variable and unpredictable pricing of equity securities;
- actual or anticipated fluctuations in our quarterly financial reports and results of operations;
- changes in the financial projections we provide to the public or our failure to meet these projections;
- our ability to satisfy our ongoing capital needs and unanticipated cash requirements;
- indebtedness incurred in the future;
- actual or anticipated developments in our business, our competitors' businesses, or the competitive landscape generally, including introduction of new products and services by us or our competitors;
- issuance of new or changed securities analysts’ reports or recommendations;
- additions or departures of key personnel;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- regulatory developments;
- litigation and governmental investigations;
- the impact of public health concerns, on the economy, our company, our customers, suppliers or employees;
- macroeconomic conditions, such as changes in interest rates and economic slowdowns and recessions, and political conditions or events including from the results of the 2024 U.S. presidential and congressional elections and those resulting from geopolitical uncertainty and instability or war, such as the ongoing military conflict between Russia and Ukraine and the conflict in the Middle East;
- trading activity by stockholders who together beneficially own a significant portion of our outstanding common stock, as well as other institutional or activist investors; and
- our sale of common stock or other securities in the future.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile,

holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

The trading market for our common stock is also influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more securities or industry analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. If one or more of the analysts who cover us downgrades our common stock or provides more favorable recommendations about our competitors, or if our results of operations do not meet their expectations, our stock price could decline.

We do not currently intend to pay dividends on our common stock and, consequently, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.

We have never declared or paid any cash dividends on our common stock and do not currently intend to do so for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth. Therefore, you are not likely to receive any dividends on your common stock for the foreseeable future and the success of an investment in shares of our common stock will depend upon any future appreciation in its value. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which you have purchased your shares.

We cannot guarantee that our stock repurchase program will enhance long-term stockholder value. Share repurchases could also increase the volatility of our stock price and diminish our cash reserves.

On March 12, 2025, our Board of Directors authorized a stock repurchase program. Under the program, we may repurchase up to 2.5 million shares of our common stock from time to time. The stock repurchase program does not obligate us to repurchase a specified number or dollar value of shares, and the program may be modified, suspended or discontinued at any time without prior notice. Our ability to return capital to stockholders through stock repurchases principally depends upon the amount of cash we generate from our operations, which will fluctuate from quarter to quarter based on, among other things, cash received from customers and cash paid to employees and suppliers, and other factors impacting our financial condition, some of which are beyond our control. The existence of the stock repurchase program could cause our common stock to trade at a higher price than it otherwise would. Although the program is intended to enhance long-term stockholder value, there is no assurance it will do so because the market price of our common stock may decline below the levels at which we repurchased shares and short-term stock price fluctuations could reduce the effectiveness of the program. Any failure to repurchase our common stock after we have announced our intention to do so may negatively impact our reputation and investor confidence in us and may negatively impact our stock price. Repurchasing our common stock will reduce the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions, or business opportunities and other general corporate purposes, and we may fail to realize the anticipated long-term stockholder value of the stock repurchase program. Further, the timing and amount of any repurchases, if any, will be subject to liquidity, market and economic conditions, compliance with applicable legal requirements such as Delaware surplus and solvency tests and other relevant factors. In addition, our stock repurchase program may be suspended or discontinued at any time and may not enhance long-term stockholder value. Additionally, the Inflation Reduction Act of 2022 provides for the imposition of a 1% non-deductible U.S. federal excise tax (the “Stock Buyback Tax”) on certain repurchases of stock by publicly traded U.S. corporations.

Risks relating to our bylaws and certificate of incorporation

Anti-takeover provisions under our incorporation documents and Delaware law could delay or prevent a change of control, which could limit the market price of our common stock and may prevent or frustrate attempts by our stockholders to replace or remove our current management.

Our seventh amended and restated certificate of incorporation (as amended, our "certificate of incorporation") and our fourth amended and restated by-laws ("bylaws") contain provisions that could delay or prevent a change of control of our company or changes in our board of directors that our stockholders might consider favorable. Some of these provisions include:

- a board of directors divided into three classes serving staggered three-year terms, such that not all members of the board will be elected at one time;
- a prohibition on stockholder action through written consent, which requires that all stockholder actions be taken at a meeting of our stockholders;
- a requirement that special meetings of stockholders be called only by the board of directors acting pursuant to a resolution approved by the affirmative vote of a majority of the directors then in office;

- advance notice requirements for stockholder proposals and nominations for election to our board of directors;
- a requirement that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less than 75% of all outstanding shares of our voting stock then entitled to vote in the election of directors;
- a requirement of approval of not less than 75% of all outstanding shares of our voting stock to amend any bylaws by stockholder action or to amend specific provisions of our certificate of incorporation; and
- the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of common stock.

In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporate Law ("DGCL"), which may prohibit certain business combinations with stockholders owning 15% or more of our outstanding voting stock. These anti-takeover provisions and other provisions in our certificate of incorporation and our bylaws could make it more difficult for stockholders or potential acquirers to obtain control of our board of directors or initiate actions that are opposed by the then-current board of directors and could also delay or impede a merger, tender offer or proxy contest involving our company. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors or cause us to take other corporate actions. Any delay or prevention of a change of control transaction or changes in our board of directors could cause the market price of our common stock to decline.

Our bylaws designate certain specified courts as the sole and exclusive forums for certain disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (the "Chancery Court") will be the sole and exclusive forum for state law claims for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (iii) any action asserting a claim pursuant to any provision of the DGCL, our certificate of incorporation or our bylaws, (iv) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws, or (v) any action asserting a claim governed by the internal affairs doctrine (the "Delaware Forum Provision"). The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Our bylaws further provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (the "Federal Forum Provision"). Our bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the foregoing Delaware Forum Provision and the Federal Forum Provision; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

The Delaware Forum Provision and the Federal Forum Provision in our bylaws may impose additional litigation costs on stockholders in pursuing any such claims. Additionally, these forum selection clauses may limit our stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage the filing of lawsuits against us and our directors, officers and employees, even though an action, if successful, might benefit our stockholders. In addition, while the Delaware Supreme Court and other states courts have upheld the validity of federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable in an action, we may incur additional costs associated with resolving such an action. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Chancery Court or the federal district courts of the United States may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

As a healthcare-focused company, we understand the importance of managing cybersecurity risks that we face and have established a cybersecurity risk management program as part of our enterprise risk management program.

Cyber Risk Management and Strategy

Our cybersecurity risk management program is informed by recognized industry standards and frameworks and incorporates elements of the same, including elements of the National Institute of Standards and Technology Cybersecurity Framework and The Health Information Trust Alliance (HITRUST) Common Security Framework. Additionally, we are certified as a PCI-DSS Level 1 Service Provider. The Company's cybersecurity program utilizes a cross functional, multilayered defense-in-depth approach designed to: (i) identify, prevent and mitigate cybersecurity threats to the Company; (ii) preserve the confidentiality, security and availability of the information that we collect and store; (iii) protect the Company's intellectual property; (iv) maintain the confidence of our customers, clients and business partners; and (v) provide appropriate public disclosure and required notices of cybersecurity risks and incidents when required.

Our cybersecurity program includes safeguards that are designed to protect the Company's information systems from cybersecurity threats. Such safeguards include firewalls, automated intrusion detection systems, anti-malware functionality and access controls, which are evaluated and improved through periodic vulnerability assessments and ongoing cybersecurity threat intelligence. We have established and maintain an incident response plan that addresses the Company's response to and recovery from a cybersecurity incident. The incident response plan is tested and evaluated on an annual basis.

The Company's cybersecurity program is supported by engagement of third-party service providers who help identify, assess and respond to cybersecurity risks. For example, the Company regularly engages third parties to perform and facilitate assessments on our cybersecurity measures, including information security maturity assessments, audits, tabletop exercises, threat modeling and independent reviews of our information security control environment and operating effectiveness. The results of such assessments, audits and reviews are reported to leadership, the Audit Committee, and/or the Board, as appropriate, and the Company adjusts its cybersecurity policies, standards, processes and practices as appropriate based on the information provided by the assessments, audits and reviews.

As part of our cybersecurity risk management program, we maintain a risk-based approach to identifying and overseeing cybersecurity risks presented by third parties, including vendors, service providers and other external users of the Company's systems, as well as the systems of third parties that could adversely impact our business. Further, all personnel are required to undergo cybersecurity training during onboarding and, thereafter, on an annual basis to reinforce the Company's information security policies, standards and practices.

We have not identified any cybersecurity incidents or threats that have materially affected us or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. However, like other companies in our industry, we and our third-party vendors have experienced and will likely experience threats and security incidents that could affect our information or systems. See Item 1A "Risk Factors" in this Annual Report on Form 10-K for more information.

Governance

Phreesia takes a cross-functional approach to address the risks from cybersecurity threats. The Company's Board of Directors (the "Board") maintains oversight responsibility over the Company's enterprise risk management ("ERM") program, which incorporates the Company's cybersecurity risk management program. The Board's oversight of cybersecurity risk management is supported by the Audit Committee of the Board (the "Audit Committee"), which regularly interacts with the Company's ERM function, the Company's Chief Technology Officer, along with other members of management including the Chief Information Security Officer, the Chief Privacy Officer, and the compliance, audit, and risk teams.

The Company's Chief Information Security Officer is principally responsible for day-to-day management of the Company's cybersecurity risk management program and reports to the Chief Technology Officer. The Chief Information Security Officer has more than 15 years of cybersecurity experience, including leadership roles at four publicly traded companies. He is a Certified Information Systems Security Professional, holds a M.S. in Security Technologies from the University of Minnesota and is an alumnus of the FBI Citizen's Academy. The Chief Technology Officer has served in various leadership roles in information technology and information security at the Company for over 14 years and holds a B.S. in computer science from Worcester Polytechnic Institute. The Chief Technology Officer reports directly to the Chief Executive Officer and works in coordination with the other members of the leadership team, which includes our General Counsel, Chief Operating Officer, and Chief Financial Officer. The Chief Technology Officer oversees a team of security professionals, which is led by the Chief Information

Security Officer. The security team includes approximately 36 security professionals, 25 of whom are security engineers. Other members of the team oversee and manage identity, risk, compliance and audit functions.

The Board and the Audit Committee each receive quarterly presentations and reports from the Company's Chief Technology Officer and/or General Counsel on cybersecurity risks, which address a wide range of topics including, among others, recent developments, evolving standards, vulnerability assessments, third-party and independent reviews, the threat environment, technological trends and information security considerations arising with respect to the Company's peers and third party service providers. The Board and the Audit Committee also receive prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds under the Company's incident response plan.

Item 2. Properties

We are a fully remote company and do not maintain physical corporate offices. Our employees work remotely, from home or at shared co-working office spaces. We believe these arrangements support our current needs. We maintain a mailing address at 1521 Concord Pike, Suite 301, PMB 221, Wilmington, DE 19803. For purposes of compliance with applicable requirements of the Securities Act and the Exchange Act, stockholder communications required to be sent to our principal executive offices may be directed to the email address set forth in our proxy materials and/or identified on our investor relations website.

Item 3. Legal Proceedings

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. For further information regarding legal proceedings, refer to Note 11 - Commitments and contingencies in Part II - Item 8 in this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market for Our Common Stock

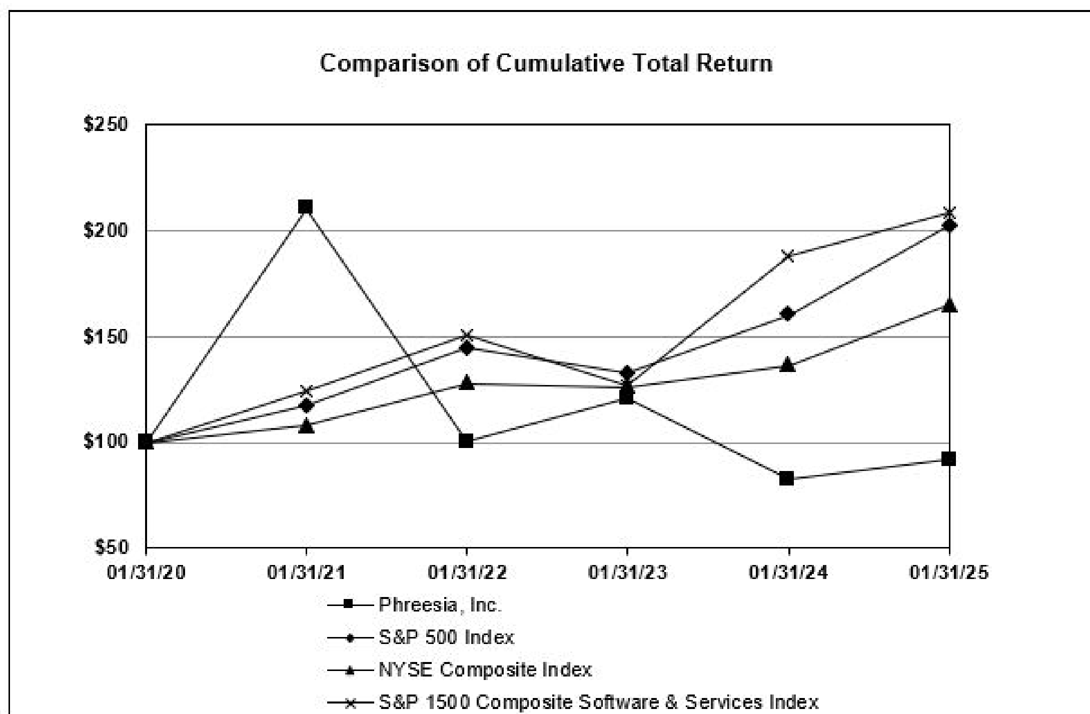
Our common stock began trading on the New York Stock Exchange, or NYSE, under the symbol "PHR" on July 18, 2019. Prior to that time, there was no public market for our common stock.

Stock Performance Graph

The following performance graph shall not be deemed “soliciting material” or to be “filed” with the Securities and Exchange Commission, or SEC, for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of Phreesia, Inc. under the Securities Act of 1933, as amended, or the Securities Act, or the Exchange Act.

The following graph shows a comparison the period beginning on January 31, 2020 and ending on January 31, 2025 of the cumulative total stockholder return on our common stock, the NYSE Composite Index, S&P 500, and the S&P 1500 Composite Software and Services Index, each of which assumes an initial investment of $100 and reinvestment of all dividends. Such returns are based on historical results and are not intended to suggest future performance.

The comparisons shown in the graph below are based upon historical data. We caution that the stock price performance shown in the graph below is not necessarily indicative of, nor is it intended to forecast, the potential future performance of our common stock.



Stockholders

We had approximately 37 stockholders of record as of March 13, 2025; however, because many of our outstanding shares are held in accounts with brokers and other institutions, we believe we have more beneficial owners. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared or paid any cash dividends on our common stock. We anticipate that we will retain all available funds and any future earnings, if any, for use in the operation of our business and do not anticipate declaring or paying cash dividends in the foreseeable future. In addition, future debt instruments may materially restrict our ability to pay dividends on our common stock. Payment of future cash dividends, if any, will be at the discretion of the board of directors after taking into account various factors, including our financial condition, operating results, current and anticipated cash needs, restrictions that may be imposed by applicable law and our contracts and other factors the board of directors deems relevant. Additionally, our ability to pay dividends on our common stock is limited by restrictions under the terms of the Capital One Credit Facility.

Securities Authorized for Issuance Under Equity Compensation Plans

Information about our equity compensation plans in Part III - Item 12 of this Annual Report on Form 10-K is incorporated herein by reference.

Recent Sales of Unregistered Securities

There were no sales of unregistered securities during the fiscal year ended January 31, 2025 that were not previously reported on a Current Report on Form 8-K.

Issuer Purchases of Equity Securities

Not applicable.

Use of Proceeds from Sales of Registered Securities

Not applicable.

Item 6. Reserved

Not applicable.

Item 7. Management’s discussion and analysis of financial condition and results of operations

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and related notes and other financial information appearing elsewhere in this Annual Report on Form 10-K. Some of the information contained in this discussion and analysis or set forth elsewhere in this Annual Report on Form 10-K, including information with respect to our plans and strategy for our business, includes forward-looking statements based upon current plans, expectations and beliefs that involve risks and uncertainties. As a result of many factors, including those factors set forth in the “Risk Factors” section of this Annual Report on Form 10-K, our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. Our fiscal year ends January 31. References to fiscal 2025 and 2024 refer to the fiscal years ended January 31, 2025 and 2024, respectively.

Basis of Presentation

This management's discussion and analysis discusses our financial condition and results of operations for the years ended January 31, 2025 and 2024. Please refer to Part II - Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended January 31, 2024 for a comparison of the year ended January 31, 2024 to the year ended January 31, 2023.

Financial Highlights

Fiscal 2025

- Total revenue increased 18% to $419.8 million in fiscal 2025 compared with $356.3 million in fiscal 2024.
- Net loss was $58.5 million in fiscal 2025 compared with $136.9 million in fiscal 2024.
- Adjusted EBITDA was $36.8 million in fiscal 2025 compared with negative $35.4 million in fiscal 2024.
- Cash provided by operating activities was $32.4 million in fiscal 2025 compared with cash used in operating activities of $32.4 million in fiscal 2024.
- Free cash flow was $8.3 million in fiscal 2025 compared with negative $57.5 million in fiscal 2024.
- Cash and cash equivalents was $84.2 million as of January 31, 2025 compared with $87.5 million as of January 31, 2024.

For a reconciliation of Adjusted EBITDA to net loss and a reconciliation of free cash flow to net cash provided by (used in) operating activities, and for more information as to how we define and calculate such measures, see the section below titled “Non-GAAP financial measures.”

Overview

We are a leading provider of comprehensive software solutions that improve the operational and financial performance of healthcare organizations and improve health outcomes by helping patients take a more active role in their care. Phreesia’s mission is to make care easier every day. We have created an integrated and streamlined system that automates data capture and activates patients before, during and after their interaction with their healthcare services provider. Our solutions include SaaS-based integrated tools that manage patient access, registration and payments. We offer tools to communicate with patients about their health that have demonstrated increased rates of preventive care and vaccinations. Additionally, our solutions include clinical assessments to screen patients for a variety of physical, behavioral and mental health conditions, helping providers better understand their patients and connect them to needed services, resulting in improved health outcomes. We also provide life sciences companies, government entities, patient advocacy, public interest and not-for-profit and other organizations with a channel for direct education and communication with patients in a privacy-protected environment. Our solutions also include additional products and services such as the MediFind provider directory, which helps patients find care based on providers' specialty and condition expertise.

We serve an array of healthcare services clients of all sizes across over 25 specialties, ranging from single-specialty practices, including internal and family medicine, urology, dermatology, and orthopedics, to large, multi-specialty groups, and health systems as well as other organizations that provide other types of healthcare-related services. Our network solutions clients include life sciences companies in the pharmaceutical, biotechnology and medical device industries, as well as government entities, patient advocacy, public interest and other not-for-profit organizations seeking to activate, engage and educate patients about topics critical to their health. Our goal is to help patients have more informed conversations to help them make decisions about their care.

We derive revenue from (i) subscription fees from healthcare services clients for access to our solutions and related professional services fees, (ii) payment processing fees based on levels of patient payment volume processed through our solutions and (iii) fees from life sciences clients and other organizations for delivering direct communications to help activate, engage and educate patients about topics critical to their health using our solutions. We also generate revenue through our additional products and services such as the MediFind provider directory, which helps patients find care based on providers' specialty and condition expertise. We have strong visibility into our business as the majority of our revenue is derived from recurring subscription fees and re-occurring payment processing fees.

We market and sell our products and services to healthcare services prospects throughout the U.S. using a direct sales organization. Our database team is responsible for the hygiene and health of our data and is tasked with validating information by using various tools to enrich it. This data powers our sales development organization. Our marketing team identifies customer profiles, develops content and deploys one-to-many communications to soften the market. This helps prepare our sales development team to engage with new prospective customers. The sales development team creates opportunities and works with the direct sales team to qualify those opportunities. Our sales force executes on these qualified sales leads, partnering with our sales enablement and client services functions to ensure prospects are educated on the breadth of our capabilities and demonstrable value proposition, with the goal of attracting and retaining clients and expanding their use of our solutions over time. Most of our healthcare services customer contracts are structured as annual, auto-renewing agreements. Our sales typically involve competitive processes, and sales cycles have, on average, varied in duration from three months to six months, depending on the size of the potential client. After we secure new deals, our sales team offers additional add-on solutions and services to healthcare services customers, expanding the breadth of solutions provided to clients, which we believe increases customer satisfaction and retention. In addition, through Phreesia University (Phreesia’s in-house training program), live and virtual events, we help our healthcare services clients optimize their businesses and, as a result, support client retention.

We also sell products and services to life sciences and other organizations, healthcare advertising agencies, government entities and advocacy groups through our direct sales and marketing teams. Unlike healthcare services programs, most of the life science campaigns need to be measured and resold each year. Like healthcare services, the marketing team supports net new business and client retention for life sciences by educating ideal customer profiles about the value of Phreesia and the positive impact on health outcomes Phreesia campaigns have on patients.

Since our inception, we have focused substantially all of our sales efforts within the United States. Accordingly, substantially all of our revenue from historical periods has come from the United States, and our current strategy is to continue to focus substantially all of our sales efforts within the United States.

Our revenue growth has been primarily organic and reflects our significant addition of new healthcare services clients. New healthcare services clients are defined as clients that go live in the applicable period and existing healthcare services clients are defined as clients that go live in any period before the applicable period.

Recent developments and current economic conditions

Macroeconomic environment and geopolitical conditions

Our business is directly and indirectly affected by macroeconomic conditions, geopolitical conditions and the state of global financial markets. Geopolitical uncertainty resulting, in part, from the military conflict between Russia and Ukraine and the conflict in the Middle East, as well as other macro-economic conditions, such as the impact of pandemics, changes in interest rates, inflation in the cost of goods, services and labor, or a recession or an economic slowdown in the U.S. or internationally, have contributed to significant volatility and declines in global financial markets. The uncertainty over the extent and duration of the ongoing conflicts and these macroeconomic conditions continues to cause disruptions to businesses and markets worldwide. Additionally, the change in U.S. presidential administration may result in additional geopolitical and macroeconomic uncertainty. While none of these factors individually has had a material impact on our business to date, it is difficult to predict the potential impact these factors may have on our future business results, and each could adversely impact our business operations, financial performance and results of operations.

Key Metrics

We regularly review the following key metrics to measure our performance, identify trends affecting our business, formulate financial projections, make strategic business decisions and assess working capital needs.

	For the fiscal years ended January 31,		Change	
	2025	2024	Amount	%
Key Metrics:				
Average number of healthcare services clients ("AHSCs")	4,203	3,601	602	17 %
Healthcare services revenue per AHSC	$ 70,961	$ 72,215	$ (1,254)	(2)%
Total revenue per AHSC	$ 99,884	$ 98,944	$ 940	1 %

- *AHSCs*. We define AHSCs as the average number of clients that generate subscription and related services or payment processing revenue each month during the applicable period. In cases where we act as a subcontractor providing white-label services to our partner's clients, we treat the contractual relationship as a single healthcare services client. We believe growth in AHSCs is a key indicator of the performance of our business and depends, in part, on our ability to successfully develop and market our solutions to healthcare services organizations that are not yet clients. We believe growth in AHSCs provides useful information to investors as an important indicator of expected revenue growth. In addition, growth in AHSCs informs our management of the areas of our business that will require further investment to support expected future AHSC growth. For example, as AHSCs increase, we may need to add to our customer support team and invest to maintain effectiveness and performance of our solutions for our healthcare services clients and their patients.
- *Healthcare services revenue per AHSC.* We define Healthcare services revenue as the sum of subscription and related services revenue and payment processing revenue. We define Healthcare services revenue per AHSC as healthcare services revenue in a given period divided by AHSCs during that same period. We are focused on continually delivering value to our healthcare services clients. We believe that our ability to increase healthcare services revenue per AHSC provides useful information to investors as an indicator of the long-term value of our solutions. Healthcare services revenue per AHSC was $70,961 for the year ended January 31, 2025 compared to $72,215 for the year ended January 31, 2024, a decrease of 2%. The decrease was primarily driven by AHSC growth significantly outpacing growth in payment processing volume and payment processing revenue.
- *Total revenue per AHSC.* We define Total revenue per AHSC as Total revenue in a given period divided by AHSCs during that same period. Our healthcare services clients directly generate subscription and related services and payment processing revenue. Additionally, our relationships with healthcare services clients who subscribe to our technology give us the opportunity to engage with life sciences companies, government entities, patient advocacy, public interest and not-for-profit organizations who deliver direct communication to patients through our solutions. As a result, we believe that our ability to increase Total revenue per AHSC provides useful information to investors as an indicator of the long-term value of our solutions. Total revenue per AHSC was $99,884 for the year ended January 31, 2025 compared to $98,944 for the year ended January 31, 2024, an increase of 1%. The increase was primarily driven by Network solutions revenue growth that outpaced AHSC growth.

Additional Information

	For the fiscal years ended January 31,		Change	
	2025	2024	Amount	%
Patient payment volume (in millions)	$ 4,420	$ 3,947	$ 473	12 %
Payment facilitator volume percentage	81 %	82 %	(1)%	(1)%

- *Patient payment volume*. We believe that patient payment volume is an indicator of both the underlying health of our healthcare services clients' businesses and the continuing shift of healthcare costs to patients. We measure patient payment volume as the total dollar volume of transactions between our healthcare services clients and their patients utilizing our payment platform, including via credit and debit cards that we process as a payment

facilitator as well as cash and check payments and credit and debit transactions for which we act as a gateway to other payment processors.

- *Payment facilitator volume percentage*. We define payment facilitator volume percentage as the volume of credit and debit card patient payment volume that we process as a payment facilitator as a percentage of total patient payment volume. Payment facilitator volume is a major driver of our payment processing revenue.

Results of operations

The following tables set forth our results of operations for the periods presented and as a percentage of revenue for those periods:

(in thousands)	For the fiscal years ended January 31, 2025	For the fiscal years ended January 31, 2024	For the fiscal years ended January 31, 2025	For the fiscal years ended January 31, 2024
Revenue				
Subscription and related services	$ 196,510	$ 165,436	47 %	46 %
Payment processing fees	101,740	94,610	24 %	27 %
Network solutions	121,563	96,253	29 %	27 %
Total revenues	419,813	356,299	100 %	100 %
Expenses				
Cost of revenue (excluding depreciation and amortization)	66,227	61,025	16 %	17 %
Payment processing expense	68,707	62,986	16 %	18 %
Sales and marketing	121,129	147,008	29 %	41 %
Research and development	117,364	112,346	28 %	32 %
General and administrative	76,597	79,926	18 %	22 %
Depreciation	14,183	17,584	3 %	5 %
Amortization	13,703	11,903	3 %	3 %
Total expenses	477,910	492,778	114 %	138 %
Operating loss	(58,097)	(136,479)	(14)%	(38)%
Other income, net	1,956	44	— %	— %
Loss on extinguishment of debt	—	(1,118)	— %	— %
Interest income, net	330	2,211	— %	1 %
Total other income, net	2,286	1,137	1 %	— %
Loss before provision for income taxes	(55,811)	(135,342)	(13)%	(38)%
Provision for income taxes	(2,716)	(1,543)	(1)%	— %
Net loss	$ (58,527)	$ (136,885)	(14)%	(38)%

Components of consolidated statements of operations

Revenue

We generate revenue primarily from providing an integrated SaaS-based software and payment platform for the healthcare industry. We derive revenue from subscription fees and related services generated from our healthcare services clients for access to our solutions, payment processing fees based on the levels of patient payment volume we process, and from fees from life sciences clients and other organizations for delivering direct communications to help activate, engage and educate patients about topics critical to their health.

Our total revenue consists of the following:

- *Subscription* and *related services.* We primarily generate subscription fees from our healthcare services clients based on the number of healthcare services clients that subscribe to and utilize our solutions. Our healthcare services clients are typically billed monthly in arrears, though in some instances, healthcare services clients may opt to be billed quarterly or annually in advance. Subscription fees are typically auto-debited from healthcare services clients' accounts every month. As we target and add larger enterprise healthcare services clients, these clients may choose to contract differently than our typical per healthcare services client subscription model. To the extent we charge in an alternative manner with larger enterprise healthcare services

clients, we expect that such a pricing model will recur and, combined with our per healthcare services client subscription fees, will increase as a percentage of our total revenue. In addition, we receive certain fees from healthcare services clients for professional services associated with our implementation services as well as travel and expense reimbursements, shipping and handling fees, leasing and sales of hardware (PhreesiaPads and Arrivals Kiosks), on-site support and training.

- *Payment processing fees.* We generate revenue from payment processing fees based on the number of transactions and the levels of patient payment volume processed through our solutions. Payment processing fees are generally calculated as a percentage of the total transaction dollar value processed and/or a fee per transaction. Credit and debit patient payment volume processed through our payment facilitator model represented 81% and 82% of our patient payment volume in fiscal 2025 and 2024, respectively. The remainder of our patient payment volume is composed of credit and debit transactions for which Phreesia acts as a gateway to another payment processor, and cash and check transactions. Patient payment responsibility typically declines as a share of total spending as the calendar year progresses due to benefit design. Consistent with that trend, payment volume on a per client basis has historically been lower in the second half of our fiscal year as compared to the first half of our fiscal year.
- *Network solutions.* We generate revenue from life sciences clients and other organizations for delivering direct communications to patients. As we expand our healthcare services client base, we increase the number of new patients we can reach to deliver our direct communications to help activate, engage and educate patients about topics critical to their health on behalf of life sciences clients and other organizations.

Cost of revenue (excluding depreciation and amortization)

Our cost of revenue (excluding depreciation and amortization) primarily consists of labor costs, including salaries, stock-based compensation, benefits and bonuses for implementation and technical support, as well as outside services costs. Cost of revenue (excluding depreciation and amortization) also includes infrastructure costs to operate our solutions such as hosting fees and fees paid to various third-party providers for access to their technology, as well as costs to verify insurance eligibility and benefits.

Payment processing expense

Payment processing expense consists primarily of interchange fees set by payment card networks that are ultimately paid to the card-issuing financial institution, assessment fees paid to payment card networks, and fees paid to third-party payment processors and gateways. Payment processing expense may increase as a percentage of payment processing revenue if card networks raise pricing for interchange and assessment fees or if we reduce pricing to our clients.

Sales and marketing

Sales and marketing expense consists primarily of labor costs, including salaries, stock-based compensation, benefits, bonuses and commission costs for our sales and marketing personnel, as well as outside services costs. Sales and marketing expense also includes costs for advertising, promotional and other marketing activities, as well as certain fees paid to various third-party partners for sales and lead generation. Advertising is expensed as incurred.

Research and development

Research and development expense consists of costs to develop our products and services that do not meet the criteria for capitalization as internal-use software. These costs consist primarily of labor costs, including salaries, stock-based compensation and benefits for our development personnel, as well as outside services costs. Research and development expense also includes third-party partner fees and third-party consulting fees.

General and administrative

General and administrative expense consists primarily of labor costs, including salaries, stock-based compensation and benefits for our executive, finance, legal, security, human resources, information technology and other administrative personnel, as well as outside services costs. General and administrative expense also includes software costs to support our finance, legal and human resources operations, insurance costs as well as fees to third-party providers for accounting, legal and consulting services, costs for various non income-based taxes and software costs.

Depreciation

Depreciation represents depreciation expense for PhreesiaPads and Arrivals Kiosks, data center and other computer hardware, purchased computer software, furniture and fixtures and leasehold improvements.

Amortization

Amortization primarily represents amortization of our capitalized internal-use software related to our solutions as well as amortization of acquired intangible assets.

Other income (expense), net

Our other income and expense line items consist of the following:

- *Other income (expense), net*. Other income (expense), net consists of a $2.3 million gain recorded in fiscal 2025 in connection with a settlement with the former equity holders of ConnectOnCall, foreign currency-related gains and losses as well as miscellaneous other income and expense.
- *Loss on extinguishment of debt.* Loss on extinguishment of debt represents the difference between the amount paid on extinguishment of debt (including any directly related fees) and the net carrying amount of debt being extinguished.
- *Interest income*. Interest income consists of interest earned on our cash and cash equivalent balances.
- *Interest expense*. Interest expense consists primarily of the interest incurred on our financing obligations as well as amortization of discounts and deferred financing costs.

Provision for income taxes

Based upon our cumulative pre-tax losses in recent years and available evidence, we have determined that it is more likely than not that substantially all of our U.S. deferred tax assets as of January 31, 2025 will not be realized in the near term. Consequently, we have established a valuation allowance against our deferred tax assets that are not more likely than not to be realized. In future periods, if we conclude we have future taxable income sufficient to realize the deferred tax assets, we may reduce or eliminate the valuation allowance. Provision for income taxes also includes U.S. state and local income taxes and foreign income taxes. We record unrecognized tax benefits as liabilities or as reductions to deferred tax assets and adjust these balances when our judgement changes as a result of the evaluation of new information previously not available.

Comparison of fiscal 2025 versus fiscal 2024

Revenue

	Fiscal years ended January 31,			
(in thousands)	**2025**	**2024**	**$ Change**	**% Change**
Subscription and related services	$ 196,510	$ 165,436	$ 31,074	19 %
Payment processing fees	101,740	94,610	7,130	8 %
Network solutions	121,563	96,253	25,310	26 %
Total revenues	$ 419,813	$ 356,299	$ 63,514	18 %

- *Subscription and related services.* Our subscription and related services revenue from healthcare services organizations increased $31.1 million to $196.5 million for fiscal 2025, as compared to $165.4 million for fiscal 2024, primarily due to new healthcare services clients added in fiscal 2025 as well as expansion of and cross-selling to existing healthcare services clients.
- *Payment processing fees.* Our revenue from patient payments processed through our solutions increased $7.1 million to $101.7 million for fiscal 2025, as compared to $94.6 million for fiscal 2024, due to the addition of new healthcare services clients, which drove increases in patient visits and patient payments processed through our platform. Payment processing fees for the year ended January 31, 2025 were reduced by approximately $6.1 million related to the accelerated wind-down of a relationship with a clearinghouse client.
- *Network solutions.* Our revenue from life sciences clients and other organizations increased $25.3 million to $121.6 million for fiscal 2025, as compared to $96.3 million for fiscal 2024 due to an increase in engagement, education programs and deeper patient outreach among the existing programs.

Cost of revenue (excluding depreciation and amortization)

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
Cost of revenue (excluding depreciation and amortization)	$ 66,227	$ 61,025	$ 5,202	9 %

Cost of revenue (excluding depreciation and amortization) increased $5.2 million to $66.2 million for fiscal 2025, as compared to $61.0 million for fiscal 2024. The increase resulted primarily from a $7.7 million increase in other third-party costs driven by growth in revenue, partially offset by a $2.5 million decrease in labor costs.

Stock compensation incurred related to cost of revenue was $4.9 million and $4.6 million for fiscal 2025 and fiscal 2024, respectively.

Payment processing expense

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
Payment processing expense	$ 68,707	$ 62,986	$ 5,721	9 %

Payment processing expense increased $5.7 million to $68.7 million for fiscal 2025, as compared to $63.0 million for fiscal 2024. The increase resulted primarily from the increase in payment processing fees revenue and patient payments processed through our solutions, each driven by an increase in patient visits over the prior year. Payment processing expense for the year ended January 31, 2025 was reduced by the accelerated wind-down of a relationship with a clearinghouse client.

Sales and marketing

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
Sales and marketing	$ 121,129	$ 147,008	$ (25,879)	(18 %)

Sales and marketing expense decreased $25.9 million to $121.1 million for fiscal 2025, as compared to $147.0 million for fiscal 2024. The decrease resulted primarily from a $18.0 million decrease in labor costs and a $7.9 million decrease in other third-party sales and marketing costs.

Stock compensation incurred related to sales and marketing expense was $22.0 million and $26.0 million for fiscal 2025 and fiscal 2024, respectively.

Research and development

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
Research and development	$ 117,364	$ 112,346	$ 5,018	4 %

Research and development expense increased $5.0 million to $117.4 million for fiscal 2025, as compared to $112.3 million for fiscal 2024. The increase resulted primarily from a $3.2 million increase in software costs, a $1.5 million increase in labor costs and a $0.4 million increase in other third-party costs.

Stock compensation incurred related to research and development expense was $15.3 million and $17.4 million in fiscal 2025 and fiscal 2024, respectively.

General and administrative

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
General and administrative	$ 76,597	$ 79,926	$ (3,329)	(4 %)

General and administrative expense decreased $3.3 million to $76.6 million for fiscal 2025, as compared to $79.9 million for fiscal 2024. The decrease primarily resulted from a $3.1 million decrease in third-party costs associated with prior-year acquisitions, a $0.1 million decrease in other third-party general and administrative expenses and a $0.1 million decrease in labor costs.

Stock compensation incurred related to general and administrative expense was $24.8 million and $23.7 million in fiscal 2025 and fiscal 2024, respectively.

Depreciation

	Fiscal years ended January 31,			
(in thousands)	**2025**	**2024**	**$ Change**	**% Change**
Depreciation	$ 14,183	$ 17,584	$ (3,401)	(19 %)

Depreciation expense decreased $3.4 million to $14.2 million for fiscal 2025, as compared to $17.6 million for fiscal 2024. The decrease was primarily attributable to lower data center equipment depreciation.

Amortization

	Fiscal years ended January 31,			
(in thousands)	**2025**	**2024**	**$ Change**	**% Change**
Amortization	$ 13,703	$ 11,903	$ 1,800	15 %

Amortization expense increased $1.8 million to $13.7 million for fiscal 2025, as compared to $11.9 million for fiscal 2024. The increase was primarily driven by higher amortization of capitalized internal-use software development costs as well as amortization of intangible assets acquired during fiscal 2024.

Other income, net

	Fiscal years ended January 31,			
(in thousands)	**2025**	**2024**	**$ Change**	**% Change**
Other income, net	$ 1,956	$ 44	$ 1,912	4,345 %

Other income, net was income of $2.0 million for fiscal 2025 as compared to income of less than $0.1 million for fiscal 2024. The increase in other income, net was driven primarily by a $2.3 million gain recorded in connection with a settlement with the former equity holders of ConnectOnCall, partially offset by foreign exchange losses. See Note 4 (b) in Part II - Item 8 of this Annual Report on Form 10-K for additional information regarding the ConnectOnCall settlement. Other income, net for fiscal 2024 was comprised primarily of foreign exchange gains.

Loss on extinguishment of debt

	Fiscal years ended January 31,			
(in thousands)	**2025**	**2024**	**$ Change**	**% Change**
Loss on extinguishment of debt	$ —	$ (1,118)	$ 1,118	(100 %)

During fiscal 2024, we recorded a $1.1 million loss on extinguishment of debt in connection with the termination of the Third SVB Facility.

Interest income, net

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
Interest income, net	$ 330	$ 2,211	$ (1,881)	(85 %)

Interest income, net decreased by $1.9 million to $0.3 million for fiscal 2025, as compared to $2.2 million for fiscal 2024. The decrease is primarily attributable to lower interest income earned from our cash and cash equivalent balances, as well as higher interest expense on our finance leases and other financing obligations.

Provision for income taxes

(in thousands)	Fiscal years ended January 31, 2025	2024	$ Change	% Change
Provision for income taxes	$ (2,716)	$ (1,543)	$ (1,173)	76 %

Provision for income taxes increased by $1.2 million to $2.7 million for fiscal 2025, as compared to $1.5 million for fiscal 2024. The increase in provision for income taxes relates primarily to an increase in Canadian and Indian income tax expense.

Non-GAAP financial measures

Adjusted EBITDA is a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP. Adjusted EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income or loss or any other performance measure derived in accordance with GAAP, or as an alternative to cash flows from operating activities as a measure of our liquidity. We define Adjusted EBITDA as net income or loss before interest income, net, provision for income taxes, depreciation and amortization, and before stock-based compensation expense, loss on extinguishment of debt and other income, net.

We have provided below a reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP financial measure. We have presented Adjusted EBITDA in this Annual Report on Form 10-K because it is a key measure used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget, and to develop short and long-term operational plans. In particular, we believe that the exclusion of the amounts eliminated in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under GAAP. Some of these limitations are as follows:

- Although depreciation and amortization expense are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect: (1) changes in, or cash requirements for, our working capital needs; (2) the potentially dilutive impact of non-cash stock-based compensation; (3) tax payments that may represent a reduction in cash available to us; or (4) interest income, net; and
- Other companies, including companies in our industry, may calculate Adjusted EBITDA or similarly titled measures differently, which reduces its usefulness as a comparative measure.

Because of these and other limitations, you should consider Adjusted EBITDA along with other GAAP-based financial performance measures, including various cash flow metrics, net loss, and our GAAP financial results. The following table presents a reconciliation of Adjusted EBITDA to net loss for each of the periods indicated:

	For the fiscal years ended January 31,	
(in thousands)	2025	2024
Net loss	$ (58,527)	$ (136,885)
Interest income, net	(330)	(2,211)
Provision for income taxes	2,716	1,543
Depreciation and amortization	27,886	29,487
Stock-based compensation expense	66,975	71,613
Loss on extinguishment of debt	—	1,118
Other income, net	(1,956)	(44)
Adjusted EBITDA	$ 36,764	$ (35,379)

We calculate free cash flow as net cash provided by (used in) operating activities less capitalized internal-use software development costs and purchases of property and equipment.

Additionally, free cash flow is a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP. We consider free cash flow to be a liquidity measure that provides useful information to management and investors about the amount of cash generated by our business that can be used for strategic opportunities, including investing in our business, making strategic investments, partnerships and acquisitions and strengthening our financial position.

The following table presents a reconciliation of free cash flow from net cash provided by (used in) operating activities, the most directly comparable GAAP financial measure, for each of the periods indicated:

	For the fiscal years ended January 31,	
(in thousands)	2025	2024
Net cash provided by (used in) operating activities	$ 32,381	$ (32,378)
Less:		
Capitalized internal-use software	(15,380)	(19,291)
Purchases of property and equipment	(8,709)	(5,806)
Free cash flow	$ 8,292	$ (57,475)

Liquidity and capital resources

As of January 31, 2025 and 2024, we had cash and cash equivalents of $84.2 million and $87.5 million, respectively. Cash and cash equivalents consist of money market mutual funds and cash on deposit.

We believe that our existing cash and cash equivalents, along with cash generated in the normal course of business, will be sufficient to meet our needs for at least the next 12 months.

In addition, we also have potential borrowing capacity under our credit agreement subject to certain restrictive covenants.

Our future capital requirements and the adequacy of available funds will depend on many factors, including those set forth under “Risk Factors.”

In the event that additional financing is required from outside sources, we may be unable to raise the funds on acceptable terms, if at all. If we are unable to raise additional capital when desired, our business, operating results and financial condition could be adversely affected.

Capital One facility

In December 2023, we entered into a 5-year $50 million senior secured asset-based revolving credit facility ("Capital One Credit Facility") maturing in December 2028, which includes a swingline sub-limit of at least $5.0 million and a

letter of credit sub-limit of at least $5.0 million. The new Capital One Credit Facility was entered into with Capital One, N.A. ("Capital One") acting as administrative agent and replaces our previous senior secured revolving credit facility with Silicon Valley Bank, which we terminated on the same date. We believe the Capital One Credit Facility will give us additional financial flexibility through fiscal 2028. The facility is available to us for working capital and general corporate purposes.

The obligations under the Capital One Credit Facility are secured by a first priority security interest in substantially all of our tangible and intangible assets, and by pledges of the equity of certain of our U.S. subsidiaries, in each case subject to customary exclusions.

The Capital One Credit Facility includes financial covenants including but not limited to requiring us to maintain minimum Consolidated EBITDA, minimum Liquidity, a minimum Consolidated Fixed Charge Coverage Ratio and limiting the amount of cash and cash equivalents we hold outside Capital One, each as defined in the Credit Agreement. We were in compliance with all covenants related to the Capital One Credit Facility as of January 31, 2025.

We believe that our cash and cash equivalents along with cash generated in the normal course of business are sufficient to fund our operations for at least the next twelve months.

Financing agreements

In June 2023, we entered into a financing agreement to obtain financing for internal-use software and related software support. As of January 31, 2025, there was $1.9 million in outstanding principal and interest due under the agreement. The financing agreement requires us to pay $0.1 million per month for 36 months beginning August 2023. The effective interest rate on the agreement is 10.5% per annum.

Shares issued as consideration for acquisitions

On June 30, 2023, we entered into an agreement to acquire 100% of the outstanding equity of Comsort, Inc. d/b/a MediFind ("MediFind") for total consideration of $8.9 million, which included the issuance of 150,786 shares of our common stock to certain MediFind stockholders.

On August 11, 2023, we entered into an agreement to acquire 100% of the outstanding equity of Access eForms, LLC ("Access") for total consideration of $37.4 million, which included the issuance of 1,096,436 shares of our common stock to certain members of Access.

Liabilities issued as consideration for acquisition

In October 2023, we entered into an agreement to acquire 100% of the outstanding equity of ConnectOnCall for total consideration of $13.9 million, including liabilities payable to the sellers. As of January 31, 2024, the Company's liability for the ConnectOnCall deferred consideration liabilities was $8.7 million. See Note 4 (b) and Note 17 in Part II - Item 8 of this Annual Report on Form 10-K for additional information regarding the liabilities issued as consideration for acquisition.

On January 31, 2025, we and the former equity holders of ConnectOnCall entered into a settlement agreement which resulted in a reduced payment of $5.0 million in full settlement of the deferred consideration liabilities. As of January 31, 2025, the outstanding balance of the deferred consideration liabilities was $0. The settlement agreement was a result of indemnification claims made by us against the former equity holders of ConnectOnCall stemming from our October 2023 agreement to acquire the outstanding equity of ConnectOnCall.

In connection with the settlement, we recorded a gain of $2.3 million within Other income (expense), net. We included the gain as an adjustment to reconcile net loss to net cash provided by operating activities. We presented

$4.6 million and $0.4 million of the settlement payment within cash used for financing activities and cash provided by operating activities, respectively, in its statement of cash flows for the fiscal year ended January 31, 2025.

The following table summarizes our sources and uses of cash for each of the periods presented:

	For the fiscal years ended January 31,	
(in thousands)	**2025**	**2024**
Net cash provided by (used in) operating activities	$ 32,381	$ (32,378)
Net cash used in investing activities	(24,089)	(39,670)
Net cash used in financing activities	(11,486)	(17,115)
Effect of exchange rate changes on cash and cash equivalents	(106)	—
Net decrease in cash and cash equivalents	$ (3,300)	$ (89,163)

Operating activities

The primary sources of cash from operating activities are cash received from our customers and interest earned on our money market mutual funds. The primary uses of cash for operating activities are for payroll, payments to suppliers, payments for operating leases, as well as cash paid for interest on our finance leases and other borrowings and cash paid for various sales, property and income taxes.

During the fiscal year ended January 31, 2025, net cash provided by operating activities was $32.4 million, as our cash received from customers in connection with our normal operations exceeded our cash paid to employees and suppliers. During the fiscal year ended January 31, 2024, net cash used in operating activities was $32.4 million, as our cash paid to employees and suppliers exceeded our cash received from customers in connection with our normal operations.

The change in net cash provided by (used in) operating activities was driven primarily by an increase in cash received from customers driven by higher revenues during the year ended January 31, 2025.

Investing activities

During the fiscal year ended January 31, 2025, net cash used in investing activities was $24.1 million, principally resulting from $15.4 million of cash paid for capitalized internal-use software, as well as $8.7 million of purchases of property and equipment, primarily computer equipment.

During the fiscal year ended January 31, 2024, net cash used in investing activities was $39.7 million, including $19.3 million of cash paid for capitalized internal-use software, $14.6 million of cash paid for acquisitions, net of cash acquired, as well as $5.8 million of purchases of property and equipment.

Financing activities

During the fiscal year ended January 31, 2025, net cash used in financing activities was $11.5 million, primarily consisting of $9.0 million used for principal payments on finance leases and financing arrangements, $6.3 million used for principal payments of acquisition-related liabilities and $0.2 million used for debt issuance costs, facility fees and debt extinguishment costs, partially offset by $3.9 million in proceeds from our equity compensation plans.

During the fiscal year ended January 31, 2024, net cash used in financing activities was $17.1 million, primarily consisting of $12.2 million used for treasury stock to satisfy tax withholdings on stock compensation awards, $7.4 million used for principal payments on finance leases and financing arrangements, $2.1 million used for debt issuance costs, facility fees and debt extinguishment costs, and $1.3 million used for principal payments of acquisition-related liabilities, partially offset by $4.2 million in proceeds from our equity compensation plans and $1.7 million constructive financing related to our software financing arrangement.

Material Cash Requirements

Our material cash requirements relate to human capital, contractual purchase commitments, leases and financing arrangements. Refer to Note 4 - Composition of certain financial statement accounts in Part II - Item 8 of this Annual Report on Form 10-K for additional information on accrued payroll related liabilities. Refer to Note 6 - Finance leases and other debt, Note 10 - Leases and Note 11 - Commitments and contingencies in Part II - Item 8 of this Annual Report on Form 10-K for additional information on cash requirements for leases, financing arrangements and contractual purchase commitments.

Critical accounting policies and estimates

The preparation of the consolidated financial statements in conformity with GAAP requires us to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the balance sheet date, as well as reported amounts of revenue and expenses during the reporting period. Our most significant estimates and judgments involve revenue recognition, the fair value of assets acquired in business combinations, capitalized internal-use software, income taxes, and valuation of our stock-based compensation. Actual results may differ from these estimates. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected.

We believe that the accounting policies described below involve a greater degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our financial condition and results of operations.

Revenue recognition

We account for revenue from contracts with clients by applying the requirements of Topic 606, which includes the following steps:

- Identification of the contract, or contracts, with a client
- Identification of the performance obligations in a contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, performance obligations are satisfied

Revenues are recognized when control of these services is transferred to our clients, in an amount that reflects the consideration we expect to be entitled to in exchange for those services.

We believe the areas in which we apply significant judgements when determining revenue recognition relate to the identification of distinct performance obligations, the assessment of the standalone selling price (“SSP”) for each performance obligation identified, the determination of the amount of variable consideration to include in the transaction price of our contracts with customers and the determination of whether we are the principal or the agent for certain performance obligations.

Determination of Performance Obligations

A performance obligation is a promise in a contract with a customer to transfer products or services that are distinct. Our contracts with customers may include multiple promises to transfer services to a customer. Determining whether products and services are distinct performance obligations that should be accounted for separately or combined as a single performance obligation may require significant judgment that requires us to assess the nature of the promise and the value delivered to the customer.

Our subscription and related services revenue includes certain fees from clients for professional services associated with implementation services.

In determining whether professional services for implementation are distinct, we consider the following factors for each professional services agreement: availability of the services from other vendors, the nature of the professional services and the complexity of interfaces created between systems.

We determined that the majority of implementation services were not distinct from the related subscription service because they are proprietary such that they cannot be performed by another entity, because we generally do not sell professional services on a stand-alone basis, and because they are integral to the customer’s ability to derive the intended benefit of the subscription service, indicating that the implementation services and related subscription are inputs to a combined output.

Determination of Standalone Selling Prices

We allocate the transaction price of our customer contracts to the performance obligations within those contracts based on the relative SSP of the performance obligations.

The SSP is the price that we would sell a product separately to a customer. The best evidence of this is an observable price from stand-alone sales of that product to similarly situated customers. However, as we do not typically transfer our performance obligations on a standalone basis, but rather we transfer bundles of performance

obligations, we use an adjusted market assessment approach to estimate the price a customer would be willing to pay for our performance obligations using historical price information as priced in previous bundled contracts.

In determining SSPs, we stratify the population of customer transactions by product, type, size of customer and geographic area. We typically establish a range of SSPs for each of our performance obligations.

The prices we charge for digital messaging solutions provided to life sciences companies have historically been highly variable. We consider pricing to be highly variable if we have a history of selling the services at a wide range of prices to similar customers in similar geographic areas within the same time periods. As the pricing of our digital messaging solutions has historically been highly variable, we use the residual method to estimate the SSP of performance obligations for digital messaging solutions. We estimate the residual SSP of our digital messaging solutions as the total transaction price of the customer contract less the SSPs of the remaining performance obligations pursuant to the contract.

Variable Consideration

We estimate the transaction price at contract inception, including any variable consideration, and we update the estimate each reporting period for any changes in circumstances. When determining the transaction price, we assume the products will be transferred to the customer based on the terms of the existing contract and our assumption does not take into consideration the possibility of a contract being canceled, renewed, or modified.

We occasionally provide credits to customers representing adjustments to the transaction price. Known and estimable credits and adjustments represent a form of variable consideration, which are estimated at contract inception and generally result in reductions to revenues recognized for a particular contract. These estimates are updated at the end of each reporting period as additional information becomes available. We estimate the amount of variable consideration based on its expected probability-weighted value or its most likely amount. We include variable consideration in the transaction price to the extent it is probable there will not be a significant reversal of revenue when the uncertainty with respect to the variable consideration is resolved. We believe that there will not be significant changes to our estimates of variable consideration as of January 31, 2025.

Principal vs Agent Considerations

As part of our revenue recognition process, we evaluate whether we are the principal or agent for the performance obligations in our contracts with customers. When we determine that we are the principal for a performance obligation, we recognize revenue for that performance obligation on a gross basis. When we determine that we are an agent for a performance obligation, we recognize revenue for that performance obligation net of the related costs. In determining whether we are the principal or the agent, we evaluate whether we have control of the services before we transfer the services to the customer by considering whether we are primarily obligated for transferring the services to the customer, whether we have inventory risk for the services before the services are transferred to the customer, and whether we have latitude in establishing prices. We recognize payment processing fees collected from customers as revenue on a gross basis because, as the merchant of record, we control the services before delivery to the customer, we are primarily responsible for the delivery of the services to our customers, we have latitude in establishing pricing with respect to the customer and other terms of service, we have sole discretion in selecting the third-party to perform the settlement, and we assume the credit risk for the transaction processed. We also have the unilateral ability to accept or reject a transaction based on our established criteria.

Business combinations

We use our best estimates and assumptions to accurately assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. With the assistance of third-party appraisers, we assess the fair value of the assets acquired in business combinations. The fair value of the acquired licenses and technology was estimated using the relief from royalty method. The fair value of customer relationships was estimated using a multi period excess earnings method. To calculate fair value, we used cash flows discounted at a rate considered appropriate given the inherent risks associated with each client grouping. Our estimates are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. We continue to collect information and reevaluate these estimates and assumptions quarterly and record any adjustments to our estimates to goodwill provided that we are within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of operations.

In connection with the ConnectOnCall acquisition, we recorded deferred consideration liabilities within other current liabilities and other long-term liabilities for amounts payable to the selling shareholders in seven quarterly installments through June 2025. The fair value of our deferred consideration liabilities was determined based on a discount cash flow approach, using the pre-tax cost of debt of 9.3%. In connection with the acquisition of ConnectOnCall, we recorded deferred consideration liabilities with an acquisition-date fair value of $10.0 million. On January 31, 2025, we and the former equity holders of ConnectOnCall entered into a settlement agreement which resulted in a reduced payment of $5.0 million in full settlement of the deferred consideration liabilities. As of January 31, 2025, the outstanding balance of the deferred consideration liabilities was $0. The settlement agreement was a result of indemnification claims made by us against the former equity holders of ConnectOnCall stemming from our October 2023 agreement to acquire the outstanding equity of ConnectOnCall. The principal portion of payments of the deferred consideration liabilities are financing payments of acquisition-related liabilities in our accompanying consolidated statements of cash flows.

Capitalized internal-use software

We capitalize certain costs incurred for the development of computer software for internal use. These costs relate to the development of our solutions. We capitalize the costs during the development of the project, when it is determined that it is probable that the project will be completed, and the software will be used as intended. Costs related to preliminary project activities, post-implementation activities, training and maintenance are expensed as incurred. Internal-use software is amortized on a straight-line basis over its estimated useful life, which is generally three to five years. We evaluate the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets. We exercise judgment in determining the point at which various projects may be capitalized, in assessing the ongoing value of the capitalized costs and in determining the estimated useful lives over which the costs are amortized. To the extent that we change the manner in which we develop and test new features and functionalities related to our solutions, assess the ongoing value of capitalized assets or determine the estimated useful lives over which the costs are amortized, the amount of internal-use software development costs we capitalize and amortize could change in future periods.

Stock-based compensation for market-based performance stock units ("PSUs")

We granted market-based PSUs during fiscal 2023, 2024 and 2025.

PSUs vest in between 0% and 220% of the number of PSUs originally granted based on our total stockholder return ("TSR"), relative to a peer group of companies on the Russell 3000 stock index. PSUs granted during fiscal 2025, 2024 and 2023 vest in a maximum of 220% of the number of PSUs originally granted. We estimate the fair value of the PSUs using a Monte Carlo Simulation model which projects TSR for Phreesia and each member of the peer group over a performance period of approximately three years. The most critical and judgmental assumptions used in the Monte Carlo Simulation to estimate the fair value of the PSUs are set forth below:

- *Correlation coefficient:* The correlation coefficient measures the correlation of our stock to the stock of the companies in the peer group. This coefficient is used to project the performance of our stock against our peers to estimate projected performance under the plan.
- *Expected volatility:* For PSUs granted during the years ended January 31, 2025, 2024 and 2023, the expected volatility is based on the historical volatility of our stock price over a term commensurate with the simulation term assumption.

We recognize the grant-date fair value of stock-based awards issued as compensation expense on a straight-line basis over the requisite service period, which is generally the vesting period of the award.

Recent accounting pronouncements

In November 2023, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) 2023-07, Segment Reporting. The new standard requires enhanced disclosures about significant segment expenses and other segment items and requires companies to disclose all annual disclosures about segments in interim periods. The new standard also permits companies to disclose more than one measure of segment profit or loss, requires disclosure of the title and position of the Chief Operating Decision Maker (“CODM”), and requires companies with a single reportable segment to provide all disclosures required by Topic 280 – Segment Reporting. The new standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. Companies are required to apply ASU 2023-07 retrospectively to all periods presented. We adopted ASU 2023-07 for annual periods beginning in the

fiscal year ending January 31, 2025. We plan to adopt ASU 2023-07 for interim periods beginning in the fiscal year ending January 31, 2026. The disclosure changes that resulted from the adoption of ASU 2023-07 did not materially impact its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The new standard requires companies to disclose disaggregated information related to income taxes paid and the effective tax rate. The provisions of ASU 2023-09 are effective for annual periods beginning after December 15, 2024; early adoption is permitted for annual statements. We plan to adopt ASU 2023-09 for annual periods beginning in the fiscal year ending January 31, 2026. We are currently evaluating the impact that ASU 2023-09 will have on our financial statements and related disclosures. We do not expect the disclosure changes that result from the adoption of ASU 2023-09 to materially impact our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The new standard requires companies to disclose disaggregated information about certain income statement expense line items. The provisions of ASU 2024-03 are effective for annual periods beginning after December 15, 2026, and interim reporting periods in fiscal years beginning after December 15, 2027. Early adoption is permitted. We plan to adopt ASU 2024-03 for annual periods beginning in the fiscal year ending January 31, 2028 and for interim periods beginning in the fiscal year ending January 31, 2029. We are currently evaluating the impact that ASU 2024-03 will have on our financial statements and related disclosures. We do not expect the disclosure changes that result from the adoption of ASU 2024-03 to materially impact our consolidated financial statements.

See Note 3 - Summary of significant accounting policies in Part II - Item 8 of this Annual Report on Form 10-K for a discussion of recent accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We have operations in the United States, Canada and India, and we are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate and foreign exchange risks.

Interest rate risk

As of January 31, 2025, our cash and cash equivalents consisted primarily of money market funds and cash on deposit. The primary objective of our investment activities is to preserve principal while maximizing income without significantly increasing risk. Because our cash equivalents have a short maturity, our portfolio's fair value is relatively insensitive to interest rate changes. We do not believe that an increase or decrease in interest rates of 100 basis points would have a material effect on our financial condition. Changes in interest rates impact the amount of interest income we record on our cash equivalents. In future periods, we will continue to evaluate our investment policy in order to ensure that we continue to meet our overall objectives.

Although we had no debt outstanding under the Capital One Credit Facility as of January 31, 2025, changes in interest rates would affect interest expense if we borrow against the Capital One Credit Facility in the future.

Foreign currency exchange risk

Our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the Canadian Dollar and Indian Rupee, and may be adversely affected in the future due to changes in foreign currency exchange rates. For example, changes in exchange rates negatively affected our expenses as expressed in U.S. dollars for the fiscal year ended January 31, 2025. Additionally, changes in exchange rates largely offset operating income for the fiscal year ended January 31, 2025. For the year ended January 31, 2025, approximately 85% of our expenses were denominated in U.S. Dollars.

We have also experienced and will continue to experience foreign currency fluctuations due to the periodic re-measurement of monetary account balances that are denominated in currencies other than the functional currency of the entities in which they are recorded, and such fluctuations can impact our net income. Foreign currency losses, primarily resulting from the re-measurement of monetary account balances, were $0.4 million for the year ended January 31, 2025.

In February 2025, we entered into foreign currency forward contracts in respect of the Canadian Dollar and designated them as hedges of the foreign currency exchange risk associated with forecasted Canadian Dollar denominated payroll payments.

We do not believe that a 1% increase or decrease in foreign exchange rates between the Canadian Dollar, Indian Rupee and U.S. Dollar would have a material effect on our results of operations or financial condition. In addition,

we believe that the foreign currency forward contracts will limit our exposure to the foreign currency exchange risk associated with forecasted Canadian Dollar denominated payroll payments.

Item 8. Consolidated Financial Statements and Supplementary Data

PHREESIA, INC.
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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Phreesia, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Phreesia, Inc. and subsidiaries (the Company) as of January 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders’ equity, and cash flows for each of the years in the three-year period ended January 31, 2025, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of January 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended January 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of January 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 13, 2025 expressed an unqualified opinion on the effectiveness of the Company’s internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Evaluation of the sufficiency of audit evidence over revenue

As discussed in Note 3 to the consolidated financial statements, the Company derives revenue from subscription fees and related services generated from the Company’s healthcare services clients for access to the Company's solutions, payment processing fees based on patient payment volume, and fees from life sciences and payer clients for delivering qualified direct communications to patients who voluntarily opt in to receive this type of engagement using the Company's solutions. Revenue from the Company’s contracts with its customers are disaggregated by service offering and certain aspects of the Company’s processes for revenue recognition and information technology (IT) systems differ among the revenue streams. The Company recorded $419,813 thousand of total revenues for the year ended January 31, 2025, of which $196,510 thousand was subscription and related services,

$101,740 thousand was payment processing fees, and $121,563 thousand was network solutions revenue. Each of these categories of revenue has multiple service offerings.

We identified the evaluation of the sufficiency of audit evidence over revenue as a critical audit matter. Subjective auditor judgment was required because of the multiple revenue streams, the related revenue recognition processes, and the number of IT systems involved in the revenue recognition processes.

The following are the primary procedures we performed to address the critical audit matter. We applied auditor judgment to determine the nature and extent of procedures to be performed over revenue. For each revenue stream where procedures were performed, we evaluated the design and tested the operating effectiveness of certain internal controls related to the revenue process, including IT related controls. We involved IT professionals with specialized skills and knowledge, who assisted in testing certain general IT and application controls used by the Company in its revenue processes. For certain revenue streams, we selected a sample of transactions and assessed recorded revenue by comparing the amounts recognized to underlying documentation, including evidence of contracts with customers. We evaluated the sufficiency of audit evidence obtained over revenue by assessing the results of procedures performed.

/s/ KPMG LLP

We have served as the Company's auditor since 2019.

Pittsburgh, Pennsylvania
March 13, 2025

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors
Phreesia, Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Phreesia, Inc. and subsidiaries' (the Company) internal control over financial reporting as of January 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of January 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of January 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders' equity, and cash flows for each of the years in the three-year period ended January 31, 2025, and the related notes (collectively, the consolidated financial statements), and our report dated March 13, 2025 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

Pittsburgh, Pennsylvania
March 13, 2025

Phreesia, Inc.
Consolidated Balance Sheets

(in thousands, except share and per share data)

	January 31,	
	2025	2024
Assets		
Current:		
Cash and cash equivalents	$ 84,220	$ 87,520
Settlement assets	29,176	28,072
Accounts receivable, net of allowance for doubtful accounts of $1,468 and $1,392 as of January 31, 2025 and 2024, respectively	73,617	64,863
Deferred contract acquisition costs	401	768
Prepaid expenses and other current assets	15,871	14,461
Total current assets	203,285	195,684
Property and equipment, net of accumulated depreciation and amortization of $84,505 and $76,859 as of January 31, 2025 and 2024, respectively	23,651	16,902
Capitalized internal-use software, net of accumulated amortization of $55,991 and $45,769 as of January 31, 2025 and 2024, respectively	52,763	46,139
Operating lease right-of-use assets	1,477	266
Deferred contract acquisition costs	583	986
Intangible assets, net of accumulated amortization of $8,407 and $4,925 as of January 31, 2025 and 2024, respectively	28,143	31,625
Goodwill	75,845	75,845
Other assets	2,668	2,879
Total Assets	$ 388,415	$ 370,326
Liabilities and Stockholders' Equity		
Current:		
Settlement obligations	$ 29,176	$ 28,072
Current portion of finance lease liabilities and other debt	8,043	6,056
Current portion of operating lease liabilities	964	393
Accounts payable	5,622	8,480
Accrued expenses	37,460	37,130
Deferred revenue	32,758	24,113
Other current liabilities	—	5,875
Total current liabilities	114,023	110,119
Long-term finance lease liabilities and other debt	8,150	5,400
Operating lease liabilities, non-current	646	134
Long-term deferred revenue	119	97
Long-term deferred tax liabilities	484	270
Other long-term liabilities	185	2,857
Total Liabilities	123,607	118,877
Commitments and contingencies (Note 11)		
Stockholders' Equity:		
Preferred stock, undesignated, $0.01 par value—20,000,000 shares authorized as of both January 31, 2025 and 2024; no shares issued or outstanding as of January 31, 2025 and 2024, respectively	—	—
Common stock, $0.01 par value—500,000,000 shares authorized as of both January 31, 2025 and 2024; 60,083,444 and 57,709,762 shares issued as of January 31, 2025 and 2024, respectively	601	577
Additional paid-in capital	1,111,274	1,039,361
Accumulated deficit	(801,496)	(742,969)
Accumulated other comprehensive loss	(51)	—
Treasury stock, at cost, 1,355,169 shares as of both January 31, 2025 and 2024	(45,520)	(45,520)
Total Stockholders' Equity	264,808	251,449
Total Liabilities and Stockholders' Equity	$ 388,415	$ 370,326

See notes to consolidated financial statements.

Phreesia, Inc.
Consolidated Statements of Operations

(in thousands, except share and per share data)

	For the fiscal years ended January 31,		
	2025	2024	2023
Revenue:			
Subscription and related services	$ 196,510	$ 165,436	$ 128,975
Payment processing fees	101,740	94,610	78,368
Network solutions	121,563	96,253	73,567
Total revenues	419,813	356,299	280,910
Expenses:			
Cost of revenue (excluding depreciation and amortization)	66,227	61,025	58,944
Payment processing expense	68,707	62,986	50,323
Sales and marketing	121,129	147,008	151,263
Research and development	117,364	112,346	91,244
General and administrative	76,597	79,926	80,384
Depreciation	14,183	17,584	17,988
Amortization	13,703	11,903	7,316
Total expenses	477,910	492,778	457,462
Operating loss	(58,097)	(136,479)	(176,552)
Other income (expense), net	1,956	44	(175)
Loss on extinguishment of debt	—	(1,118)	—
Interest income, net	330	2,211	1,064
Total other income, net	2,286	1,137	889
Loss before provision for income taxes	(55,811)	(135,342)	(175,663)
Provision for income taxes	(2,716)	(1,543)	(483)
Net loss	$ (58,527)	$ (136,885)	$ (176,146)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.02)	$ (2.51)	$ (3.36)
Weighted-average common shares outstanding, basic and diluted	57,589,687	54,561,449	52,440,067

See notes to consolidated financial statements.

Phreesia, Inc.
Consolidated Statements of Comprehensive Loss
(in thousands)

	For the fiscal years ended January 31,		
	2025	**2024**	**2023**
Net loss	$ (58,527)	$ (136,885)	$ (176,146)
Other comprehensive loss, net of tax:			
Change in foreign currency translation adjustments, net of tax	(51)	—	—
Other comprehensive loss, net of tax	(51)	—	—
Comprehensive loss	$ (58,578)	$ (136,885)	$ (176,146)

See notes to consolidated financial statements.

Phreesia, Inc.
Consolidated Statements of Stockholders' Equity

(in thousands, except share data)

	Stockholders' Equity						
	Common stock						
	Shares	Amount	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive loss	Treasury stock	Total
Balance, January 31, 2022	52,095,964	$ 521	$ 860,657	$ (429,938)	$ —	$ (13,960)	$ 417,280
Net loss	—	—	—	(176,146)	—	—	(176,146)
Stock-based compensation expense	—	—	52,506	—	—	—	52,506
Exercise of stock options and vesting of restricted stock units	1,626,123	16	1,515	—	—	—	1,531
Issuance of common stock for employee stock purchase plan	162,154	2	3,470	—	—	—	3,472
Issuance of stock for share-settled bonus awards	302,931	3	8,809	—	—	—	8,812
Treasury stock from vesting of restricted stock units	—	—	—	—	—	(19,636)	(19,636)
Balance, January 31, 2023	54,187,172	$ 542	$ 926,957	$ (606,084)	$ —	$ (33,596)	$ 287,819
Net loss	—	—	—	(136,885)	—	—	(136,885)
Stock-based compensation expense	—	—	63,981	—	—	—	63,981
Exercise of stock options and vesting of restricted stock units	1,779,430	18	844	—	—	—	862
Issuance of common stock for employee stock purchase plan	141,121	1	3,234	—	—	—	3,235
Issuance of stock for share-settled bonus awards	354,817	4	9,037	—	—	—	9,041
Issuance of common stock as consideration in business combinations	1,247,222	12	35,308	—	—	—	35,320
Treasury stock from vesting of restricted stock units - satisfaction of tax withholdings	—	—	—	—	—	(11,924)	(11,924)
Balance, January 31, 2024	57,709,762	$ 577	$ 1,039,361	$ (742,969)	$ —	$ (45,520)	$ 251,449
Net loss	—	—	—	(58,527)	—	—	(58,527)
Other comprehensive loss	—	—	—	—	(51)	—	(51)
Stock-based compensation expense	—	—	59,021	—	—	—	59,021
Exercise of stock options and vesting of restricted stock units and performance stock units	1,808,993	18	1,006	—	—	—	1,024
Issuance of common stock for employee stock purchase plan	158,262	2	2,819	—	—	—	2,821
Issuance of stock for share-settled bonus awards	406,427	4	9,067	—	—	—	9,071
Balance, January 31, 2025	60,083,444	$ 601	$ 1,111,274	$ (801,496)	$ (51)	$ (45,520)	$ 264,808

See notes to consolidated financial statements.

Phreesia, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	For the fiscal years ended January 31,		
	2025	2024	2023
Operating activities:			
Net loss	$ (58,527)	$ (136,885)	$ (176,146)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	27,886	29,487	25,304
Stock-based compensation expense	66,975	71,613	58,775
Amortization of deferred financing costs and debt discount	236	321	310
Loss on extinguishment of debt	—	1,118	—
Non-cash gain on settlement	(2,345)	—	—
Cost of Phreesia hardware purchased by customers	1,873	1,619	1,598
Deferred contract acquisition costs amortization	1,815	1,056	1,696
Non-cash operating lease expense	747	702	1,768
Deferred taxes	214	228	434
Changes in operating assets and liabilities:			
Accounts receivable	(8,812)	(11,205)	(11,132)
Prepaid expenses and other assets	(1,427)	(2,209)	250
Deferred contract acquisition costs	(1,045)	—	(427)
Accounts payable	(3,234)	(1,993)	4,774
Accrued expenses and other liabilities	182	14,195	2,720
Lease liabilities	(824)	(1,156)	(1,302)
Deferred revenue	8,667	731	1,255
Net cash provided by (used in) operating activities	32,381	(32,378)	(90,123)
Investing activities:			
Acquisitions, net of cash acquired	—	(14,573)	—
Capitalized internal-use software	(15,380)	(19,291)	(21,471)
Purchases of property and equipment	(8,709)	(5,806)	(4,732)
Net cash used in investing activities	(24,089)	(39,670)	(26,203)
Financing activities:			
Proceeds from issuance of common stock upon exercise of stock options	1,012	955	1,603
Treasury stock to satisfy tax withholdings on stock compensation awards	—	(12,176)	(19,383)
Proceeds from employee stock purchase plan	2,918	3,209	3,321
Finance lease payments	(7,811)	(6,779)	(5,731)
Constructive financing	—	1,688	—
Principal payments on financing agreements	(1,199)	(600)	(216)
Debt issuance costs and loan facility fee payments	(152)	(1,321)	(397)
Financing payments of acquisition-related liabilities	(6,254)	(1,333)	—
Debt extinguishment costs	—	(758)	—
Net cash used in financing activities	(11,486)	(17,115)	(20,803)
Effect of exchange rate changes on cash and cash equivalents	(106)	—	—
Net decrease in cash and cash equivalents	(3,300)	(89,163)	(137,129)
Cash and cash equivalents—beginning of year	87,520	176,683	313,812
Cash and cash equivalents—end of year	$ 84,220	$ 87,520	$ 176,683

Supplemental information of non-cash investing and financing activities:						
Right of use assets acquired in exchange for operating lease liabilities	$	1,958	$	398	$	—
Property and equipment acquisitions through finance leases	$	13,709	$	7,438	$	526
Purchase of property and equipment and capitalized software included in accounts payable and accrued liabilities	$	1,787	$	1,299	$	2,345
Receivables for cash in-transit on stock option exercises	$	—	$	—	$	97
Capitalized stock-based compensation	$	1,362	$	1,415	$	1,372
Issuance of stock to settle liabilities for stock-based compensation	$	11,892	$	12,276	$	12,284
Deferred consideration liabilities payable in business combinations	$	—	$	8,732	$	—
Issuance of stock as consideration in business combinations	$	—	$	35,321	$	—
Capitalized software acquired through vendor financing	$	—	$	2,047	$	—
Cash paid for:						
Interest	$	2,194	$	1,306	$	763
Income taxes	$	3,068	$	37	$	39

See notes to consolidated financial statements.

Phreesia, Inc.
Notes to Consolidated Financial Statements
(in thousands, except share and per share data)

1. Background and liquidity

(a) Background

Phreesia, Inc. (the "Company") is a leading provider of comprehensive software solutions that improve the operational and financial performance of healthcare organizations and improve health outcomes by helping patients take a more active role in their care. The Company has created an integrated and streamlined system that automates data capture and activates patients before, during and after their interaction with their healthcare services provider. The Company's solutions include SaaS-based integrated tools that manage patient access, registration and payments. Additionally, the Company offers tools to communicate with patients about their health that have demonstrated increased rates of preventive care and vaccinations. Additionally, Phreesia's solutions include clinical assessments to screen patients for a variety of physical, behavioral and mental health conditions, helping providers to better understand their patients and connect them to needed services, resulting in improved health outcomes. The Company also provides life sciences companies, government entities, patient advocacy, public interest and not-for-profit and other organizations with a channel for direct education and communication with patients in a privacy-protected environment. Phreesia's solutions also include additional products and services such as the MediFind provider directory, which helps patients find care based on providers' specialty and condition expertise. Phreesia offers its healthcare services clients the ability to lease tablets ("PhreesiaPads") and on-site kiosks ("Arrivals Kiosks") along with their monthly subscription. The Company was formed in May 2005.

(b) Liquidity

Since the Company commenced operations, it has not generated sufficient revenue to meet its operating expenses and has continued to incur significant net losses. To date, the Company has primarily relied upon the proceeds from issuances of common stock, debt and preferred stock to fund its operations as well as sales of Company products and services in the normal course of business.

Management believes that the Company’s cash and cash equivalents at January 31, 2025, along with cash generated in the normal course of business and available borrowing capacity under its revolving credit facility with Capital One, N.A. (“Capital One”) (the “Capital One Credit Facility”), are sufficient to fund its operations for at least the next 12 months.

The Company may seek to obtain additional financing, if needed, to successfully implement its long-term strategy.

2. Basis of presentation

(a) Consolidated financial statements

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP") and regulations of the Securities and Exchange Commission ("SEC") regarding annual financial reporting and include the accounts of Phreesia, Inc; its branch operation in Canada and its consolidated subsidiaries (or collectively, the "Company").

(b) Fiscal year

The Company’s fiscal year ends on January 31. References to fiscal 2025, 2024 and 2023 refer to the fiscal years ending on January 31, 2025, 2024 and 2023, respectively.

3. Summary of significant accounting policies

(a) Use of estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These judgments, estimates and assumptions are used for, but not limited to revenue recognition, the allowance for doubtful accounts, contingent liabilities, the determination of the useful lives of long-lived assets, the capitalization, valuation and

recoverability of long-lived assets, the fair value of securities underlying stock-based compensation and the fair value of identifiable assets and liabilities and deferred consideration in business acquisitions.

(b) Revenue recognition

The Company generates revenue primarily from providing integrated SaaS-based software and payment solutions for the healthcare industry. The Company derives revenue from subscription fees and related services generated from the Company’s healthcare services clients for access to the Company's solutions, payment processing fees based on patient payment volume, and fees from life sciences clients and other organizations for delivering qualified direct communications to patients who consent to receive this type of engagement using the Company's solutions.

The Company accounts for revenue from contracts with customers by applying the following steps:

- identification of the contract, or contracts, with a customer;
- identification of the performance obligations in the contract;
- determination of the transaction price;
- allocation of the transaction price to the performance obligations in the contract; and
- recognition of revenue when, or as, the Company satisfies a performance obligation.

Revenues are recognized when control of these services is transferred to the Company’s customers, in an amount that reflects the consideration it expects to be entitled to in exchange for those services.

The majority of the Company’s contracts with customers contain multiple performance obligations. For these contracts, the Company accounts for individual performance obligations separately when they are distinct. The transaction price is allocated to the separate performance obligations on a relative standalone selling price basis. The Company determines the standalone selling prices based on its overall pricing objectives, taking into consideration market conditions, historical pricing information as priced in previous bundled contracts, as well as other factors such as product, customer type and geographic area. The Company typically establishes a range of SSPs for each of its performance obligations. The Company uses the residual method to estimate the SSP for certain performance obligations with highly variable pricing.

i. Subscription and related services

In most cases, the Company generates subscription fees from clients based on the number of healthcare services clients that utilize the Company's solutions and subscription fees for the Company’s self-service intake tablets (PhreesiaPads), on-site kiosks (Arrivals Kiosks) and any other solutions. The Company’s healthcare services clients are typically billed monthly in arrears, though in some instances healthcare services clients may opt to be billed monthly, quarterly or annually in advance. Subscription fees are typically auto-debited from client’s accounts every month. Revenue for healthcare services client subscriptions is recognized over the term of the respective healthcare services client contract. Substantially all of the Company’s subscription arrangements are considered service contracts, and the customer does not have the right to take possession of the software. Revenue for related services is recognized as it is delivered if the services are distinct from the subscription service and is recognized over the remaining non-cancelable subscription term if it is not distinct from the subscription service. In certain arrangements, the Company leases its PhreesiaPads and Arrivals Kiosks through operating leases to its customers. Accordingly, these revenue transactions are accounted for using ASC 842, Leases.

In addition, subscription and related services includes certain fees from clients for professional services associated with implementation services as well as travel and expense reimbursements, shipping and handling fees, sales of Phreesia hardware (PhreesiaPads and Arrivals Kiosks), on-site support and training. Certain professional services for implementation are not distinct from the Company's solutions and are therefore recognized over the term of the contract. Revenue from sales of distinct professional services, Phreesia hardware and training are recognized in the period they are delivered to clients.

ii. Payment processing fees

The Company generates revenue from payment processing fees based on the levels of patient payment volume resulting from credit and debit card transactions (dollar value and number of card transactions) processed through Phreesia’s payment facilitator model. Payment processing fees are generally calculated as a percentage of the total transaction dollar value processed and/or a fee per transaction. The remainder of patient payment volume is composed of credit and debit card transactions for which Phreesia acts as a gateway to payment processors, and cash and check transactions.

The Company recognizes the payment processing fees when the transaction occurs (i.e., when the processing services are completed). The transaction amount is collected from the cardholder’s bank via the Company’s third-party payment processing partner and the card networks. The transaction amount is then remitted to its customers

approximately two business days after the transaction occurs. At the end of each month, the Company bills its customers for any payment processing fees owed per its customer contractual agreements. Similarly, at the end of each month, the Company remits payments to third-party payment processors and financial institutions for interchange and assessment fees, processing fees, and bank settlement fees.

The Company acts as the merchant of record for its customers and works with payment card networks and banks so that its customers do not need to manage the complex systems, rules, and requirements of the payment industry. The Company satisfies its performance obligations and therefore recognizes the transaction fees as revenue upon completion of a transaction. Revenue is recognized net of refunds, which arise from reversals of transactions initiated by the Company's customers.

The payment processing fees collected from customers are recognized as revenue on a gross basis as the Company is the principal in the delivery of the managed payment solutions to the customer. The Company has concluded it is the principal because as the merchant of record, it controls the services before delivery to the customer, it is primarily responsible for the delivery of the services to its customers, it has latitude in establishing pricing with respect to the customer and other terms of service, it has sole discretion in selecting the third-party to perform the settlement, and it assumes the credit risk for the transaction processed. The Company also has the unilateral ability to accept or reject a transaction based on criteria established by the Company.

As the merchant of record, the Company is liable for settlement of the transactions processed and, accordingly, such costs are included in payment processing fees expense on the accompanying consolidated statements of operations.

iii. Network solutions

The Company's Network solutions revenue includes fees from life sciences companies and other organizations for qualified direct communications to patients who consent to receive this type of engagement, to help activate, engage and educate patients about topics critical to their health using the Company's solutions.

The Company generates revenue from sales of digital marketing solutions to life sciences companies which is based largely on the delivery of messages at a contracted price per message to patients. Messaging campaigns are sold for a specified number of messages delivered to qualified patients over an expected time frame. Revenue is recognized as the messages are delivered.

(c) Concentrations of credit risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, accounts receivable and settlement assets. The Company's cash and cash equivalents are held by established financial institutions. The Company does not require collateral from its customers and generally requires payment within 30 to 60 days of billing. Settlement assets are amounts due from well-established payment processing companies and normally take one to two business days to settle which mitigates the associated risk of concentration. The Company utilizes one third-party payment processor.

The Company's customers are primarily physician's offices and other healthcare services organizations located in the United States as well as pharmaceutical companies. The Company did not have any individual customers that represented more than 10% of total revenues for the years ended January 31, 2025, 2024 and 2023. As of both January 31, 2025 and January 31, 2024, the Company had receivables from at least one entity that accounted for at least 10% of total accounts receivable.

(d) Risks and uncertainties

The Company is subject to a variety of risk factors, including the economy, data privacy and security laws and government regulations. Additionally, the Company is subject to other risks associated with the markets in which it operates including reliance on third-party vendors, partners, and service providers. The Company has a substantial number of employees in Canada and India and the Company supplements its workforce with contractors and consultants in domestic and international locations. Certain of the Company's service providers, including certain third-party software developers, are located in international locations subject to warfare and/or political and economic instability, such as Ukraine and India. As with any business, operation of the Company involves risk, including the risk of service interruption impacting the operations of the Company's business and the Company's customer's facilities below expected levels of operation, shut downs due to the breakdown or failure of information technology and communications systems, changes in laws or regulations, political and economic instability, or catastrophic events such as fires, earthquakes, floods, explosions, global health concerns such as pandemics or other similar occurrences affecting the delivery of our productions and services. The occurrence of any of these events could significantly reduce or eliminate revenues generated, or significantly increase the expenses of the

Company's operations, adversely impacting the Company's operating results and the Company's ability to meet the Company's obligations and commitments. See Note 6 - Finance leases and other debt and Note 11 - Commitments and contingencies, for a summary of our contractual commitments as of January 31, 2025.

(e) Cost of revenue (excluding depreciation and amortization)

Cost of revenue (excluding depreciation and amortization) primarily consists of personnel expenses for implementation and technical support, infrastructure costs for operation of our solutions such as hosting fees, and certain fees paid to various third-party providers for the use of their technology, as well as costs to verify insurance eligibility and benefits. Personnel expenses consist of salaries, stock-based compensation, benefits and bonuses.

(f) Payment processing expense

Payment processing expense consists primarily of interchange fees set by payment card networks that are ultimately paid to the card-issuing financial institution, and assessment fees paid to payment card networks, and fees paid to third-party payment processors and gateways.

(g) Sales and marketing

Sales and marketing expense consists primarily of personnel costs, including salaries, stock-based compensation, benefits, bonuses and commission costs for our sales and marketing personnel. Sales and marketing expense also includes costs for advertising, promotional and other marketing activities, as well as certain fees paid to various third-party partners for sales lead generation. Advertising is expensed as incurred. Advertising expense was $1,675, $1,900 and $2,634 for the fiscal years ended January 31, 2025, 2024 and 2023, respectively.

(h) Research and development

Research and development expense consists of costs for the design, development, testing and enhancement of the Company's products and services that do not meet the criteria for capitalization as internal-use software. These costs consist primarily of personnel costs, including salaries, stock-based compensation, benefits and bonuses for the Company's development personnel. Research and development expense also includes third-party partner fees and third-party consulting fees.

(i) General and administrative

General and administrative expense consists primarily of personnel costs, including salaries, stock-based compensation, benefits and bonuses for the Company's executive, finance, legal, human resources, information technology, and other administrative personnel. General and administrative expense also includes consulting, legal, security, accounting services and allocated overhead.

(j) Depreciation

Depreciation represents depreciation expense for PhreesiaPads and Arrivals Kiosks (collectively, Phreesia hardware), data center and other computer hardware and purchased computer software.

(k) Amortization

Amortization primarily represents amortization of the Company's capitalized internal-use software related to the Company's solutions as well as amortization of acquired intangible assets.

(l) Cash and cash equivalents

The Company considers all highly liquid investments with an original maturity of three months or less at the time of purchase to be cash equivalents. The Company's money market accounts meet the definition of cash equivalents.

(m) Settlement assets

Settlement assets represent amounts due from the Company's payment processor for customer electronic processing transactions. Settlement assets are typically settled within one to two business days of the transaction date.

(n) Settlement obligations

Settlement obligations represent amounts due to customers for electronic processing transactions that have not been funded by the Company due to timing of settlement from the Company's payment processor.

(o) Accounts receivable and allowance for doubtful accounts

Accounts receivable represent trade receivables, net of allowances for any potential uncollectible amounts. The Company estimates the allowance for doubtful accounts as its current estimate of expected credit loss over the life

of the instrument. The Company estimates its allowance for doubtful accounts by evaluating the Company's ability to collect outstanding receivable balances considering various factors, including the age of the balance, the customer's creditworthiness, payment history and financial condition, the condition of the industry as a whole, as well as expected future changes in credit losses. Write-offs of accounts receivable were not material during the fiscal years ended January 31, 2025, 2024 or 2023. As of January 31, 2025 and 2024, the Company has reserved $1,468 and $1,392, respectively, for the allowance for doubtful accounts.

Accounts receivable also includes unbilled accounts receivable (see Contract balances in Note 5(c)).

(p) Property and equipment

Property and equipment, including PhreesiaPads and Arrivals Kiosks, are stated at cost less accumulated depreciation. Depreciation of property and equipment is computed using the straight-line method over the estimated useful lives of the related assets. Maintenance and repair costs are charged to operations as incurred while expenditures for major improvements are capitalized.

The Company depreciates property and equipment over the following estimated useful lives:

	Useful life (years)
PhreesiaPads and Arrivals Kiosks	3
Computer equipment	3
Computer software	3 to 5
Hardware development	3

Upon sale or disposition of property and equipment, the cost and related accumulated depreciation are removed from their respective accounts and any gain or loss is reflected in the consolidated statements of operations.

(q) Capitalized internal-use software

The Company capitalizes certain costs incurred for the development of computer software for internal use. These costs relate to the development of its solutions. The Company capitalizes the costs during the development of the project, when it is determined that it is probable that the project will be completed, and the software will be used as intended. Costs related to preliminary project activities, post-implementation activities, training and maintenance are expensed as incurred. Internal-use software is amortized on a straight-line basis over its estimated useful life, which is generally three to five years. Management evaluates the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets. The Company exercises judgment in determining the point at which various projects may be capitalized, in assessing the ongoing value of the capitalized costs and in determining the estimated useful lives over which the costs are amortized. To the extent that the Company changes the manner in which it develops and tests new features and functionalities related to its solutions, assesses the ongoing value of capitalized assets or determines the estimated useful lives over which the costs are amortized, the amount of internal-use software development costs the Company capitalizes and amortizes could change in future periods. Refer to Note 4(d) for further detail on internal-use software costs capitalized during the period.

(r) Business combinations

The Company uses its best estimates and assumptions to accurately assign fair value to the tangible and intangible assets acquired and liabilities assumed at the acquisition date. The Company's estimates are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. The Company continues to collect information and reevaluate these estimates and assumptions quarterly and records any adjustments to its estimates to goodwill provided that the Company is within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the consolidated statements of operations.

When applicable, the consideration transferred for business combinations includes the acquisition-date fair value of deferred consideration liabilities. The Company recognizes interest expense to accrete deferred consideration liabilities to their settlement amount.

(s) Goodwill and intangible assets

Goodwill represents the excess of the consideration transferred over the fair value of the underlying net tangible and intangible assets acquired and liabilities assumed in connection with business combinations accounted for using the acquisition method of accounting. Goodwill is not amortized, but instead goodwill is required to be tested for impairment annually and under certain circumstances. We perform such testing of goodwill in the fourth quarter of each fiscal year, or as events occur or circumstances change that would more likely than not reduce the fair value below its carrying amount.

The testing of goodwill is performed at the reporting unit level. The Company's reporting unit is the same as its operating segment. The test begins with a qualitative assessment to determine whether it is "more likely than not" that the fair value of the reporting unit is less than its carrying amount. If it is concluded that it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount, the Company performs a quantitative goodwill impairment test by calculating the fair value of the reporting unit and comparing that fair value to the carrying value of the reporting unit. If the estimated fair value of the reporting unit is less than its carrying amount, the Company records a goodwill impairment to reduce the carrying amount of goodwill by the amount by which the fair value of the reporting unit is less than its carrying amount.

All other intangible assets associated with purchased intangibles, consisting of customer relationships, acquired technology, acquired trademarks and acquired licenses, are recorded at acquisition-date fair value less accumulated amortization and are amortized on a straight-line basis over their estimated remaining economic lives.

(t) Long-lived assets

Long-lived assets, such as property and equipment, intangible assets, capitalized internal-use software and operating lease right-of-use assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares the undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, an impairment is recognized to the extent that the carrying value exceeds its fair value. There were no impairment charges recognized in the consolidated statements of operations during any of the periods presented.

(u) Income taxes

An asset and liability approach is used for financial accounting and reporting of current and deferred income taxes. Deferred income tax assets and liabilities are computed for temporary differences between the financial statement and tax basis of assets and liabilities that will result in taxable or deductible amounts in the future. Such deferred income tax asset and liability computations are based on enacted tax laws and rates applicable to periods in which the differences are expected to affect taxable income or loss. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. The Company recognizes the financial statement effects of income tax positions taken or expected to be taken in an income tax return when they are more likely than not, based on technical merits, to be sustained upon examination. The Company measures income tax positions at the largest amount of tax benefit that is more likely than not to be realized upon settlement with a taxing authority that has full knowledge of all relevant information. U.S. GAAP also provides guidance on de-recognition, classification, interest and penalties, accounting in the interim periods, and disclosure for income taxes.

The Company reviews and evaluates tax positions in its major jurisdictions and determines whether or not there are uncertain tax positions that require financial statement recognition and the recording of a tax liability or the reduction of a tax asset. The Company would recognize tax related interest and penalties, if applicable, as a component of its provision for income taxes.

(v) Segment information

Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company defines the term "chief operating decision maker" to be its Chief Executive Officer. The Company's Chief Executive Officer reviews the financial information presented on an entire company basis for purposes of allocating resources and evaluating the Company's financial performance. Accordingly, we have determined that we operate in a single reportable operating segment. Additionally, substantially all of the Company's revenues and long-lived assets are located in the U.S. See Note 16 - Segments and geographic information - for additional information regarding the Company's reportable segment.

(w) Stock-based compensation

The Company has stock-based compensation plans under which various types of equity-based awards are granted, including stock options, restricted stock units ("RSUs"), performance-based RSUs, and market-based performance stock units ("PSUs"). The Company recognizes the compensation cost for equity-classified stock-based awards based on the grant-date fair value of the award. That cost is recognized on a straight-line basis over the requisite service period, which is generally the vesting period of the award. For performance-based RSUs, the number of shares expected to vest is estimated at each reporting date based on management's expectations regarding the relevant performance criteria. The Company adjusts stock compensation expense for forfeitures of stock-based compensation awards in the periods the forfeitures occur.

The fair value of stock options is estimated at the time of grant using the Black-Scholes option pricing model, which requires the use of inputs and assumptions such as the exercise price of the option, expected term, risk-free interest rate, expected volatility and dividend yield, and the value of the Company's common stock (which is estimated for awards granted prior to our IPO). The Company does not estimate forfeitures in recognizing stock-based compensation expense. The fair value of the RSUs is equal to the fair value of the Company's common stock on the grant date of the award. The fair value of market-based PSUs is estimated at the time of grant using a Monte Carlo simulation which compares Phreesia's projected total shareholder return ("TSR") to the projected TSR of the Russell 3000 Index (the "Peer Group") and estimates the value of shares to be issued based on the vesting conditions of the PSUs. The Monte Carlo simulation requires the use of inputs and assumptions such as the grant-date closing stock price, simulation, expected volatility, correlation coefficient to the Russell 3000 Index, risk-free interest rate and dividend yield.

During fiscal 2020, the Company adopted the Phreesia, Inc. 2019 Employee Stock Purchase Plan ("ESPP" or "the Plan"). The Company records compensation expense based on the grant date fair value per award granted multiplied by the number of awards granted to the employee for the purchase period. The number of awards granted to the employee for the purchase period is equal to the expected employee contributions divided by 85% of the closing stock price on the offering date.

For liability-classified performance-based stock bonus awards, at the beginning of the year, the Company offers eligible employees the option to elect to receive their year-end performance bonus in stock. Bonuses settled in stock are accounted for as stock-based compensation awards vesting based on a performance condition and are classified as liabilities because they represent a liability settled in a variable number of shares.

During fiscal 2023, the Company adopted the 2023 Inducement Award Plan (the "Inducement Plan"). The Inducement Plan allows the Company to grant equity-based incentive awards including stock options, RSUs and PSUs to employees of acquired companies to induce them to join the Company.

See Note 8 - Equity-based compensation, for additional information on stock-based compensation.

(x) Fair value of financial instruments

Certain assets and liabilities are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for the sale of an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are required to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

Level 3—Unobservable inputs which are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

(y) Equity offering costs

The Company capitalizes certain legal, accounting and other third-party fees that are directly associated with in-process equity financings as deferred offering costs until such financings are consummated. After consummation of the equity financing, these costs will be recorded in stockholders' equity as a reduction of additional paid-in capital generated as a result of the offering, to the extent there are sufficient proceeds. Should the equity financing no longer be considered probable of being consummated, all deferred offering costs would be charged to operating expenses in the accompanying consolidated statements of operations.

(z) Foreign currency

The functional currency of the Company's subsidiaries and branch in the U.S. and Canada is the U.S. Dollar. The functional currency of the Company's subsidiary in India is the Indian Rupee. For subsidiaries with functional currencies other than the U.S. Dollar, the Company translates the functional currency financial statements into U.S. Dollars using the exchange rates at the balance sheet date for assets and liabilities, the period average exchange rates for revenues and expenses, and the historical exchange rates for equity transactions. The effects of foreign currency translation adjustments are recorded as accumulated other comprehensive loss within stockholders' equity in the Company's consolidated balance sheets. Foreign currency transaction gains and losses to re-measure monetary assets and liabilities into each entity's functional currency are included in Other income (expense), net in the Company's consolidated statements of operations.

(aa) Other income (expense), net

Other income (expense), net consists primarily of miscellaneous other income and expense items that are not attributable to the Company's normal ongoing operations, as well as foreign currency-related gains and losses.

(ab) Legal and loss contingencies

The Company periodically evaluates the development in litigation, claims and other legal matters. The Company records liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources when it is probable that a liability has been incurred and the amount can be reasonably estimated. The Company discloses legal proceedings when it is reasonably possible that a loss has been incurred. Legal costs incurred in connection with loss contingencies are expensed as incurred.

(ac) New accounting pronouncements

Impact of recently adopted accounting pronouncements

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-07, Segment Reporting. The new standard requires enhanced disclosures about significant segment expenses and other segment items and requires companies to disclose all annual disclosures about segments in interim periods. The new standard also permits companies to disclose more than one measure of segment profit or loss, requires disclosure of the title and position of the Chief Operating Decision Maker ("CODM"), and requires companies with a single reportable segment to provide all disclosures required by Topic 280 – Segment Reporting. The new standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. Companies are required to apply ASU 2023-07 retrospectively to all periods presented. The Company adopted ASU 2023-07 for annual periods beginning in the fiscal year ending January 31, 2025. The Company plans to adopt ASU 2023-07 for interim periods beginning in the fiscal year ending January 31, 2026. The disclosure changes that resulted from the adoption of ASU 2023-07 did not materially impact its consolidated financial statements.

During the year ended January 31, 2025, the Company did not adopt any other accounting pronouncements that materially impacted the Company's financial statements.

Recent accounting pronouncements not yet adopted

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The new standard requires companies to disclose disaggregated information related to income taxes paid and the effective tax rate. The provisions of ASU 2023-09 are effective for annual periods beginning after December 15, 2024; early adoption is permitted for annual statements. The Company plans to adopt ASU 2023-09 for annual periods beginning in the fiscal year ending January 31, 2026. The Company is currently evaluating the impact that ASU 2023-09 will have on its financial statements and related disclosures. The Company does not expect the disclosure changes that result from the adoption of ASU 2023-09 to materially impact its consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. The new standard requires companies to disclose disaggregated information about certain income statement expense line items. The provisions of ASU 2024-03 are effective for annual periods beginning after December 15, 2026, and interim reporting periods in fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company plans to adopt ASU 2024-03 for annual periods beginning in the fiscal year ending January 31, 2028 and for interim periods beginning in the fiscal year ending January 31, 2029. The Company is currently evaluating the impact that ASU 2024-03 will have on its financial statements and related disclosures. The Company does not expect the disclosure changes that result from the adoption of ASU 2024-03 to materially impact its consolidated financial statements.

There are no other recently issued accounting pronouncements the Company has not yet adopted that will materially impact the Company's consolidated financial statements.

4. Composition of certain financial statement captions

(a) Accrued expenses

Accrued expenses at January 31, 2025 and 2024 are as follows:

	January 31,	
	2025	2024
Payroll-related expenses and taxes	$ 12,016	$ 8,981
Stock-based compensation liability	6,135	5,890
Payment processing fees liability	6,578	6,008
Acquisition-related liabilities	844	1,888
Income and other tax liabilities	2,503	3,042
Information technology	4,562	5,927
Other	4,822	5,394
Total	$ 37,460	$ 37,130

(b) Other current liabilities and other long-term liabilities

Other current liabilities as of January 31, 2025 and 2024 were $0 and $5,875, respectively. Other long-term liabilities as of January 31, 2025 and 2024 were $185 and $2,857, respectively.

Other current liabilities and other long-term liabilities primarily represent deferred consideration liabilities payable to the former equity holders of ConnectOnCall.com, LLC (“ConnectOnCall”), which the Company acquired during the year ended January 31, 2024. As of January 31, 2025, the balance of other long-term liabilities was $185 and related to other post-employment benefits. See Note 17 - Acquisitions for additional information regarding the acquisition of ConnectOnCall.

On January 31, 2025, the Company and the former equity holders of ConnectOnCall entered into a settlement agreement which resulted in a reduced payment of $4,950 in full settlement of the deferred consideration liabilities. As of January 31, 2025, the outstanding balance of the deferred consideration liabilities was $0. The settlement agreement was a result of indemnification claims made by the Company against the former equity holders of ConnectOnCall stemming from the Company’s October 2023 agreement to acquire the outstanding equity of ConnectOnCall.

In connection with the settlement, the Company recorded a gain of $2,345 within Other income (expense), net. The Company included the gain as an adjustment to reconcile net loss to net cash provided by operating activities for the fiscal year ended January 31, 2025. The Company presented $4,581 and $369 of the settlement, respectively, within cash used for financing activities and cash provided by operating activities in its statements of cash flows for the fiscal year ended January 31, 2025.

(c) Property and equipment

Property and equipment at January 31, 2025 and 2024 are as follows:

	January 31,	
	2025	2024
PhreesiaPads and Arrivals Kiosks	$ 15,763	$ 18,610
Computer equipment	77,704	62,888
Computer software	14,114	11,687
Hardware development	575	576
Total property and equipment	$ 108,156	$ 93,761
Less: accumulated depreciation	(84,505)	(76,859)
Property and equipment — net	$ 23,651	$ 16,902

Depreciation expense related to property and equipment amounted to $14,183, $17,584 and $17,988 for the fiscal years ended January 31, 2025, 2024 and 2023, respectively.

Property and equipment - net and related depreciation expense includes assets acquired under finance leases. Assets acquired under finance leases included in computer equipment were $49,009 and $35,250 at January 31, 2025 and 2024, respectively. Accumulated amortization of assets under finance leases was $34,815 and $27,399 at January 31, 2025 and 2024, respectively. See Note 10 - Leases for additional information regarding finance leases.

(d) Capitalized internal-use software

For the fiscal years ended January 31, 2025, 2024 and 2023, the Company capitalized $16,846, $19,521 and $23,604 of costs related to the Company's solutions, respectively.

During the fiscal years ended January 31, 2025, 2024 and 2023 amortization expense related to capitalized internal-use software was $10,222, $9,527 and $5,945, respectively.

(e) Intangible assets and goodwill

The following presents the details of intangible assets as of January 31, 2025 and 2024.

	Useful Life (years)	January 31, 2025	January 31, 2024
Acquired technology	5 to 7	$ 9,310	$ 9,310
Customer relationship	7 to 15	17,940	17,940
License	15	6,200	6,200
Trademarks	15	3,100	3,100
Total intangible assets, gross carrying value		$ 36,550	$ 36,550
Less: accumulated amortization		(8,407)	(4,925)
Net carrying value		$ 28,143	$ 31,625

The weighted average remaining useful life for acquired technology in years was 5.1 and 6.0 as of January 31, 2025 and 2024, respectively. The remaining useful life for customer relationships in years was 11.6 and 12.4 as of January 31, 2025 and 2024, respectively. The remaining useful life for the license to the Patient Activation Measure ("PAM"®) in years was 11.8 and 12.8 as of January 31, 2025 and 2024, respectively. The remaining useful life for the trademarks in years was 13.5 and 14.5 as of January 31, 2025 and 2024, respectively.

Amortization expense associated with intangible assets for the fiscal years ended January 31, 2025, 2024 and 2023 was $3,481, $2,376 and $1,371, respectively.

The estimated amortization expense for intangible assets for the next five years and thereafter is as follows as of January 31, 2025:

	January 31, 2025
2026	$ 3,450
2027	3,157
2028	3,157
2029	3,057
Thereafter	15,322
Total	$ 28,143

The following table presents a roll-forward of goodwill for the years ended January 31, 2025 and 2024:

Balance, January 31, 2023	$ 33,736
Goodwill acquired during the year ended January 31, 2024	42,109
Balance, January 31, 2024	$ 75,845
Balance, January 31, 2025	$ 75,845

During the quarter ended October 31, 2023, the Company completed its quarterly triggering event assessments and determined that the decline in the market value of its publicly-traded stock, which resulted in a corresponding decline in its market capitalization, constituted a triggering event. Due to the decline in the Company's market capitalization during the quarter ended October 31, 2023 the Company evaluated whether changes in the

Company’s market capitalization indicated that the carrying value of goodwill in the Company’s single reporting unit was impaired. As of October 31, 2023, the Company’s market capitalization exceeded the carrying value of the Company’s equity by over 100%. As a result, the Company did not believe that changes in the Company’s market capitalization during the quarter ended October 31, 2023 indicated that that the carrying amount of the Company’s goodwill was impaired as of October 31, 2023.

As of January 31, 2024, the Company's market capitalization also exceeded the carrying amount of the Company's equity by over 100%. As a result, the Company did not believe that the Company’s goodwill was impaired as of January 31, 2024. No other triggering events occurred during fiscal 2024 or 2025.

As of January 31, 2025, the Company determined that it was more likely than not that the fair value of its single reporting unit exceeded its carrying value. As a result, the Company did not believe that the Company’s goodwill was impaired as of January 31, 2025.

The Company did not record any impairments of goodwill during the years ended January 31, 2025, 2024 or 2023.

(f) Accounts receivable

Accounts Receivable as of January 31, 2025 and 2024 are as follows:

	January 31,	
	2025	2024
Billed	$ 70,342	$ 62,880
Unbilled	4,743	3,375
Total accounts receivable, gross	$ 75,085	$ 66,255
Less: accounts receivable allowances	(1,468)	(1,392)
Total accounts receivable	$ 73,617	$ 64,863

Activity in the Company's allowance for doubtful accounts was as follows for the years ended January 31, 2025 and 2024:

Balance, January 31, 2023	$ 1,053
Bad debt expense	377
Increases due to acquisitions	681
Write-offs and adjustments	(719)
Balance, January 31, 2024	$ 1,392
Bad debt expense	1,054
Write-offs and adjustments	(978)
Balance, January 31, 2025	$ 1,468

The Company’s allowance for doubtful accounts represents the current estimate of expected future losses based on prior bad debt experience as well as considerations for specific customers as applicable. The Company's accounts receivable are considered past due when they are outstanding past the due date listed on the invoice to the customer. Write-offs of accounts receivable were not material during the fiscal years ended January 31, 2025, 2024 or 2023

(g) Prepaid and other current assets

Prepaid and other current assets as of January 31, 2025 and 2024 are as follows:

	January 31,	
	2025	2024
Prepaid software and business systems	$ 6,849	$ 4,922
Prepaid data center expenses	3,558	3,872
Prepaid insurance	912	1,257
Other prepaid expenses and other current assets	4,552	4,410
Total prepaid and other current assets	$ 15,871	$ 14,461

(h) Cloud computing implementation costs

The Company enters into cloud computing service contracts to support its sales and marketing, product development and administrative activities. The Company capitalizes certain implementation costs for cloud computing arrangements that meet the definition of a service contract. The Company includes these capitalized implementation costs within prepaid expenses and other current assets and within other assets on its consolidated balance sheets. Once placed in service, the Company amortizes these costs over the remaining subscription term to the same caption in the consolidated statements of operations as the related cloud subscription. Capitalized implementation costs for cloud computing arrangements accounted for as service contracts were $1,532 as of January 31, 2025 and 2024, respectively. Accumulated amortization of capitalized implementation costs for these arrangements was $1,432 and $1,021 as of January 31, 2025 and 2024, respectively.

(i) Other income (expense), net

Other income (expense), net for the years ended January 31, 2025, 2024 and 2023 was income of $1,956, income of $44 and expense of $175, respectively. Other income, net for the year ended January 31, 2025 included a $2,345 gain on the ConnectOnCall settlement, partially offset by foreign exchange losses. See Note 4 (b) above for additional information regarding the ConnectOnCall settlement. Other income (expense), net for the years ended January 31, 2024 and 2023 were composed primarily of foreign exchange gains and losses, as well as miscellaneous other income and expense.

5. Revenue and contract costs

(a) Disaggregation of revenue

Revenue from the Company’s contracts with its customers are disaggregated by service offering on the accompanying consolidated statements of operations. The Company’s core service offerings are subscription and related services, payment processing fees, digital marketing solutions sold to life sciences companies and other organizations. In addition, substantially all of the Company’s revenue is derived from customers in the United States.

(b) Remaining performance obligations

The Company does not disclose the value of unsatisfied performance obligations as the majority of its contracts relate to either contracts with an original term of one year or less or contracts with variable consideration (i.e., the Company’s payment processing fees revenue).

(c) Contract balances

Unbilled accounts receivable is a contract asset related to the delivery of the Company’s subscription and related services and for its life sciences revenue for which the related billings will occur in a future period. Contract assets and contract liabilities are reported on a net basis for each customer contract. Deferred revenue is a contract liability primarily related to billings in advance of revenue recognition from the Company's subscription and life sciences services and, to a lesser extent, professional services and other revenues described above. Deferred revenue is recognized as the Company satisfies its performance obligations. The Company generally invoices its customers in monthly or quarterly installments for subscription services. Accordingly, the deferred revenue balance does not generally represent the total contract value of a subscription arrangement. Deferred revenue that will be recognized during the succeeding 12-month period is recorded as current deferred revenue on the accompanying consolidated balance sheets. Deferred revenue that will be recognized subsequent to the succeeding 12-month period is recorded as long-term deferred revenue on the accompanying consolidated balance sheets.

The following table represents a roll-forward of contract assets:

	January 31,	
	2025	2024
Beginning balance	$ 3,375	$ 989
Amount transferred to receivables from beginning balance of contract assets	(3,375)	(989)
Contract asset additions, net of reclassification to receivables	4,743	3,375
Ending balance	$ 4,743	$ 3,375

The following table represents a roll-forward of deferred revenue:

	January 31,	
	2025	2024
Beginning balance	$ 24,210	$ 17,813
Revenue recognized that was included in deferred revenue at the beginning of the period	(23,335)	(17,388)
Deferred revenue added from acquisitions	—	5,665
Other current year activity in deferred revenue	32,002	18,120
Ending balance	$ 32,877	$ 24,210

(d) Cost to obtain a contract

The Company capitalizes certain incremental costs to obtain customer contracts and amortizes these costs over a period of benefit that the Company has estimated to be three to five years. The Company determined the period of benefit by taking into consideration its customer contracts, its technology and other factors. Amortization expense is included in sales and marketing expenses in the accompanying consolidated statements of operations and totaled $1,815 and $1,056 for the years ended January 31, 2025 and 2024, respectively. The Company periodically reviews these deferred contract acquisition costs to determine whether events or changes in circumstances have occurred that could impact the period of benefit. During the year ended January 31, 2025, the Company updated its estimate of the period of benefit from five years to three years for certain deferred contract acquisition costs. The Company recorded $1,198 of additional amortization during the year ended January 31, 2025 to amortize deferred contract amortization costs over their updated remaining period of benefit. There were no impairment losses recorded during the periods presented.

The following table represents a roll-forward of deferred contract acquisition costs:

	January 31,	
	2025	2024
Beginning balance	$ 1,754	$ 2,810
Additions to deferred contract acquisition costs	1,045	—
Amortization of deferred contract acquisition costs	(1,815)	(1,056)
Ending balance	$ 984	$ 1,754
Deferred contract acquisition costs, current (to be amortized in next 12 months)	$ 401	$ 768
Deferred contract acquisition costs, non-current	583	986
Total deferred contract acquisition costs	$ 984	$ 1,754

6. Finance leases and other debt

As of January 31, 2025 and 2024, the Company had the following outstanding finance lease liabilities and other debt:

	January 31,	
	2025	2024
Finance leases	$ 14,256	$ 8,309
Financing arrangements	1,913	3,124
Accrued interest and payments	24	23
Total finance lease liabilities and other debt	$ 16,193	$ 11,456
Less: current portion of finance lease liabilities and other debt	(8,043)	(6,056)
Long-term finance lease liabilities and other debt	$ 8,150	$ 5,400

(a) Finance leases

See Note 10 - Leases for more information regarding finance leases.

(b) Financing agreements

In June 2023, the Company entered into a software licensing financing agreement (the "financing agreement") in order to finance its software and service licenses. As of January 31, 2025, there was $1,913 in outstanding principal and interest due under the financing agreement. The financing agreement requires the Company to pay $123 per month for 36 months beginning August 2023. The effective interest rate on the financing agreement is 10.5% per annum.

(c) Amended and Restated Loan and Security Agreement with Silicon Valley Bank (“SVB”)

In February 2019 (the "Effective Date"), the Company entered into the Amended and Restated Loan and Security Agreement (the "First SVB Facility") that provided for a $20,000 term loan.

In May 2020 (the "Second SVB Effective Date"), the Company entered into the Second Amended and Restated Loan and Security Agreement (the “Second SVB Facility”) to modify the First SVB Facility. The Second SVB Facility provided for a revolving credit facility with an initial borrowing capacity of $50,000.

In March 2022 (the "Third SVB Effective Date"), the Company entered into a First Loan Modification Agreement to the Second SVB Facility (as amended, the "Third SVB Facility") to increase the borrowing capacity from $50,000 to $100,000 and to reduce the interest rate on the facility. Borrowings under the Third SVB Facility were payable in May 2025. Borrowings under the Third SVB Facility bore interest, which was payable monthly, at a floating rate equal to the greater of 3.25% or the Wall Street Journal Prime Rate minus 0.5%. In addition to principal and interest due under the revolving credit facility, the Company was required to pay an annual commitment fee of approximately $250 per year and a quarterly fee of 0.15% per annum of the average unused revolving line under the facility.

In December 2023, the Company terminated the Third SVB Facility. The Company recorded a $1,118 loss on extinguishment of debt in connection with the termination of the Third SVB Facility.

(d) Capital One Credit Agreement

In December 2023, the Company entered into a Credit Agreement (the "Credit Agreement") for a new 5-year $50,000 senior secured asset-based revolving credit facility ("Capital One Credit Facility") maturing in December 2028, which includes a swingline sub-limit of at least $5,000 and a letter of credit sub-limit of at least $5,000. The new Capital One Credit Facility was entered into with Capital One acting as administrative agent and replaced our previous senior secured revolving credit facility with SVB. The Capital One Credit Facility will give the Company additional financial flexibility, through the facility’s five-year term. The facility is available to the Company for working capital and general corporate purposes. The Capital One Credit Facility bears interest at a rate per annum based on the Secured Overnight Financing Rate (“SOFR”) or a Base Rate as specified in the Credit Agreement. As of January 31, 2025, the interest rate on the Capital One Credit Facility was 7.4%. In addition to principal and interest due under the Capital One Credit Facility, the Company is required to pay an annual fee equal to 0.25% of the unused balance of the facility. Additionally, the Company incurred creditor and third-party fees of $778 upon entering into the Capital One Credit Facility. The Company recorded the fees to deferred financing costs, included within

other assets on its consolidated balance sheets, and will amortize the costs over the term of the Capital One Credit Facility.

The obligations under the Capital One Credit Facility are secured by a first priority security interest in substantially all of the tangible and intangible assets at certain of the Company's U.S. subsidiaries, and by pledges of the equity of certain of the Company's U.S. subsidiaries, in each case subject to customary exclusions.

The Capital One Credit Facility includes financial covenants including, but not limited to requiring the Company to maintain minimum Consolidated EBITDA, minimum Liquidity, a minimum Consolidated Fixed Charge Coverage Ratio a restriction on the amount of dividends and limiting the amount of cash and cash equivalents the Company holds outside Capital One, each as defined in the Credit Agreement. The Company was in compliance with all covenants related to the Credit Agreement as of January 31, 2025.

Maturities of finance leases and other debt in each of the next five years and thereafter are as follows:

	Total	Finance Leases	Other Debt
Fiscal year ending January 31,			
2026	$ 8,043	$ 6,825	$ 1,218
2027	6,033	5,314	719
2028	2,117	2,117	—
Total maturities of finance leases and other debt	$ 16,193	$ 14,256	$ 1,937

The following table presents the components of interest income, net:

	Fiscal years ended January 31,		
	2025	2024	2023
Interest expense [(1)]	$ (2,347)	$ (1,854)	$ (1,411)
Interest income	2,677	4,065	2,475
Interest income, net	$ 330	$ 2,211	$ 1,064

[(1)] Includes amortization of deferred financing costs and original issue discount

7. Stockholders' equity

(a) Common stock

The Company closed its initial public offering (“IPO”) on July 22, 2019 and filed an Amended and Restated Certificate of Incorporation authorizing the issuance of up to 500,000,000 shares of common stock, par value $0.01 per share.

In connection with the acquisition of Comsort, Inc. d/b/a MediFind (“MediFind”), on June 30, 2023, the Company issued 150,786 shares of its common stock, to the former owners of MediFind as partial consideration to acquire MediFind. On July 3, 2023, the Company filed a prospectus supplement to register the shares with the SEC.

In connection with the acquisition of Access eForms, LLC (“Access”), on August 11, 2023, the Company issued 1,096,436 shares of its common stock, to the former members of Access as partial consideration to acquire Access. On August 14, 2023, the Company filed a prospectus supplement to register the shares with the SEC.

(b) Treasury stock

The Company's equity-based compensation plan allows for the grant of non-vested stock options, restricted stock units (“RSUs”) and total shareholder return ("TSR") performance-based stock units ("PSUs") to its employees pursuant to the terms of its stock option and incentive plans (See Note 8). Until September 2023, under the provision of the plans, for RSU and PSU awards, unless otherwise elected, employee participants fulfilled their related income tax withholding obligation by having shares withheld at the time of vesting. The shares withheld were then transferred to the Company's treasury stock at cost.

Beginning in September 2023, employee participants fulfilled their related tax withholding obligation by selling vested shares at the time of vesting in non-discretionary transactions pursuant to the Company’s mandatory sell-to-cover policy (sell-to-cover). The proceeds from the employee participants’ sales of vested shares are remitted to the Company to cover the tax withholding payments to tax authorities. No shares are transferred to the Company’s treasury stock in connection with tax withholdings funded by an employee participant’s sale of vested shares to cover taxes.

(c) Accumulated other comprehensive loss

Activity in accumulated other comprehensive loss was as follows for the fiscal year ended January 31, 2025:

	Foreign Currency Translation Adjustment	Accumulated Other Comprehensive Loss
Balance as of January 31, 2024	$ —	$ —
Other comprehensive loss	(51)	(51)
Balance as of January 31, 2025	$ (51)	$ (51)

There was no balance or activity in accumulated other comprehensive loss prior to January 31, 2024. The amounts set forth in the table above are presented net of tax. There were no amounts reclassified from accumulated other comprehensive loss into net loss during the fiscal year ended January 31, 2025.

8. Equity-based compensation

(a) Equity award plans

In January 2018, the Board of Directors adopted the Company’s 2018 Stock Option Plan as amended, (the "2018 Stock Option Plan") which provided for the issuance of options to purchase up to 3,048,490 shares of the Company’s common stock to officers, directors, employees, and consultants. The option exercise price per share is determined by the Board of Directors based on the estimated fair value of the Company’s common stock.

In June 2019, the Board of Directors adopted the Company’s 2019 Stock Option and Incentive Plan (the "2019 Plan"), which replaced the 2018 Stock Option Plan upon the completion of the IPO. The 2019 Plan allows the Compensation Committee of the Board of Directors (the "Compensation Committee") to make equity-based incentive awards including stock options, RSUs and PSUs to the Company’s officers, employees, directors, and consultants. The initial reserve for the issuance of awards under this plan was 2,139,683 shares of common stock. The initial number of shares reserved and available for issuance automatically increased on February 1, 2020 and automatically increases each February 1 thereafter by 5% of the number of shares of common stock outstanding on the immediately preceding January 31 (or such lesser number of shares determined by the Compensation Committee). As the 2018 Stock Option Plan was replaced by the 2019 Plan, all grants of stock options, RSUs and PSUs during the years ended January 31, 2025, 2024 and 2023 were made pursuant to the 2019 plan, respectively.

In June 2019, the Board of Directors also adopted the Company's 2019 Employee Stock Purchase Plan (the "ESPP"), which became effective immediately prior to the effectiveness of the registration statement for the Company’s initial public offering. The total shares of common stock initially reserved under the ESPP was limited to 855,873 shares.

The Company's incentive bonuses allow eligible employees to elect to receive all or a portion of their incentive compensation in the form of immediately vested restricted stock units instead of cash.

In July 2023, the Board of Directors also adopted the Company’s 2023 Inducement Award Plan (the “Inducement Plan”). The Inducement Plan allows the Compensation Committee of the Board of Directors (the "Compensation Committee") or its delegates to make equity-based incentive awards including stock options, RSUs and PSUs to employees of acquired companies to induce them to join the Company. The total shares of common stock initially reserved under the Inducement Plan was 500,000 shares.

As of January 31, 2025, there are 5,120,841 shares available for future grant pursuant to the 2019 Plan after factoring in the automatic increase that occurs on February 1 of each fiscal year, as well as an additional 279,958 shares available for future grant pursuant to the ESPP. The ESPP has two six-month offering periods each calendar year beginning in January and July. The ESPP allows eligible employees to purchase shares of the Company’s common stock at a 15% discount through payroll deductions. As of January 31, 2025, there were 12,747 outstanding restricted stock units and 482,658 shares available for future grant under the Inducement Plan.

(b) Summary of stock-based compensation

The following table sets forth stock-based compensation by type of award:

	For the fiscal years ended January 31,		
	2025	2024	2023
RSUs	$ 44,696	$ 53,474	$ 42,214
PSUs	13,174	9,206	7,282
Liability awards	9,316	9,047	7,641
ESPP	1,149	1,256	1,521
Stock options	2	45	1,489
Total stock-based compensation	$ 68,337	$ 73,028	$ 60,147

The following table sets forth the presentation of stock-based compensation in the Company's consolidated financial statements:

	For the fiscal years ended January 31,		
	2025	2024	2023
Stock-based compensation expense recorded to additional paid-in capital	$ 59,021	$ 63,981	$ 52,506
Stock-based compensation expense recorded to accrued expenses	9,316	9,047	7,641
Total stock-based compensation	$ 68,337	$ 73,028	$ 60,147
Less: stock-based compensation expense capitalized as internal-use software	(1,362)	(1,415)	(1,372)
Stock-based compensation expense per consolidated statements of operations	$ 66,975	$ 71,613	$ 58,775

The Company has not recognized and does not expect to recognize in the foreseeable future, any tax benefit related to employee stock-based compensation expense. During the year ended January 31, 2025, the Company reduced stock compensation expense by $1,333, for improbable-to-probable modifications of stock compensation awards.

(c) Restricted stock units

The Company has issued RSUs to employees and independent directors that vest based on a time-based condition. RSUs granted to employees prior to January 2021, pursuant to a time-based condition, 10% of the restricted stock units vest after one year, 20% vest after two years, 30% vest after three years and 40% vest after four years (“10/20/30/40”). The restricted stock units expire seven years from the grant date.

During the year ended January 31, 2023, the Company modified the vesting of RSUs granted subsequent to January 1, 2021 for employees other than its named executive officers listed in its 2022 proxy statement ("2022 NEOs") and other members of its executive management team. Pursuant to the modified vesting schedule, RSUs granted after January 1, 2021 for employees other than 2022 NEOs and other members of its executive management team, vest 6.25% each quarter over four years based on continued service. For 2022 NEOs and other members of the Company's executive management team, RSUs granted from January 1, 2022 through December 31, 2022 vest 6.25% each quarter over four years based on continued service. RSUs granted during fiscal 2024 vest 25% each year over four years based on continued service and RSUs granted during fiscal 2025 generally vest following a 10/20/30/40 vesting schedule.

Additionally, at the beginning of each fiscal year, the Company provides certain employees the option to settle their incentive bonus in immediately vested RSUs. RSUs granted to settle bonus awards are included in RSUs granted and vested in the table below. See section (g) Liability awards below for additional information regarding share-settled bonus awards.

	Restricted stock units
Unvested, January 31, 2022	3,133,839
Granted during year	2,907,838
Vested	(1,626,679)
Forfeited and expired	(497,245)
Unvested, January 31, 2023	3,917,753
Granted during year [(1)]	2,419,679
Vested	(1,912,432)
Forfeited and expired	(624,790)
Unvested, January 31, 2024	3,800,210
Granted during year	2,135,391
Vested	(1,897,716)
Forfeited and expired	(439,937)
Unvested, January 31, 2025	3,597,948

[(1)] Includes 24,125 awards granted pursuant to the 2023 Inducement Award Plan.

As of January 31, 2025, there is $79,743 remaining of total unrecognized compensation costs related to these awards. The total unrecognized costs are expected to be recognized over a weighted-average term of 2.6 years.

For the years ended January 31, 2025, 2024 and 2023, the weighted average grant date fair value of restricted stock units granted was $21.93, $29.08 and $26.79 respectively.

(d) Stock options

Options granted under the equity award plans have a maximum term of ten years and vest over a period determined by the Board of Directors (generally four years from the date of grant or the commencement of the grantee's employment with the Company). Options generally vest 25% at the one-year anniversary of the grant date, after which point they generally vest pro rata on a monthly basis.

Stock option activity for the fiscal years ended January 31, 2025, 2024 and 2023 is as follows:

	Number of options	Weighted-average exercise price	Weighted-average remaining contractual life (in years)	Aggregate intrinsic value
Outstanding — January 31, 2022	1,705,150	$ 6.01		
Granted during the year	—	$ —		
Exercised	(311,743)	$ 4.92		
Forfeited and expired	(8,214)	$ 4.68		
Outstanding and expected to vest — January 31, 2023	1,385,193	$ 6.26	5.06	$ 43,341
Outstanding — January 31, 2023	1,385,193	$ 6.26		
Granted during the year	—	$ —		
Exercised	(249,247)	$ 3.42		
Forfeited and expired	(12,508)	$ 5.87		
Outstanding and expected to vest — January 31, 2024	1,123,438	$ 6.89	4.54	$ 20,884
Outstanding — January 31, 2024	1,123,438	$ 6.89		
Granted during the year	—	$ —		
Exercised	(220,523)	$ 4.64		
Forfeited and expired	(3,534)	$ 20.67		
Outstanding and expected to vest — January 31, 2025	899,381	$ 7.39	3.66	$ 18,952
Exercisable — January 31, 2025	899,381	$ 7.39	3.66	$ 18,952
Amount vested during year ended January 31, 2025	—	$ —		

The aggregate intrinsic value represents the total pre-tax intrinsic value (the difference between the Company’s estimated stock price at the time of exercise and the exercise price, multiplied by the number of related in-the-money options) that would have been received by the option holders had they exercised their options at the end of the period. This amount changes based on the market value of the Company’s common stock. The total intrinsic value of options exercised for the years ended January 31, 2025, 2024 and 2023 (based on the difference between the Company’s estimated stock price on the exercise date and the respective exercise price, multiplied by the number of options exercised), was $4,210, $6,059 and $6,970, respectively.

As of January 31, 2025, all compensation cost related to stock options issued to employees has been recorded and there is no unrecognized compensation cost remaining related to stock options issued to employees.

(e) TSR performance-based stock units ("PSUs")

The Company grants PSUs to certain members of its management team. PSUs vest over approximately three years from the grant date upon satisfaction of both time-based requirements and market targets based on Phreesia's TSR relative to the TSR of each member of the Russell 3000 Index (the "Peer Group"). Depending on the percentage level at which the market-based condition is satisfied, the number of shares vesting could be between 0% and 220% of the number of PSUs originally granted. PSUs granted during the years ended January 31, 2025, 2024 and 2023 vest in a maximum of 220% of the number of PSUs originally granted. To earn the target number of PSUs (which represents 100% of the number of PSUs granted), the Company must perform at the 55th percentile for PSUs granted in fiscal 2025 and the 60th percentile for PSUs granted in fiscal 2024 and 2023, with the maximum

number of PSUs earned if the Company performed at least at the 90th percentile. If Phreesia's TSR for the performance period is negative, the maximum number of PSUs that can be earned will be capped at 100%.

The Company estimated the fair value of the PSUs using a Monte Carlo Simulation model that projected TSR for Phreesia and each member of the Peer Group over the performance period. The Company recognizes the grant date fair value of PSUs as compensation expense over the vesting period.

The fair value of the PSUs granted during the fiscal years ended January 31, 2025, 2024 and 2023, respectively, was estimated using the following assumptions:

	Fiscal years ended January 31,		
	2025	2024	2023
Correlation coefficient	0.5305	0.5238	0.4957
Valuation date stock price	$ 25.19	$ 22.94	$ 35.41
Simulation term	3.0 years	3.0 years	3.0 years
Volatility	64.18 %	64.58 %	64.98 %
Risk-free rate	4.24 %	4.05 %	3.84 %
Dividend yield	— %	— %	— %
Weighted average fair value of grants	$ 42.86	$ 36.42	$ 56.52

Market-based PSU activity for the years ended January 31, 2025, 2024 and 2023 are as follows:

	Performance stock units
Outstanding, February 1, 2022	396,216
Granted during the year ended January 31, 2023	255,572
Vested	—
Forfeited and expired	(3,555)
Outstanding, February 1, 2023	648,233
Granted during the year ended January 31, 2024	576,680
Vested	(67,251)
Forfeited	(117,443)
Outstanding, February 1, 2024	1,040,219
Granted during the year ended January 31, 2025	434,269
Vested	(255,269)
Forfeited	(14,248)
Outstanding, January 31, 2025	1,204,971

During the fiscal year ended January 31, 2025, the PSUs granted in fiscal 2022 vested at a 53.50% payout based upon the relative TSR performance achieved during the performance period, which was approved by the Company’s Board of Directors.

As of January 31, 2025, unrecognized compensation cost for the PSUs was $34,528, to be recognized over a weighted average remaining vesting period of 2.4 years, subject to the participants' continued employment with the Company.

(f) Employee stock purchase plan

The ESPP is a compensatory plan because it provides participants with terms that are more favorable than those offered to other holders of the Company's common stock. Employees purchase shares at the lesser of (1) 85% of the closing stock price on the first day of the offering period or (2) 85% of the closing stock price on the last day of the offering period. The ESPP is structured as a qualified employee stock purchase plan under Section 423 of the U.S. Internal Revenue Code of 1986.

The fair value of shares granted under the ESPP during the year ended January 31, 2025 was estimated using a Black-Scholes pricing model with the following assumptions:

	Year ended January 31, 2025	Year ended January 31, 2024	Year ended January 31, 2023
Risk-free interest rate	4.74 %	5.30 %	3.68 %
Expected dividends	none	none	none
Expected term (in years)	0.49 years	0.49 years	0.47 years
Volatility	52.96 %	62.41 %	74.78 %

During the fiscal years ended January 31, 2025, 2024 and 2023, the Company issued 158,262, 141,121 and 162,154 shares of common stock, respectively, for the ESPP. In connection with these issuances, during the years ended January 31, 2025, 2024 and 2023 the Company recorded increases of $2,819, $3,235 and $3,470, respectively, to additional paid-in capital within stockholders' equity. As of January 31, 2025, unrecognized compensation cost related to the ESPP was $463, to be recognized over the next five months.

(g) Liability awards

At the beginning of each year, the Company provides eligible employees the option to elect to receive all or a portion of their incentive compensation in the form of immediately vested restricted stock units instead of cash. Restricted stock units issued to settle liability awards are covered by the 2019 Plan. Share-settled bonus awards will be settled at a value equal to 115% of the cash bonuses. These share-settled bonus awards vest based on the achievement of the Company's predefined performance targets. As share-settled bonus awards will be settled in a variable number of shares, the Company classifies share-settled bonus awards as liabilities, within accrued expenses in the accompanying consolidated balance sheets until they are settled in shares and included in stockholders' equity. The Company's share-settled bonus awards are settled semiannually. During the year-ended January 31, 2025, the Company settled $9,071 of share-settled bonus awards by issuing 406,427 immediately vested RSUs. See (c) Restricted Stock Units above for additional discussion regarding RSUs.

9. Fair value measurements

The following table presents information about the Company's assets and liabilities that are measured at fair value as of January 31, 2025 and indicates the classification of each item within the fair value hierarchy:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of January 31, 2025
Money market mutual funds	$ 66,588	$ —	$ —	$ 66,588
Total assets	$ 66,588	$ —	$ —	$ 66,588

The following table presents information about the Company's assets and liabilities that are measured at fair value as of January 31, 2024 and indicates the classification of each item within the fair value hierarchy:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of January 31, 2024
Money market mutual funds	$ 58,942	$ —	$ —	$ 58,942
Total assets	$ 58,942	$ —	$ —	$ 58,942

The carrying value of the Company's short-term financial instruments, including accounts receivable and accounts payable approximate fair value due to the short-term nature of these instruments. As of January 31, 2025, the carrying value of the Company's debt approximated fair value because the interest rates approximated market rates and the related maturities are relatively short-term.

The Company did not have any transfers of assets and liabilities between levels of the fair value measurement hierarchy during both the years ended January 31, 2025 and 2024.

10. Leases

(a) Phreesia as Lessee

The Company leases third-party data center space and office space in the U.S under operating leases that expire on various dates through July 2027. Certain of these arrangements have escalating rent payment provisions or optional renewal clauses. The table below only considers lease obligations through the renewal date as the Company is not reasonably certain to elect the option to extend its leases beyond the option date. No arrangements contain residual value guarantees or restrictions imposed on the leases. The Company is also committed to pay a portion of the actual operating expenses under certain of these lease agreements. These operating expenses are not included in the table below.

The Company has also entered into various finance lease arrangements for computer equipment. These agreements are typically for three to five years and are secured by the underlying equipment.

Supplemental balance sheet information related to operating and finance leases as of January 31, 2025 and 2024 was as follows:

	January 31,	
	2025	2024
Operating leases:		
Lease right-of-use assets	$ 1,477	$ 266
Lease liabilities, current	$ 964	$ 393
Lease liabilities, non-current	646	134
Total operating lease liabilities	$ 1,610	$ 527
Finance leases:		
Property and equipment, at cost	$ 49,009	$ 35,250
Accumulated depreciation	(34,815)	(27,399)
Property and equipment, net	$ 14,194	$ 7,851
Lease liabilities, current (included in Current portion of finance lease liabilities and other debt)	$ 6,825	$ 4,958
Lease liabilities, non-current (included in Long-term finance lease liabilities and other debt)	7,431	3,351
Total finance lease liabilities	$ 14,256	$ 8,309

For office leases and leased equipment, the Company has elected the practical expedient to not separate lease and non-lease components, and as such, the variable lease cost primarily represents variable payments such as common area maintenance, utilities and equipment maintenance.

As of January 31, 2025, for operating leases, the weighted-average remaining lease term is 1.8 years and the weighted-average discount rate is 8.0%. As of January 31, 2025, for finance leases, the weighted-average remaining lease term is 1.6 years and the weighted-average discount rate is 7.5%.

The components of lease expense for the years ended January 31, 2025, 2024 and 2023 were as follows:

	Fiscal years ended January 31,		
	2025	2024	2023
Operating leases:			
Operating lease cost	$ 983	$ 740	$ 1,835
Variable lease cost	—	47	62
Total operating lease cost	$ 983	$ 787	$ 1,897
Finance leases:			
Amortization of right-of-use assets	$ 7,416	$ 6,742	$ 5,632
Interest on lease liabilities	980	580	368
Total finance lease cost	$ 8,396	$ 7,322	$ 6,000

Amortization of right-of-use assets for finance leases is included within depreciation expense on the Company's consolidated statements of operations.

The following represents a schedule of maturing lease commitments for operating and finance leases as of January 31, 2025:

	January 31, 2025	
	Operating	Finance
Maturity of lease liabilities		
Fiscal year ending January 31,		
2026	$ 1,053	$ 7,705
2027	583	5,688
2028	85	2,169
Total future minimum lease payments	$ 1,721	$ 15,562
Less: interest	(111)	(1,306)
Present value of lease liabilities	$ 1,610	$ 14,256

Other supplemental cash flow information for the years ended January 31, 2025, 2024 and 2023 was as follows:

	Fiscal years ended January 31,		
	2025	2024	2023
Supplemental cash flow information			
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash used for operating leases	$ 1,023	$ 1,238	$ 1,347
Operating cash used for finance leases	$ 980	$ 535	$ 396
Financing cash used for finance leases	$ 7,811	$ 6,779	$ 5,731

(b) Phreesia as Lessor

In connection with the patient intake and registration process, Phreesia offers its customers the ability to lease PhreesiaPads and Arrivals Kiosks along with their monthly subscription. The Company accounts for these rentals as leases. The Company elected the practical expedient to not separate lease and non-lease components. More specifically, all contractual hardware maintenance is included with the hardware lease components. The leases contain no variable lease payments, no options to extend the lease that are reasonably certain to be exercised, and do not give the lessee an option to purchase the hardware at the end of the lease term. Additionally, the lease term does not represent a major part of the remaining economic life of the assets, and the present value of the lease payments does not equal or exceed substantially all of the fair value of the assets. As a result, all leased hardware in the SaaS arrangements is classified as operating leases.

During the years ended January 31, 2025, 2024 and 2023, the Company recognized $9,329, $10,307 and $10,197, respectively in subscription and related services revenue related to the leasing of PhreesiaPads and Arrivals Kiosks.

Future lease payments receivable under operating leases were immaterial as of January 31, 2025 and 2024, except for those with terms of one year or less.

11. Commitments and contingencies

(a) Indemnifications

The Company's agreements with certain customers include certain provisions for indemnifying customers against liabilities if its services infringe a third-party's intellectual property rights. It is not possible to determine the maximum potential amount under these indemnification obligations due to the limited history of prior indemnification claims and the unique facts and circumstances that may be involved in each particular agreement. To date, the Company has not incurred any material costs as a result of such provisions and has not accrued any liabilities related to such obligations in its consolidated financial statements.

In addition, the Company has indemnification agreements with its directors and its executive officers that require it, among other things, to indemnify its directors and executive officers for costs associated with any fees, expenses, judgments, fines and settlement amounts incurred by any of those persons in any action or proceeding to which any of those persons is, or is threatened to be, made a party by reason of the person's service as a director or officer, including any action by us, arising out of that person's services as a director or officer or that person's services

provided to any other company or enterprise at the Company's request. The Company maintains director and officer insurance coverage that may enable it to recover a portion of any future indemnification amounts paid. To date, there have been no claims under any of the Company's directors and executive officers indemnification provisions.

(b) Legal proceedings

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Legal costs incurred in connection with loss contingencies are expensed as incurred.

We are involved in legal proceedings from time to time that arise in the normal course of business. In the opinion of management, such routine claims and lawsuits are not significant, and we do not expect them to have a material adverse effect on our business, financial condition, results of operations, or liquidity, except as noted below.

On May 12, 2024, we learned of a cybersecurity incident impacting the ConnectOnCall service, an application created by a subsidiary we acquired in October 2023. All systems have been restored, and we believe that we maintain a sufficient level of insurance coverage related to such events, and the related incremental costs incurred to date are not material.

On December 24, 2024, a putative class action complaint was filed against ConnectOnCall.com, LLC and Phreesia, Inc., in the United States District Court for the Eastern District of New York (the "ConnectOnCall Case"). The plaintiff purports to represent a nationwide class of all individuals in the United States who allegedly had personally identifiable information stolen because of the ConnectOnCall incident. The plaintiff asserts a variety of common law claims seeking monetary damages, disgorgement and restitution, attorneys' fees, interest, and injunctive relief related to the incident.

Around the same time as the ConnectOnCall Case was filed, 12 additional putative class action complaints arising from the ConnectOnCall incident were filed in the United States District Court for the Eastern District of New York—against ConnectOnCall.com, LLC, Phreesia, Inc., or a combination of both—purporting to represent the same nationwide class of individuals and asserting substantially the same claims. Motions have been granted to consolidate the 13 filed cases.

We expect to incur legal and professional services expenses associated with this litigation in future periods. We will recognize these expenses as services are received, net of probable insurance recoveries. While a loss from these matters is reasonably possible, we cannot reasonably estimate a range of possible losses at this time, as the proceedings remain in the early stages, alleged damages have not been specified, there is uncertainty as to the likelihood of the cases being certified or the ultimate size of any class if certified, and there are significant factual and legal issues to be resolved. We have not recorded a loss contingency liability for the above litigation as of January 31, 2025.

(c) Other contractual commitments

Other contractual commitments consist primarily of non-cancelable purchase commitments to support our technology infrastructure. Future minimum payments under our non-cancelable contractual commitments as of January 31, 2025 are presented in the table below.

	Purchase obligations
Fiscal year ending January 31,	
2026	$ 7,898
2027	5,281
2028	2,280
2029	742
Total	$ 16,201

12. Income taxes

The Company recorded a tax provision of $2,716, $1,543 and $483, for the years ended January 31, 2025, 2024 and 2023, respectively. The Company's provision for income taxes was 4.9%, 1.1% and 0.3% of loss before income taxes for the years ended January 31, 2025, 2024 and 2023, respectively. The Company's effective tax rate differs from the U.S. statutory tax rate of 21% primarily because the Company records a valuation allowance against its

U.S. deferred tax assets, and due to foreign income tax expense related to its Canadian branch and its subsidiary in India.

Deferred tax assets and deferred tax liabilities are recognized based on temporary differences between the financial reporting and tax basis of assets and liabilities using statutory rates. Management of the Company has evaluated the positive and negative evidence pertaining to the realizability of its deferred tax assets, including the Company's history of losses, and concluded that it is more likely than not that the Company will not recognize the benefits for the majority of its deferred tax assets. On the basis of this evaluation, the Company has recorded a valuation allowance against its deferred tax assets that are not more likely than not to be realized at both January 31, 2025 and 2024.

The Company's loss before income taxes was primarily generated in the United States for fiscal 2025, 2024 and 2023.

The Company's income tax provision consisted of the following for fiscal 2025, 2024 and 2023:

	Fiscal years ended January 31,		
	2025	2024	2023
Current tax			
Federal	$ —	$ —	$ —
State	102	76	49
Foreign	2,400	1,239	—
Deferred tax			
Federal	214	38	109
State	—	—	—
Foreign	—	190	325
Total provision for income taxes	$ 2,716	$ 1,543	$ 483

A reconciliation of the statutory U.S. federal income tax rate to the Company's effective tax rate for fiscal 2025, 2024 and 2023 is as follows:

	Fiscal years ended January 31,		
	2025	2024	2023
Federal income tax benefit at statutory rate	21 %	21 %	21 %
State and local tax, net of federal benefit	4 %	3 %	5 %
Permanent differences	1 %	— %	— %
Equity compensation	(6)%	— %	— %
Foreign taxes	(3)%	(1)%	— %
Other	— %	— %	— %
Change in valuation allowance	(22)%	(24)%	(26)%
Effective income tax rate	(5)%	(1)%	— %

The significant components of the Company's deferred tax assets and liabilities as of January 31, 2025 and 2024 are as follows:

	January 31,	
Deferred tax assets:	**2025**	**2024**
Net operating loss carryforwards	$ 160,998	$ 160,791
Stock based compensation	9,495	9,278
Accruals, reserves, and other expenses	15,248	3,668
Reserve for bad debts	704	793
Disallowed interest expense	969	1,041
Depreciation and amortization	1,412	1,829
Total deferred tax assets	$ 188,826	$ 177,400
Less: valuation allowance	(188,712)	(176,641)
Net deferred tax assets	$ 114	$ 759
Deferred tax liabilities:		
Depreciation and amortization	$ —	$ —
Intangible assets	(340)	(569)
Deferred contract acquisition costs	(258)	(460)
Total deferred tax liabilities	$ (598)	$ (1,029)
Net deferred tax liabilities	$ (484)	$ (270)

The Company has accumulated a U.S. Federal net operating loss carryforward of approximately $596,509 and $598,975 as of January 31, 2025 and 2024, respectively. This carryforward may be available to offset future U.S. Federal income tax liabilities and will expire beginning in 2025. As of January 31, 2025, the Company's foreign branch had no net operating loss carryforwards. The Company utilized the net operating loss carryforwards related to its foreign branch to offset taxable income in Canada during the year ended January 31, 2025. The Company's unutilized research and development tax credit carryforwards may be carried forward for a period of up to 20 years.

Due to the uncertainty regarding the ability to realize the benefit of the U.S. deferred tax assets primarily relating to net operating loss carryforwards, valuation allowances have been established to reduce the U.S. deferred tax assets to an amount that is more likely than not to be realized.

On the basis of this evaluation, as of January 31, 2025 and 2024, the Company recorded a valuation allowance of $188,712 and $176,641, respectively, to recognize only the portion of the deferred tax asset that is more likely than not to be realized. The $12,071 increase in the valuation allowance recorded during the fiscal year ended January 31, 2025 relates primarily to deferred tax assets established and recorded during the fiscal year ended January 31, 2025. The amount of the deferred tax asset considered realizable, however, could be adjusted if estimates of future taxable foreign income during the carryforward period are reduced.

Under Section 382 of the Internal Revenue Code of 1986, as amended, if a corporation undergoes an "ownership change" (generally defined as a greater than 50% change by value in its equity ownership over a three-year period), the corporation's ability to use its pre-ownership change net operating loss carryforwards and other pre-ownership change tax attributes to offset its post-change income may be limited. As of January 31, 2025, the Company has U.S. net operating loss carryforwards of approximately $596,509. The Company has completed a Section 382 study and as a result of the analysis, it is not more likely than not that the Company has experienced an "ownership change". Accordingly, if the Company earns net taxable income, it is not more likely than not that the Company's ability to use its pre-ownership change net operating loss carryforwards to offset U.S. federal taxable income will be subject to limitations, which could potentially result in increased future tax liability.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state, and foreign jurisdictions, where applicable. The Company's tax years are still open from 2020 to present and, to the extent utilized in future years' tax returns, net operating loss carryforwards at January 31, 2025 will remain subject to examination until the respective tax year is closed.

The Company records unrecognized tax benefits as liabilities or as reductions to deferred tax assets and adjusts these balances when its judgement changes as a result of the evaluation of new information previously not

available. The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. As of January 31, 2025 the Company has reduced the balance of deferred tax assets for $1,605 of unrecognized tax benefits. The Company's unrecognized tax benefits would not affect the effective tax rate if recognized because the Company has a full valuation allowance on its U.S. deferred tax assets. As of January 31, 2025, the Company had no accrued interest or penalties related to uncertain tax positions.

The following is a roll-forward of the Company's total gross unrecognized tax benefits for fiscal 2025:

Balance, January 31, 2023	$	—
Increases for income tax positions related to prior years		844
Increases for income tax positions related to current years		396
Balance, January 31, 2024	$	1,240
Increases for income tax positions related to prior years		—
Increases for income tax positions related to current years		365
Balance, January 31, 2025	$	1,605

13. Net loss per share attributable to common stockholders

(a) Net loss per share attributable to common stockholders

Basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	Fiscal years ended January 31,		
	2025	2024	2023
Numerator:			
Net loss	$ (58,527)	$ (136,885)	$ (176,146)
Denominator:			
Weighted-average shares of common stock outstanding, basic and diluted	57,589,687	54,561,449	52,440,067
Net loss per share attributable to common stockholders	$ (1.02)	$ (2.51)	$ (3.36)

(b) Potential dilutive securities

The Company's potential dilutive securities, which include stock options, RSUs, performance stock awards and grants under the Company's ESPP have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted-average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common stockholders is the same. The following potential shares of common stock, presented based on amounts outstanding at each period end, were excluded from the calculation of diluted net loss per share attributable to common stockholders for the periods indicated because including them would have had an anti-dilutive effect:

	Fiscal years ended January 31,		
	2025	2024	2023
Stock options to purchase common stock, restricted stock units and performance stock awards	6,577,715	7,273,621	6,745,591
Employee stock purchase plan	71,848	91,452	74,685
Total	6,649,563	7,365,073	6,820,276

14. Retirement savings plan

On February 20, 2008, the Company established a retirement savings plan under Section 401(k) of the Internal Revenue Code (the "Plan"). The Plan covers substantially all U.S. full-time employees who meet minimum age and service requirements and allows participants to defer a portion of their annual compensation on a pre-tax and post-tax basis. Company contributions to the Plan may be made at the discretion of the Board of Directors of the Company. The Company did not make any contributions in the years ended January 31, 2025, 2024 or 2023.

15. Related party transactions

For the years ended January 31, 2025 and 2024, the Company recognized revenue totaling $1,343 and $1,174, respectively, for advertisements placed by a pharmaceutical company. One of the Company's independent members of its board of directors serves on the board of directors for this pharmaceutical company. As of January 31, 2025 and 2024, accounts receivable from the pharmaceutical company totaled $116 and $416, respectively.

For the year ended January 31, 2024, the Company recognized general and administrative expenses totaling $118 for software agreements with a software company. One of the Company's independent members of its board of directors served as the chief executive officer and on the board of directors for this software company until May 2023. This Company is no longer considered a related party subsequent to May 2023.

16. Segments and geographic information

Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company defines the term “chief operating decision maker” to be its Chief Executive Officer. The Company’s Chief Executive Officer reviews the financial information presented on an entire company basis for purposes of allocating resources and evaluating our financial performance. Accordingly, the Company has determined that it operates in a single reportable operating segment, managed on a consolidated basis, which the Company refers to as the Technology solutions segment.

The Technology solutions segment provides comprehensive software solutions that improve the operational and financial performance of healthcare organizations and improve health outcomes by helping patients take a more active role in their care. The Technology solutions segment’s solutions include SaaS-based integrated tools that manage patient access, registration and payments. Additionally, the Technology solutions segment has tools to communicate with patients about their health, which have demonstrated increased rates of preventive care and vaccinations. Additionally, Technology solutions segment’s solutions include clinical assessments to screen patients for a variety of physical, behavioral and mental health conditions, helping providers to better understand their patients and connect them to needed services, resulting in improved health outcomes. The Technology solutions segment also provides life sciences companies, health plans and other organizations, patient advocacy, public interest and other not-for-profit organizations with a channel for direct communication with patients. The Technology solutions segment also provides additional products and services such as the MediFind provider directory, which helps patients find care based on providers' specialty and condition expertise. The Technology solutions segment offers its healthcare services clients the ability to lease tablets ("PhreesiaPads") and on-site kiosks ("Arrivals Kiosks") along with their monthly subscription.

The chief operating decision maker uses net income (loss) in assessing the performance of and allocate resources to the Technology solutions segment. The chief operating decision maker uses actual versus budgeted net income (loss) in evaluating the performance of the Technology solutions segment.

The accounting policies of the Technology solutions segment are the same as those described in Note 3 - Summary of significant accounting policies. As the Company operates in a single operating segment managed on a consolidated basis, the revenues of the Technology solutions segment are equal to the Company’s total revenues presented on the accompanying consolidated statements of operations. Additionally, revenues for each significant group of products and services is presented on the accompanying consolidated statements of operations. As the Company has only one operating segment, the Company does not have inter-segment sales or transfers. Additionally, the measure of segment profit for the Technology solutions segment is equal to the Company’s Net loss presented on the accompanying consolidated statements of operations.

The following table presents the Company’s segment revenue, segment profit (loss), significant segment expenses, and other segment items, as well as a reconciliation from segment profit (loss) to consolidated net loss.

	Fiscal years ended January 31,		
	2025	2024	2023
Revenue	$ 419,813	$ 356,299	$ 280,910
Labor costs [1]	224,792	238,533	240,532
Payment processing expense	68,707	62,986	50,323

		2025		2024		2023
Third-party non-labor operating expenses		89,550		90,159		82,528
Stock-based compensation		66,975		71,613		58,775
Other segment items		28,316		29,893		24,898
Segment net loss	$	(58,527)	$	(136,885)	$	(176,146)
Reconciliation of profit or loss						
Adjustments and reconciling items	$	—	$	—	$	—
Consolidated net loss	$	(58,527)	$	(136,885)	$	(176,146)

[(1)] Excludes stock-based compensation expense which is presented separately

Other segment items include depreciation and amortization, interest income, net, provision for income taxes, loss on extinguishment of debt and other income (expense), net.

The total segment assets for the Technology solutions segment are equal to the total assets presented on the accompanying consolidated balance sheets. The following table presents other quantitative segment disclosures for the fiscal years ended January 31, 2025, 2024 and 2023, respectively.

	Fiscal years ended January 31,					
		2025		2024		2023
Depreciation and amortization	$	27,886	$	29,487	$	25,304
Interest income, net	$	330	$	2,211	$	1,064
Loss on extinguishment of debt	$	—	$	(1,118)	$	—
Gain on settlement (included in other income (expense), net)	$	2,345	$	—	$	—
Provision for income taxes	$	(2,716)	$	(1,543)	$	(483)
Expenditures for long-lived assets	$	25,940	$	96,474	$	17,270

17. Acquisitions

On June 30, 2023, the Company entered into an agreement to acquire 100% of the outstanding equity of MediFind for aggregate consideration payable of $8,871 (the "MediFind Acquisition"). A portion of the consideration was paid in cash at closing (subject to a customary working capital adjustment) with the remainder of the consideration settled through the issuance of 150,786 shares of the Company's common stock to certain stockholders of MediFind. MediFind is a consumer-facing healthcare product that helps patients - especially those with serious, chronic and rare diseases - find better care faster. The MediFind Acquisition was accounted for as a business combination. The Company acquired MediFind to reinforce its commitment to patient-centered care and expand its offerings to consumers.

On August 11, 2023, the Company entered into an agreement to acquire 100% of the outstanding equity of Access for aggregate consideration payable of $37,411 (the “Access Acquisition”). A portion of the consideration was paid in cash at closing (subject to a customary working capital adjustment) with the remainder of the consideration settled through the issuance of 1,096,436 shares of the Company's common stock to the holders of the outstanding equity of Access. Access is an innovative electronic forms management and automation provider that helps hospitals across the country streamline workflows, improve compliance and deliver a better patient experience. The Access Acquisition was accounted for as a business combination. The Company acquired Access to enhance and build on its existing functionality in the acute care space and to expand its network of clients and partners.

On October 3, 2023, the Company entered into an agreement to acquire 100% of the outstanding equity of ConnectOnCall for aggregate consideration payable of $13,946 (the “ConnectOnCall Acquisition”). A portion of the consideration was paid in cash at closing with the remainder of the consideration payable in seven quarterly installments beginning in fiscal year 2024. The first installment was paid in January 2024. ConnectOnCall is an automated medical answering solution that routes and triages after-hours calls and manages high daytime call volumes. The ConnectOnCall solution is built on real-time Electronic Health Record (“EHR”) integrations, enhancing the control and transparency of patient information for providers or practices when returning calls. The Company acquired ConnectOnCall to expand its offerings to provider organizations, helping them make the call-triaging process more efficient and less expensive.

The following table summarizes the estimated acquisition-date fair value of consideration transferred for each acquisition:

	MediFind	Access	ConnectOnCall	Total
Cash consideration paid to sellers	$ 4,195	$ 6,766	$ 3,946	$ 14,907
Equity consideration paid to sellers	4,676	30,645	—	35,321
Liabilities incurred to sellers	—	—	10,000	10,000
Total fair value of acquisition consideration	$ 8,871	$ 37,411	$ 13,946	$ 60,228

The acquisition-date fair value of equity consideration transferred was estimated using the closing stock price on the acquisition date for each acquisition. The acquisition-date fair value of liabilities incurred to sellers was estimated based on the timing of payments and an appropriate credit-adjusted discount rate of 9.3% per annum, determined with the assistance of a third-party appraiser. The Company accrues interest on the liability at 9.3% per annum. Until the settlement of the liability on January 31, 2025, the Company recorded $732 and $294 of interest expense on the liability incurred to sellers during the years ended January 31, 2025 and January 31, 2024, respectively. See Note 4 - Composition of certain financial statement captions for additional information regarding the settlement of the liabilities incurred to the sellers of ConnectOnCall.

The following table summarizes the calculation of cash paid for each acquisition, net of cash acquired per the Company's consolidated statements of cash flows for the fiscal year ended January 31, 2024.

	MediFind	Access	ConnectOnCall	Total
Cash consideration paid to sellers	$ 4,195	$ 6,766	$ 3,946	$ 14,907
Less: cash acquired	(231)	(80)	(23)	(334)
Cash paid for acquisitions, net of cash acquired per statements of cash flows	$ 3,964	$ 6,686	$ 3,923	$ 14,573

The purchase price was allocated to the tangible assets acquired, the identifiable intangible assets acquired and the liabilities assumed based on their acquisition-date estimated fair values or other measurement bases specified by ASC 805 - Business Combinations.

The following table summarizes the allocation of the purchase price to the assets acquired and liabilities assumed at the date of each acquisition:

	MediFind	Access	ConnectOnCall	Total
Cash	$ 231	$ 80	$ 23	$ 334
Accounts receivable	149	1,870	244	2,263
Other current assets	722	110	33	865
Identified intangible assets acquired	2,300	18,300	2,000	22,600
Goodwill	6,821	23,426	11,862	42,109
Total assets acquired	$ 10,223	$ 43,786	$ 14,162	$ 68,171
Accounts payable	(121)	(196)	(89)	(406)
Accrued liabilities	(816)	(884)	(49)	(1,749)
Deferred revenue	(292)	(5,295)	(78)	(5,665)
Deferred income tax liabilities	(123)	—	—	(123)
Total purchase price	$ 8,871	$ 37,411	$ 13,946	$ 60,228

The components of intangible assets acquired in the MediFind Acquisition were as follows:

	Estimated Useful Life (in Years)	Fair Value
Technology	7	$ 1,200
Trademark	15	700
Customer relationships	10	400
Total identifiable intangible assets acquired		$ 2,300

The weighted average amortization period for acquired intangible assets as of the date of the acquisition is 10 years.

The components of intangible assets acquired in the Access Acquisition were as follows:

	Estimated Useful Life (in Years)	Fair Value
Technology	7	$ 5,200
Trademark	15	2,400
Customer relationships	15	10,700
Total identifiable intangible assets acquired		$ 18,300

The weighted average amortization period for acquired intangible assets as of the date of acquisition is 13 years.

The components of intangible assets acquired in the ConnectOnCall Acquisition were as follows:

	Estimated Useful Life (in Years)	Fair Value
Technology	5	$ 1,500
Customer relationships	15	500
Total identifiable intangible assets acquired		$ 2,000

The weighted average amortization period for acquired intangible assets as of the date of acquisition is 8 years.

The Company, with the assistance of a third-party appraiser, assessed the fair value of the assets of MediFind, Access and ConnectOnCall. The fair value of the acquired technology and trademark assets were estimated using the relief from royalty method. The fair value of customer relationships was estimated using a multi-period excess earnings method. To calculate fair value, the Company used cash flows discounted at a rate considered appropriate given the inherent risks associated with each asset.

The useful lives of the intangible assets were estimated based on the expected future economic benefit of the assets and are being amortized over the estimated useful life in proportion to the economic benefits consumed using the straight-line method. The amortization of intangible assets is not expected to be deductible for income tax purposes.

The goodwill recognized in each of the acquisitions is primarily attributable to expected synergies of the combined businesses driven by integrating the license and technology into our solutions and engaging with patients and providers, as well as the acquisition of an assembled workforce. The goodwill recognized for the Access and ConnectOnCall acquisitions is expected to be tax deductible. The goodwill recognized for the MediFind acquisition is not expected to be tax deductible.

During the year ended January 31, 2024, the Company incurred $3,106 of acquisition related costs for the MediFind, Access and ConnectOnCall acquisitions. These costs are primarily included within General and administrative expenses in the consolidated statements of operations.

18. Subsequent events

On March 12, 2025, the Company's Board of Directors authorized a stock repurchase program. Under the program, the Company may repurchase up to 2.5 million shares of its common stock from time to time through open market purchases, privately negotiated transactions, block purchases or other methods that comply with applicable securities laws, including repurchase plans that satisfy the conditions of Rule 10b5-1 under the Exchange Act. The timing and amount of any repurchases, if any, will depend on several factors, including the Company's common stock price, trading volume, market and business conditions, contractual limitations, the Company's cash flow and liquidity profile, the Company's capital needs and other factors deemed relevant in the Company's sole discretion. The stock repurchase program does not obligate the Company to repurchase any dollar amount or number of shares of its common stock, and the program may be modified, suspended or discontinued at any time without prior notice. The 1% U.S. federal excise tax on certain repurchases of stock by publicly traded U.S. corporations enacted as part of the Inflation Reduction Act of 2022 applies to repurchases pursuant to our stock repurchase program.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act, our management, including our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation as of January 31, 2025 of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level in ensuring that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports we file under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Management believes that the consolidated financial statements included in this Annual Report on Form 10-K fairly present, in all material respects, our financial position, results of operations, and cash flows as of and for the periods presented, in accordance with GAAP.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is defined in Rules 13a-15(f) and 15(d)-15(f) promulgated under the Exchange Act.

Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and disposition of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorization of our management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our internal control over financial reporting as of January 31, 2025, based on the criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and has concluded that we maintained effective internal control over financial reporting as of January 31, 2025.

Our independent registered public accounting firm, KPMG LLP, has issued an audit report with respect to our internal control over financial reporting, which appears in Part II - Item 8 of this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended January 31, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

On January 6, 2025, Michael Weintraub, a member of the Company’s Board of Directors, adopted a trading arrangement for the sale of securities of the Company’s common stock (a “Rule 10b5-1 Trading Plan”) that is intended to satisfy the affirmative defense conditions of Securities Exchange Act Rule 10b5-1(c). Mr. Weintraub’s Rule 10b5-1 Trading Plan, which expires on March 31, 2025, provides for the potential exercise of vested stock options and the associated sale of up to 40,000 shares of the Company’s common stock.

On January 10, 2025, Amy VanDuyn, the Senior Vice President, Human Resources of the Company, adopted a Rule 10b5-1 Trading Plan that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). Ms. VanDuyn’s Rule 10b5-1 Trading Plan, which expires on December 31, 2025, provides for the sale of up to 18,573 shares of common stock.

On January 10, 2025, Mark Smith, a member of the Company’s Board of Directors, adopted a Rule 10b5-1 Trading Plan that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). Dr. Smith’s Rule 10b5-1 Trading Plan, which expires on December 31, 2025, provides for the potential exercise of vested stock options and the associated sale of up to 12,000 shares of the Company’s common stock.

On January 15, 2025, David Linetsky, the Senior Vice President, Life Sciences of the Company, adopted a Rule 10b5-1 Trading Plan that is intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c). Mr. Linetsky’s Rule 10b5-1 Trading Plan provides for the sale of (i) up to 107,810 shares of common stock, (ii) an additional number of shares receivable upon the vesting of certain equity awards that may be granted pursuant to Mr. Linetsky’s full fiscal year 2025 bonus, first half of fiscal year 2026 bonus and full fiscal year 2026 bonus, net of any shares sold in non-discretionary transactions pursuant to the Company’s mandatory sell-to-cover policy to cover Mr. Linetsky’s tax withholding obligations in connection with the vesting and settlement of RSUs and (iii) 100% of his vested 2022 PSUs, net of the number of shares sold to cover Mr. Linetsky’s taxes. The number of shares to be granted pursuant to Mr. Linetsky’s full fiscal year 2025 bonus, first half of fiscal year 2026 bonus and full fiscal year 2026 bonus and the number of shares to be sold by him to cover taxes, and thus the exact number of shares to be sold pursuant to Mr. Linetsky’s Rule 105b-1 Trading Plan, can only be determined upon the occurrence of future events. Mr. Linetsky’s Rule 10b5-1 Trading Plan expires on April 15, 2026, or upon the earlier completion of all authorized transactions under the plan.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We maintain an insider trading policy governing the purchase, sale and other dispositions of our securities that applies to all of our directors, officers, and employees. We believe our insider trading policy and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations, and listing standards applicable to us. A copy of our insider trading policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

The information required by this Item, including information about our Code of Business Conduct & Ethics, is incorporated herein by reference to the information that will be contained in our proxy statement related to the 2025 Annual Meeting of Stockholders, which we intend to file with the Securities and Exchange Commission within 120 days of the end of our fiscal year pursuant to General Instruction G(3) of Form 10-K.

Item 11. Executive Compensation

The information required by this Item is incorporated herein by reference to the information that will be contained in our proxy statement related to the 2025 Annual Meeting of Stockholders, which we intend to file with the Securities and Exchange Commission within 120 days of the end of our fiscal year pursuant to General Instruction G(3) of Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this Item is incorporated herein by reference to the information that will be contained in our proxy statement related to the 2025 Annual Meeting of Stockholders, which we intend to file with the Securities and Exchange Commission within 120 days of the end of our fiscal year pursuant to General Instruction G(3) of Form 10-K.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this Item is incorporated herein by reference to the information that will be contained in our proxy statement related to the 2025 Annual Meeting of Stockholders, which we intend to file with the Securities and Exchange Commission within 120 days of the end of our fiscal year pursuant to General Instruction G(3) of Form 10-K.

Item 14. Principal Accountant Fees and Services

The information required by this Item is incorporated herein by reference to the information that will be contained in our proxy statement related to the 2025 Annual Meeting of Stockholders, which we intend to file with the Securities and Exchange Commission within 120 days of the end of our fiscal year pursuant to General Instruction G(3) of Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules

The following documents are filed as part of this report:

(1) *Consolidated Financial Statements*. Reference is made to these consolidated financial statements included in this Annual Report on Form 10-K in Item 8, Consolidated Financial Statements and Supplementary Data.

(2) *Financial Statement Schedules*. All financial statement schedules have been omitted because they are not required, not applicable or the information required is shown in the consolidated financial statements or notes thereto.

(3) *Exhibits*. The following exhibits are filed, furnished or incorporated by reference as part of this Annual Report on Form 10-K.

		Incorporated by Reference			
Exhibit No.	Exhibit Index	Form	File No.	Exhibit No.	Date Filed
3.1	Seventh Amended and Restated Certificate of Incorporation of the Registrant.	10-Q	001-38977	3.1	September 10, 2019
3.2	Amendment to the Seventh Amended and Restated Certificate of Incorporation of the Registrant.	10-Q	001-38977	3.2	September 7, 2023
3.3	Fourth Amended and Restated By-laws of the Registrant.	10-K	001-38977	3.3	March 14, 2024
4.1	Specimen Common Stock Certificate.	S-1	333-232264	4.1	June 21, 2019
4.2	Fifth Amended and Restated Investor Rights Agreement, dated as of October 27, 2017, by and among the Registrant and certain of its stockholders.	S-1	333-232264	4.2	June 21, 2019
4.3	Description of Capital Stock.	10-K	001-38977	4.4	April 23, 2020
10.1#	Amended and Restated 2006 Stock Option and Grant Plan, as amended, and form of award agreements thereunder.	S-1	333-232264	10.1	June 21, 2019
10.2#	2018 Stock Option and Grant Plan, as amended, and form of award agreements thereunder.	S-1	333-232264	10.2	June 21, 2019
10.3#	2019 Stock Option and Incentive Plan and form of awards thereunder.				Filed herewith
10.4#	2019 Employee Stock Purchase Plan.	S-1/A	333-232264	10.4	July 8, 2019
10.5#	Third Amended and Restated Non-Employee Director Compensation Policy, dated June 2022.	10-Q	001-38977	10.1	September 8, 2022
10.6#	Senior Executive Cash Bonus Plan.	S-1	333-232264	10.19	June 21, 2019
10.7#	Form of Indemnification Agreement between the Registrant and each of its directors and executive officers.	S-1	333-232264	10.6	June 21, 2019
10.8#	Second Amended and Restated Employment Agreement, effective February 1, 2021, by and between the Registrant and Chaim Indig.	8-K	001-38977	10.1	January 28, 2021
10.9#	Second Amended and Restated Employment Agreement, effective February 1, 2021, by and between the Registrant and Evan Roberts.	8-K	001-38977	10.3	January 28, 2021
10.10#	Amended and Restated Employment Agreement, effective February 1, 2021, by and between the Registrant and Allison Hoffman.	10-Q	001-38977	10.3	June 4, 2021
10.11#	Second Amended and Restated Employment Agreement, effective February 1, 2021, by and between the Registrant and David Linetsky.	10-Q	001-38977	10.4	June 4, 2021

10.12#	Form of Amended and Restated Employment Agreement between the Registrant and each of its U.S.-based executive officers.	S-1	333-232264	10.21	June 21, 2019
10.13#	Board Chairman Agreement, dated as of December 2018, by and between the Registrant and Michael Weintraub.	S-1	333-232264	10.12	June 21, 2019
10.14#	Second Amended and Restated Employment Agreement, effective March 24, 2023, between the Registrant and Balaji Gandhi.	8-K	001-38977	10.1	March 22, 2023
10.15#	Phreesia, Inc. 2023 Inducement Award Plan.	10-Q	001-38977	10.1	September 7, 2023
10.16#	Form of RSU Award Agreement under the Phreesia, Inc. 2023 Inducement Award Plan.	10-Q	001-38977	10.2	September 7, 2023
10.17#	Form of Stock Option Grant Agreement under the Phreesia, Inc. 2023 Inducement Award Plan.	10-Q	001-38977	10.3	September 7, 2023
10.18	Credit Agreement dated as of December 4, 2023, by and among the Registrant and certain of its subsidiaries, as borrowers, the lenders party thereto and Capital One, National Association, as a lender and as agent for all lenders.	8-K	001-38977	10.1	December 5, 2023
19.1	Insider Trading Policy				Filed herewith
21.1	Subsidiaries of the Registrant.				Filed herewith
23.1	Consent of KPMG LLP, Independent Registered Public Accounting Firm.				Filed herewith
24.1	Power of Attorney (included on signature page hereto).				Filed herewith
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				Filed herewith
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				Filed herewith
32.1+	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				Filed herewith
32.2+	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				Filed herewith
97.1	Phreesia, Inc. Compensation Recovery Policy.	10-K	001-38977	97.1	March 14, 2024
101.INS	Inline XBRL Instance Document.				Filed herewith
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				Filed herewith
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				Filed herewith
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.				Filed herewith
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.				Filed herewith

101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	Filed herewith
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).	Filed herewith

# Indicates a management contract or any compensatory plan, contract or arrangement.

+ The certifications furnished in Exhibit 32.1 and 32.2 hereto are deemed to accompany this Annual Report on Form 10-K and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Registrant specifically incorporates them by reference.

Item 16. Form 10-K Summary

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PHREESIA, INC.

Date: March 13, 2025	By: /s/ Chaim Indig
	Chaim Indig
	Chief Executive Officer and Director
	(Principal Executive Officer)

POWER OF ATTORNEY AND SIGNATURES

Each individual whose signature appears below hereby constitutes and appoints each of Chaim Indig and Balaji Gandhi as such person's true and lawful attorney-in-fact and agent with full power of substitution and resubstitution, for such person in such person's name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the Securities and Exchange Commission granting unto each said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that any said attorney-in-fact and agent, or any substitute or substitutes of any of them, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Name	Title	Date
/s/ Chaim Indig Chaim Indig	Chief Executive Officer and Director (Principal Executive Officer)	March 13, 2025
/s/ Balaji Gandhi Balaji Gandhi	Chief Financial Officer (Principal Financial Officer)	March 13, 2025
/s/ Yvonne Hui Yvonne Hui	VP, Principal Accounting Officer	March 13, 2025
/s/ Michael Weintraub Michael Weintraub	Chairman and Director	March 13, 2025
/s/ Edward Cahill Edward Cahill	Director	March 13, 2025
/s/ Lisa Egbuonu-Davis, M.D. Lisa Egbuonu-Davis, M.D.	Director	March 13, 2025
/s/ Lainie Goldstein Lainie Goldstein	Director	March 13, 2025
/s/ Gillian Munson Gillian Munson	Director	March 13, 2025
/s/ Ramin Sayar Ramin Sayar	Director	March 13, 2025
/s/ Mark Smith, M.D. Mark Smith, M.D.	Director	March 13, 2025

Exhibit 10.3

PHREESIA, INC.

2019 STOCK OPTION AND INCENTIVE PLAN

SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS

The name of the plan is the Phreesia, Inc. 2019 Stock Option and Incentive Plan (the "Plan"). The purpose of the Plan is to encourage and enable the officers, employees, Non-Employee Directors and Consultants of Phreesia, Inc. (the "Company") and its Affiliates upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its businesses to acquire a proprietary interest in the Company. It is anticipated that providing such persons with a direct stake in the Company's welfare will assure a closer identification of their interests with those of the Company and its stockholders, thereby stimulating their efforts on the Company's behalf and strengthening their desire to remain with the Company.

The following terms shall be defined as set forth below:

"Act" means the Securities Act of 1933, as amended, and the rules and regulations thereunder.

"Administrator" means either the Board or the compensation committee of the Board or a similar committee performing the functions of the compensation committee and which is comprised of not less than two Non-Employee Directors who are independent.

"*Affiliate*" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 of the Act. The Board will have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

"Award" or *"Awards,"* except where referring to a particular category of grant under the Plan, shall include Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Unrestricted Stock Awards, Cash-Based Awards, and Dividend Equivalent Rights.

"Award Certificate" means a written or electronic document setting forth the terms and provisions applicable to an Award granted under the Plan. Each Award Certificate is subject to the terms and conditions of the Plan.

"Board" means the Board of Directors of the Company.

"Cash-Based Award" means an Award entitling the recipient to receive a cash-denominated payment.

"Code" means the Internal Revenue Code of 1986, as amended, and any successor Code, and related rules, regulations and interpretations.

"Consultant" means a consultant or adviser who provides *bona fide* services to the Company or an Affiliate as an independent contractor and who qualifies as a consultant or advisor under Instruction A.1.(a)(1) of Form S-8 under the Act.

"Dividend Equivalent Right" means an Award entitling the grantee to receive credits based on cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other award to which it relates) if such shares had been issued to and held by the grantee.

"Effective Date" means the date on which the Plan becomes effective as set forth in Section 19.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder.

"Fair Market Value" of the Stock on any given date means the fair market value of the Stock determined in good faith by the Administrator; provided, however, that if the Stock is listed on the National Association of Securities Dealers Automated Quotation System ("NASDAQ"), NASDAQ Global Market, The New York Stock Exchange or another national securities exchange or traded on any established market, the determination shall be made by reference to market quotations. If there are no market quotations for such date, the determination shall be made by reference to the last date preceding such date for which there are market quotations; provided further,

however, that if the date for which Fair Market Value is determined is the Registration Date, the Fair Market Value shall be the "Price to the Public" (or equivalent) set forth on the cover page for the final prospectus relating to the Company's initial public offering.

"Incentive Stock Option" means any Stock Option designated and qualified as an "incentive stock option" as defined in Section 422 of the Code.

"Non-Employee Director" means a member of the Board who is not also an employee of the Company or any Subsidiary.

"Non-Qualified Stock Option" means any Stock Option that is not an Incentive Stock Option.

"Option" or *"Stock Option"* means any option to purchase shares of Stock granted pursuant to Section 5.

"Registration Date" means the date upon which the registration statement on Form S-1 that is filed by the Company with respect to its initial public offering is declared effective by the Securities and Exchange Commission.

"Restricted Shares" means the shares of Stock underlying a Restricted Stock Award that remain subject to a risk of forfeiture or the Company's right of repurchase.

"Restricted Stock Award" means an Award of Restricted Shares subject to such restrictions and conditions as the Administrator may determine at the time of grant.

"Restricted Stock Units" means an Award of stock units subject to such restrictions and conditions as the Administrator may determine at the time of grant.

"Sale Event" means (i) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power and outstanding stock immediately prior to such transaction do not own a majority of the outstanding voting power and outstanding stock or other equity interests of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) the sale of all of the Stock of the Company to an unrelated person, entity or group thereof acting in concert, or (iv) any other transaction in which the owners of the Company's outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company.

" *Sale Price*" means the value as determined by the Administrator of the consideration payable, or otherwise to be received by stockholders, per share of Stock pursuant to a Sale Event.

"Section 409A" means Section 409A of the Code and the regulations and other guidance promulgated thereunder.

"Service Relationship" means any relationship as an employee, director or Consultant of the Company or any Affiliate (e.g., a Service Relationship shall be deemed to continue without interruption in the event an individual's status changes from full-time employee to part-time employee or Consultant).

"Stock" means the Common Stock, par value $0.01 per share, of the Company, subject to adjustments pursuant to Section 3.

"Stock Appreciation Right" means an Award entitling the recipient to receive shares of Stock (or cash, to the extent explicitly provided for in the applicable Award Certificate) having a value equal to the excess of the Fair Market Value of the Stock on the date of exercise over the exercise price of the Stock Appreciation Right multiplied by the number of shares of Stock with respect to which the Stock Appreciation Right shall have been exercised.

"Subsidiary" means any corporation or other entity (other than the Company) in which the Company has at least a 50 percent interest, either directly or indirectly.

"Ten Percent Owner" means an employee who owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10 percent of the combined voting power of all classes of stock of the Company or any parent or subsidiary corporation.

"Unrestricted Stock Award" means an Award of shares of Stock free of any restrictions.

SECTION 2. ADMINISTRATION OF PLAN; ADMINISTRATOR AUTHORITY TO SELECT GRANTEES AND DETERMINE AWARDS

(a) Administration of Plan. The Plan shall be administered by the Administrator.

(b) Powers of Administrator. The Administrator shall have the power and authority to grant Awards consistent with the terms of the Plan, including the power and authority:

(i) to select the individuals to whom Awards may from time to time be granted;

(ii) to determine the time or times of grant, and the extent, if any, of Incentive Stock Options, Non-Qualified Stock Options, Stock Appreciation Rights, Restricted Stock Awards, Restricted Stock Units, Unrestricted Stock Awards, Cash-Based Awards, and Dividend Equivalent Rights, or any combination of the foregoing, granted to any one or more grantees;

(iii) to determine the number of shares of Stock to be covered by any Award;

(iv) to determine and modify from time to time the terms and conditions, including restrictions, not inconsistent with the terms of the Plan, of any Award, which terms and conditions may differ among individual Awards and grantees, and to approve the forms of Award Certificates;

(v) to accelerate at any time the exercisability or vesting of all or any portion of any Award;

(vi) subject to the provisions of Section 5(c), to extend at any time the period in which Stock Options may be exercised; and

(vii) at any time to adopt, alter and repeal such rules, guidelines and practices for administration of the Plan and for its own acts and proceedings as it shall deem advisable; to interpret the terms and provisions of the Plan and any Award (including related written instruments); to make all determinations it deems advisable for the administration of the Plan; to decide all disputes arising in connection with the Plan; and to otherwise supervise the administration of the Plan.

All decisions and interpretations of the Administrator shall be binding on all persons, including the Company and Plan grantees.

(c) Delegation of Authority to Grant Awards. Subject to applicable law, the Administrator, in its discretion, may delegate to a committee consisting of one or more officers of the Company including the Chief Executive Officer of the Company all or part of the Administrator's authority and duties with respect to the granting of Awards to individuals who are (i) not subject to the reporting and other provisions of Section 16 of the Exchange Act and (ii) not members of the delegated committee. Any such delegation by the Administrator shall include a limitation as to the amount of Stock underlying Awards that may be granted during the period of the delegation and shall contain guidelines as to the determination of the exercise price and the vesting criteria. The Administrator may revoke or amend the terms of a delegation at any time but such action shall not invalidate any prior actions of the Administrator's delegate or delegates that were consistent with the terms of the Plan.

(d) Award Certificate. Awards under the Plan shall be evidenced by Award Certificates that set forth the terms, conditions and limitations for each Award which may include, without limitation, the term of an Award and the provisions applicable in the event employment or service terminates.

(e) Indemnification. Neither the Board nor the Administrator, nor any member of either or any delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in

connection with the Plan, and the members of the Board and the Administrator (and any delegate thereof) shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including, without limitation, reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under the Company's articles or bylaws or any directors' and officers' liability insurance coverage which may be in effect from time to time and/or any indemnification agreement between such individual and the Company.

(f) Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in other countries in which the Company and its Subsidiaries operate or have employees or other individuals eligible for Awards, the Administrator, in its sole discretion, shall have the power and authority to: (i) determine which Subsidiaries shall be covered by the Plan; (ii) determine which individuals outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to individuals outside the United States to comply with applicable foreign laws; (iv) establish subplans and modify exercise procedures and other terms and procedures, to the extent the Administrator determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to this Plan as appendices); provided, however, that no such subplans and/or modifications shall increase the share limitations contained in Section 3(a) hereof; and (v) take any action, before or after an Award is made, that the Administrator determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Administrator may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act or any other applicable United States securities law, the Code, or any other applicable United States governing statute or law.

SECTION 3. STOCK ISSUABLE UNDER THE PLAN; MERGERS; SUBSTITUTION

(a) Stock Issuable. The maximum number of shares of Stock reserved and available for issuance under the Plan shall be 2,139,683 shares (the "Initial Limit"), subject to adjustment as provided in Section 3(c), plus on February 1, 2020 and each February 1 thereafter, the number of shares of Stock reserved and available for issuance under the Plan shall be cumulatively increased by 5% of the number of shares of Stock issued and outstanding on the immediately preceding January 31 or such lesser number of shares of Stock as determined by the Administrator (the "Annual Increase"). Subject to such overall limitation, the maximum aggregate number of shares of Stock that may be issued in the form of Incentive Stock Options shall not exceed the Initial Limit cumulatively increased on February 1, 2020 and on each February 1 thereafter by the lesser of the Annual Increase for such year or 4,279,366 shares of Stock, subject in all cases to adjustment as provided in Section 3(b). Shares of Stock underlying any awards under the Plan, Company's 2018 Stock Option and Grant Plan (the "2018 Plan") and the Company's Amended and Restated 2006 Stock Option and Grant Plan (the "2006 Plan") that are forfeited, canceled, held back upon exercise of an Option or settlement of an Award to cover

the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without the issuance of Stock or otherwise terminated (other than by exercise) shall be added back to the shares of Stock available for issuance under the Plan and, to the extent permitted under Section 422 of the Code and the regulations promulgated thereunder, the shares of Stock that may be issued as Incentive Stock Options. In the event the Company repurchases shares of Stock on the open market, such shares shall not be added to the shares of Stock available for issuance under the Plan. Subject to such overall limitations, shares of Stock may be issued up to such maximum number pursuant to any type or types of Award. The shares available for issuance under the Plan may be authorized but unissued shares of Stock or shares of Stock reacquired by the Company.

(b) Changes in Stock. Subject to Section 3(c) hereof, if, as a result of any reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split or other similar change in the Company's capital stock, the outstanding shares of Stock are increased or decreased or are exchanged for a different number or kind of shares or other securities of the Company, or additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Stock or other securities, or, if, as a result of any merger or consolidation, sale of all or substantially all of the assets of the Company, the outstanding shares of Stock are converted into or exchanged for securities of the Company or any successor entity (or a parent or subsidiary thereof), the Administrator shall make an appropriate or proportionate adjustment in (i) the maximum number of shares reserved for issuance under the Plan, including the maximum number of shares that may be issued in the form of Incentive Stock Options, (ii) the number and kind of shares or other securities subject to any then outstanding Awards under the Plan, (iii) the repurchase price, if any, per share subject to each outstanding Restricted Stock Award, and (iv) the exercise price for each share subject to any then outstanding Stock Options and Stock Appreciation Rights under the Plan, without changing the aggregate exercise price (i.e., the exercise price multiplied by the number of shares subject to Stock Options and Stock Appreciation Rights) as to which such Stock Options and Stock Appreciation Rights remain exercisable. The Administrator shall also make equitable or proportionate adjustments in the number of shares subject to outstanding Awards and the exercise price and the terms of

outstanding Awards to take into consideration cash dividends paid other than in the ordinary course or any other extraordinary corporate event. The adjustment by the Administrator shall be final, binding and conclusive. No fractional shares of Stock shall be issued under the Plan resulting from any such adjustment, but the Administrator in its discretion may make a cash payment in lieu of fractional shares.

(c) Mergers and Other Transactions. In the case of and subject to the consummation of a Sale Event, the parties thereto may cause the assumption or continuation of Awards theretofore granted by the successor entity, or the substitution of such Awards with new Awards of the successor entity or parent thereof, with appropriate adjustment as to the number and kind of shares and, if appropriate, the per share exercise prices, as such parties shall agree. To the extent the parties to such Sale Event do not provide for the assumption, continuation or substitution of Awards, upon the effective time of the Sale Event, the Plan and all outstanding Awards granted hereunder shall terminate. In such case, except as may be otherwise provided in the relevant Award Certificate, all Options and Stock Appreciation Rights with time based vesting conditions or restrictions that are not vested and/or exercisable immediately prior to the effective time of the Sale Event shall become fully vested and exercisable as of the effective time

of the Sale Event, all other Awards with time-based vesting, conditions or restrictions shall become fully vested and nonforfeitable as of the effective time of the Sale Event, and all Awards with conditions and restrictions relating to the attainment of performance goals may become vested and nonforfeitable in connection with a Sale Event in the Administrator's discretion or to the extent specified in the relevant Award Certificate. In the event of such termination, (i) the Company shall have the option (in its sole discretion) to make or provide for a payment, in cash or in kind, to the grantees holding Options and Stock Appreciation Rights, in exchange for the cancellation thereof, in an amount equal to the difference between (A) the Sale Price multiplied by the number of shares of Stock subject to outstanding Options and Stock Appreciation Rights (to the extent then exercisable at prices not in excess of the Sale Price) and (B) the aggregate exercise price of all such outstanding Options and Stock Appreciation Rights (provided that, in the case of an Option or Stock Appreciation Right with an exercise price equal to or less than the Sale Price, such Option or Stock Appreciation Right shall be cancelled for no consideration); or (ii) each grantee shall be permitted, within a specified period of time prior to the consummation of the Sale Event as determined by the Administrator, to exercise all outstanding Options and Stock Appreciation Rights (to the extent then exercisable) held by such grantee. The Company shall also have the option (in its sole discretion) to make or provide for a payment, in cash or in kind, to the grantees holding other Awards in an amount equal to the Sale Price multiplied by the number of vested shares of Stock under such Awards.

(d) Maximum Awards to Non-Employee Directors. Notwithstanding anything to the contrary in this Plan, the value of all Awards awarded under this Plan and all other cash compensation paid by the Company to any Non-Employee Director in any calendar year shall not exceed $750,000. For the purpose of these limitations, the value of any Award shall be its grant date fair value, as determined in accordance with ASC 718 or successor provision but excluding the impact of estimated forfeitures related to service-based vesting provisions.

SECTION 4. ELIGIBILITY

Grantees under the Plan will be such employees, Non-Employee Directors and Consultants of the Company and its Affiliates as are selected from time to time by the Administrator in its sole discretion; provided that Awards may not be granted to employees, Directors or Consultants who are providing services only to any "parent" of the Company, as such term is defined in Rule 405 of the Act, unless (i) the stock underlying the Awards is treated as "service recipient stock" under Section 409A or (ii) the Company, in consultation with its legal counsel, has determined that such Awards are exempt from or otherwise comply with Section 409A.

SECTION 5. STOCK OPTIONS

(a) Award of Stock Options. The Administrator may grant Stock Options under the Plan. Any Stock Option granted under the Plan shall be in such form as the Administrator may from time to time approve.

Stock Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. Incentive Stock Options may be granted only to employees of the Company or any Subsidiary that is a "subsidiary corporation" within the meaning of Section 424(f) of the Code. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

Stock Options granted pursuant to this Section 5 shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Administrator shall deem desirable. If the Administrator so determines, Stock Options may be granted in lieu of cash compensation at the optionee's election, subject to such terms and conditions as the Administrator may establish.

(b) Exercise Price. The exercise price per share for the Stock covered by a Stock Option granted pursuant to this Section 5 shall be determined by the Administrator at the time of grant but shall not be less than 100 percent of the Fair Market Value on the date of grant. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the exercise price of such Incentive Stock Option shall be not less than 110 percent of the Fair Market Value on the grant date. Notwithstanding the foregoing, Stock Options may be granted with an exercise price per share that is less than 100 percent of the Fair Market Value on the date of grant (i) pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code, (ii) to individuals who are not subject to U.S. income tax on the date of grant, or (iii) the Stock Option is otherwise compliant with Section 409A.

(c) Option Term. The term of each Stock Option shall be fixed by the Administrator, but no Stock Option shall be exercisable more than ten years after the date the Stock Option is granted. In the case of an Incentive Stock Option that is granted to a Ten Percent Owner, the term of such Stock Option shall be no more than five years from the date of grant.

(d) Exercisability; Rights of a Stockholder. Stock Options shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Administrator at or after the grant date. The Administrator may at any time accelerate the exercisability of all or any portion of any Stock Option. An optionee shall have the rights of a stockholder only as to shares acquired upon the exercise of a Stock Option and not as to unexercised Stock Options.

(e) Method of Exercise. Stock Options may be exercised in whole or in part, by giving written or electronic notice of exercise to the Company, specifying the number of shares to be purchased. Payment of the purchase price may be made by one or more of the following methods except to the extent otherwise provided in the Option Award Certificate:

(i) In cash, by certified or bank check or other instrument acceptable to the Administrator;

(ii) Through the delivery (or attestation to the ownership following such procedures as the Company may prescribe) of shares of Stock that are not then subject to restrictions under any Company plan. Such surrendered shares shall be valued at Fair Market Value on the exercise date;

(iii) By the optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company for the purchase price; provided that in the event the optionee chooses to pay the purchase price as so provided, the optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Company shall prescribe as a condition of such payment procedure; or

(iv) With respect to Stock Options that are not Incentive Stock Options, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price.

Payment instruments will be received subject to collection. The transfer to the optionee on the records of the Company or of the transfer agent of the shares of Stock to be purchased pursuant to the exercise of a Stock Option will be contingent upon receipt from the optionee (or a purchaser acting in his stead in accordance with the provisions of the Stock Option) by the Company of the full purchase price for such shares and the fulfillment of any other requirements contained in the Option Award Certificate or applicable provisions of laws (including the satisfaction of any withholding taxes that the Company is obligated to withhold with respect to the optionee). In the event an optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the optionee upon the exercise of the Stock Option shall be net of the number of attested shares. In the event that the Company establishes, for itself or using the services of a third party, an automated system for the exercise of Stock Options, such as a system using an internet website or interactive voice response, then the paperless exercise of Stock Options may be permitted through the use of such an automated system.

(f) Annual Limit on Incentive Stock Options. To the extent required for "incentive stock option" treatment under Section 422 of the Code, the aggregate Fair Market Value (determined as of the time of grant) of the shares of Stock with respect to which Incentive Stock Options granted under this Plan and any other plan of the Company or its parent and subsidiary corporations become exercisable for the first time by an optionee during any calendar year shall not exceed $100,000. To the extent that any Stock Option exceeds this limit, it shall constitute a Non-Qualified Stock Option.

SECTION 6. STOCK APPRECIATION RIGHTS

(a) Award of Stock Appreciation Rights. The Administrator may grant Stock Appreciation Rights under the Plan. A Stock Appreciation Right is an Award entitling the recipient to receive shares of Stock (or cash, to the extent explicitly provided for in the applicable Award Certificate) having a value equal to the excess of the Fair Market Value of a share of Stock on the date of exercise over the exercise price of the Stock Appreciation Right multiplied by the number of shares of Stock with respect to which the Stock Appreciation Right shall have been exercised.

(b) Exercise Price of Stock Appreciation Rights. The exercise price of a Stock Appreciation Right shall not be less than 100 percent of the Fair Market Value of the Stock on the date of grant.

(c) Grant and Exercise of Stock Appreciation Rights. Stock Appreciation Rights may be granted by the Administrator independently of any Stock Option granted pursuant to Section 5 of the Plan.

(d) Terms and Conditions of Stock Appreciation Rights. Stock Appreciation Rights shall be subject to such terms and conditions as shall be determined on the date of grant by the Administrator. The term of a Stock Appreciation Right may not exceed ten years. The terms and conditions of each such Award shall be determined by the Administrator, and such terms and conditions may differ among individual Awards and grantees.

SECTION 7. RESTRICTED STOCK AWARDS

(a) Nature of Restricted Stock Awards. The Administrator may grant Restricted Stock Awards under the Plan. A Restricted Stock Award is any Award of Restricted Shares subject to such restrictions and conditions as the Administrator may determine at the time of grant. Conditions may be based on continuing employment (or other Service Relationship) and/or achievement of pre-established performance goals and objectives.

(b) Rights as a Stockholder. Upon the grant of the Restricted Stock Award and payment of any applicable purchase price, a grantee shall have the rights of a stockholder with respect to the voting of the Restricted Shares and receipt of dividends; provided that if the lapse of restrictions with respect to the Restricted Stock Award is tied to the attainment of performance goals, any dividends paid by the Company during the performance period shall accrue and shall not be paid to the grantee until and to the extent the performance goals are met with respect to the Restricted Stock Award. Unless the Administrator shall otherwise determine, (i) uncertificated Restricted Shares shall be accompanied by a notation on the records of the Company or the transfer agent to the effect that they are subject to forfeiture until such Restricted Shares are vested as provided in Section 7(d) below, and (ii) certificated Restricted Shares shall remain in the possession of the Company until such Restricted Shares are vested as provided in Section 7(d) below, and the grantee shall be required, as a condition of the grant, to deliver to the Company such instruments of transfer as the Administrator may prescribe.

(c) Restrictions. Restricted Shares may not be sold, assigned, transferred, pledged or otherwise encumbered or disposed of except as specifically provided herein or in the Restricted Stock Award Certificate. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, if a grantee's employment (or other Service Relationship) with the Company and its Subsidiaries terminates for any reason, any Restricted Shares that have not vested at the time of termination shall automatically and without any requirement of notice to such grantee from or other action by or on behalf of, the Company be deemed to have been reacquired by the Company at its original purchase price (if any) from such grantee or such grantee's legal representative simultaneously with such termination of employment (or other Service Relationship), and thereafter shall cease to represent any ownership of the Company by the grantee or rights of the grantee as a stockholder. Following such deemed reacquisition of Restricted Shares that are represented by physical certificates, a grantee shall surrender such certificates to the Company upon request without consideration.

(d) Vesting of Restricted Shares. The Administrator at the time of grant shall specify the date or dates and/or the attainment of pre-established performance goals, objectives and other conditions on which the non-transferability of the Restricted Shares and the Company's right of repurchase or forfeiture shall lapse. Subsequent to such date or dates and/or the attainment of such pre-established performance goals, objectives and other conditions, the shares on which all restrictions have lapsed shall no longer be Restricted Shares and shall be deemed "vested."

SECTION 8. RESTRICTED STOCK UNITS

(a) Nature of Restricted Stock Units. The Administrator may grant Restricted Stock Units under the Plan. A Restricted Stock Unit is an Award of stock units that may be settled in shares of Stock (or cash, to the extent explicitly provided for in the Award Certificate) upon the satisfaction of such restrictions and conditions at the time of grant. Conditions may be based on continuing employment (or other Service Relationship) and/or achievement of pre-established performance goals and objectives. The terms and conditions of each such Award shall be determined by the Administrator, and such terms and conditions may differ among individual Awards and grantees. Except in the case of Restricted Stock Units with a deferred settlement date that complies with Section 409A, at the end of the vesting period, the Restricted Stock Units, to the extent vested, shall be settled in the form of shares of Stock. Restricted Stock Units with deferred settlement dates are subject to Section 409A and shall contain such additional terms and conditions as the Administrator shall determine in its sole discretion in order to comply with the requirements of Section 409A.

(b) Election to Receive Restricted Stock Units in Lieu of Compensation. The Administrator may, in its sole discretion, permit a grantee to elect to receive a portion of future cash compensation otherwise due to such grantee in the form of an award of Restricted Stock Units. Any such election shall be made in writing and shall be delivered to the Company no later than the date specified by the Administrator and in accordance with Section 409A and such other rules and procedures established by the Administrator. Any such future cash compensation that the grantee elects to defer shall be converted to a fixed number of Restricted Stock Units based on the Fair Market Value of Stock on the date the compensation would otherwise have been paid to the grantee if such payment had not been deferred as provided herein. The Administrator shall have the sole right to determine whether and under what circumstances to permit such elections and to impose such limitations and other terms and conditions thereon as the Administrator deems appropriate. Any Restricted Stock Units that are elected to be received in lieu of cash compensation shall be fully vested, unless otherwise provided in the Award Certificate.

(c) Rights as a Stockholder. A grantee shall have the rights as a stockholder only as to shares of Stock acquired by the grantee upon settlement of Restricted Stock Units; provided, however, that the grantee may be credited with Dividend Equivalent Rights with respect to the stock units underlying his Restricted Stock Units, subject to the provisions of Section 11 and such terms and conditions as the Administrator may determine.

(d) Termination. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's right in all Restricted Stock Units that have not vested shall automatically terminate upon the grantee's termination of employment (or cessation of Service Relationship) with the Company and its Subsidiaries for any reason.

SECTION 9. UNRESTRICTED STOCK AWARDS

Grant or Sale of Unrestricted Stock. The Administrator may grant (or sell at par value or such higher purchase price determined by the Administrator) an Unrestricted Stock Award under the Plan. An Unrestricted Stock Award is an Award pursuant to which the grantee may receive shares of Stock free of any restrictions under the Plan. Unrestricted Stock Awards may be granted in respect of past services or other valid consideration, or in lieu of cash compensation due to such grantee.

SECTION 10. CASH-BASED AWARDS

Grant of Cash-Based Awards. The Administrator may grant Cash-Based Awards under the Plan. A Cash-Based Award is an Award that entitles the grantee to a payment in cash upon the attainment of specified performance goals. The Administrator shall determine the maximum duration of the Cash-Based Award, the amount of cash to which the Cash-Based Award pertains, the conditions upon which the Cash-Based Award shall become vested or payable, and such other provisions as the Administrator shall determine. Each Cash-Based Award shall specify a cash-denominated payment amount, formula or payment ranges as determined by the Administrator.

Payment, if any, with respect to a Cash-Based Award shall be made in accordance with the terms of the Award and may be made in cash.

SECTION 11. DIVIDEND EQUIVALENT RIGHTS

(a) Dividend Equivalent Rights. The Administrator may grant Dividend Equivalent Rights under the Plan. A Dividend Equivalent Right is an Award entitling the grantee to receive credits based on cash dividends that would have been paid on the shares of Stock specified in the Dividend Equivalent Right (or other Award to which it relates) if such shares had been issued to the grantee. A Dividend Equivalent Right may be granted hereunder to any grantee as a component of an award of Restricted Stock Units or as a freestanding award. The terms and conditions of Dividend Equivalent Rights shall be specified in the Award Certificate. Dividend equivalents credited to the holder of a Dividend Equivalent Right may be paid currently or may be deemed to be reinvested in additional shares of Stock, which may thereafter accrue additional equivalents. Any such reinvestment shall be at Fair Market Value on the date of reinvestment or such other price as may then apply under a dividend reinvestment plan sponsored by the Company, if any. Dividend Equivalent Rights may be settled in cash or shares of Stock or a combination thereof, in a single installment or installments. A Dividend Equivalent Right granted as a component of an Award of Restricted Stock Units shall provide that such Dividend Equivalent Right shall be settled only upon settlement or payment of, or lapse of restrictions on, such other Award, and that such Dividend Equivalent Right shall expire or be forfeited or annulled under the same conditions as such other Award.

(b) Termination. Except as may otherwise be provided by the Administrator either in the Award Certificate or, subject to Section 16 below, in writing after the Award is issued, a grantee's rights in all Dividend Equivalent Rights shall automatically terminate upon the grantee's termination of employment (or cessation of Service Relationship) with the Company and its Subsidiaries for any reason.

SECTION 12. TRANSFERABILITY OF AWARDS

(a) Transferability. Except as provided in Section 12(b) below, during a grantee's lifetime, his or her Awards shall be exercisable only by the grantee, or by the grantee's legal representative or guardian in the event of the grantee's incapacity. No Awards shall be sold, assigned, transferred or otherwise encumbered or disposed of by a grantee other than by will or by the laws of descent and distribution or pursuant to a domestic relations order. No Awards shall be subject, in whole or in part, to attachment, execution, or levy of any kind, and any purported transfer in violation hereof shall be null and void.

(b) Administrator Action. Notwithstanding Section 12(a), the Administrator, in its discretion, may provide either in the Award Certificate regarding a given Award or by subsequent written approval that the grantee (who is an employee or director) may transfer his or her Non-Qualified Stock Options to his or her immediate family members, to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Award. In no event may an Award be transferred by a grantee for value.

(c) Family Member. For purposes of Section 12(b), "family member" shall mean a grantee's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the grantee's household (other than a tenant of the grantee), a trust in which these persons (or the grantee) have more than 50 percent of the beneficial interest, a foundation in which these persons (or the grantee) control the management of assets, and any other entity in which these persons (or the grantee) own more than 50 percent of the voting interests.

(d) Designation of Beneficiary. To the extent permitted by the Company, each grantee to whom an Award has been made under the Plan may designate a beneficiary or beneficiaries to exercise any Award or receive any payment under any Award payable on or after the grantee's death. Any such designation shall be on a form provided for that purpose by the Administrator and shall not be effective until received by the Administrator. If no beneficiary has been designated by a deceased grantee, or if the designated beneficiaries have predeceased the grantee, the beneficiary shall be the grantee's estate.

SECTION 13. TAX WITHHOLDING

(a) Payment by Grantee. Each grantee shall, no later than the date as of which the value of an Award or of any Stock or other amounts received thereunder first becomes includable in the gross income of the grantee for

Federal income tax purposes, pay to the Company, or make arrangements satisfactory to the Administrator regarding payment of, any Federal, state, or local taxes of any kind required by law to be withheld by the Company with respect to such income. The Company and its Subsidiaries shall, to the extent permitted by law,

have the right to deduct any such taxes from any payment of any kind otherwise due to the grantee. The Company's obligation to deliver evidence of book entry (or stock certificates) to any grantee is subject to and conditioned on tax withholding obligations being satisfied by the grantee.

(b) Payment in Stock. Subject to approval by the Administrator, a grantee may elect to have the Company's required tax withholding obligation satisfied, in whole or in part, by authorizing the Company to withhold from shares of Stock to be issued pursuant to any Award a number of shares with an aggregate Fair Market Value (as of the date the withholding is effected) that would satisfy the withholding amount due; provided, however, that the amount withheld does not exceed the maximum statutory tax rate or such lesser amount as is necessary to avoid liability accounting treatment. The Administrator may also require Awards to be subject to mandatory share withholding up to the required withholding amount. For purposes of share withholding, the Fair Market Value of withheld shares shall be determined in the same manner as the value of Stock includible in income of the Participants. The required tax withholding obligation may also be satisfied, in whole or in part, by an arrangement whereby a certain number of shares of Stock issued pursuant to any Award are immediately sold and proceeds from such sale are remitted to the Company in an amount that would satisfy the withholding amount due.

SECTION 14. SECTION 409A AWARDS

Awards are intended to be exempt from Section 409A to the greatest extent possible and to otherwise comply with Section 409A. The Plan and all Awards shall be interpreted in accordance with such intent. To the extent that any Award is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A (a "409A Award"), the Award shall be subject to such additional rules and requirements as specified by the Administrator from time to time in order to comply with Section 409A. In this regard, if any amount under a 409A Award is payable upon a "separation from service" (within the meaning of Section 409A) to a grantee who is then considered a "specified employee" (within the meaning of Section 409A), then no such payment shall be made prior to the date that is the earlier of (i) six months and one day after the grantee's separation from service, or (ii) the grantee's death, but only to the extent such delay is necessary to prevent such payment from being subject to interest, penalties and/or additional tax imposed pursuant to Section 409A. Further, the settlement of any 409A Award may not be accelerated except to the extent permitted by Section 409A.

SECTION 15. TERMINATION OF SERVICE RELATIONSHIP, TRANSFER, LEAVE OF ABSENCE, ETC.

(a) Termination of Service Relationship. If the grantee's Service Relationship is with an Affiliate and such Affiliate ceases to be an Affiliate, the grantee shall be deemed to have terminated his or her Service Relationship for purposes of the Plan.

(b) For purposes of the Plan, the following events shall not be deemed a termination of the grantee's Service Relationship:

(i) a transfer to the employment of the Company from an Affiliate or from the Company to an Affiliate, or from one Affiliate to another; or

(ii) an approved leave of absence for military service or sickness, or for any other purpose approved by the Company, if the employee's right to re-employment is guaranteed either by a statute or by contract or under the policy pursuant to which the leave of absence was granted or if the Administrator otherwise so provides in writing.

SECTION 16. AMENDMENTS AND TERMINATION

The Board may, at any time, amend or discontinue the Plan and the Administrator may, at any time, amend or cancel any outstanding Award for the purpose of satisfying changes in law or for any other lawful purpose, but no such action shall adversely affect rights under any outstanding Award without the holder's consent. The Administrator is specifically authorized to exercise its discretion to reduce the exercise price of outstanding Stock

Options or Stock Appreciation Rights or effect the repricing of such Awards through cancellation and re-grants without stockholder approval. To the extent required under the rules of any securities exchange or market system on which the Stock is listed, or to the extent determined by the Administrator to be required by the Code to ensure that Incentive Stock Options granted under the Plan are qualified under Section 422 of the Code, Plan amendments shall be subject to approval by the Company stockholders entitled to vote at a meeting of stockholders. Nothing in this Section 16 shall limit the Administrator's authority to take any action permitted pursuant to Section 3(b) or 3(c).

SECTION 17. STATUS OF PLAN

With respect to the portion of any Award that has not been exercised and any payments in cash, Stock or other consideration not received by a grantee, a grantee shall have no rights greater than those of a general creditor of the Company unless the Administrator shall otherwise expressly determine in connection with any Award or Awards. In its sole discretion, the Administrator may authorize the creation of trusts or other arrangements to meet the Company's obligations to deliver Stock or make payments with respect to Awards hereunder, provided that the existence of such trusts or other arrangements is consistent with the foregoing sentence.

SECTION 18. GENERAL PROVISIONS

(a) No Distribution. The Administrator may require each person acquiring Stock pursuant to an Award to represent to and agree with the Company in writing that such person is acquiring the shares without a view to distribution thereof.

(b) Issuance of Stock. To the extent certificated, stock certificates to grantees under this Plan shall be deemed delivered for all purposes when the Company or a stock transfer agent of the Company shall have mailed such certificates in the United States mail, addressed to the grantee, at the grantee's last known address on file with the Company. Uncertificated Stock shall be deemed delivered for all purposes when the Company or a Stock transfer agent of the Company shall have given to the grantee by electronic mail (with proof of receipt) or by United States mail, addressed to the grantee, at the grantee's last known address on file with the Company, notice of issuance and recorded the issuance in its records (which may include

electronic "book entry" records). Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any evidence of book entry or certificates evidencing shares of Stock pursuant to the exercise or settlement of any Award, unless and until the Administrator has determined, with advice of counsel (to the extent the Administrator deems such advice necessary or advisable), that the issuance and delivery is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the shares of Stock are listed, quoted or traded. Any Stock issued pursuant to the Plan shall be subject to any stop-transfer orders and other restrictions as the Administrator deems necessary or advisable to comply with federal, state or foreign jurisdiction, securities or other laws, rules and quotation system on which the Stock is listed, quoted or traded. The Administrator may place legends on any Stock certificate or notations on any book entry to reference restrictions applicable to the Stock. In addition to the terms and conditions provided herein, the Administrator may require that an individual make such reasonable covenants, agreements, and representations as the Administrator, in its discretion, deems necessary or advisable in order to comply with any such laws, regulations, or requirements. The Administrator shall have the right to require any individual to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Administrator.

(c) Stockholder Rights. Until Stock is deemed delivered in accordance with Section 18(b), no right to vote or receive dividends or any other rights of a stockholder will exist with respect to shares of Stock to be issued in connection with an Award, notwithstanding the exercise of a Stock Option or any other action by the grantee with respect to an Award.

(d) Other Compensation Arrangements; No Employment Rights. Nothing contained in this Plan shall prevent the Board from adopting other or additional compensation arrangements, including trusts, and such arrangements may be either generally applicable or applicable only in specific cases. The adoption of this Plan and the grant of Awards do not confer upon any employee any right to continued employment with the Company or any Subsidiary.

(e) Trading Policy Restrictions. Option exercises and other Awards under the Plan shall be subject to the Company's insider trading policies and procedures, as in effect from time to time.

(f) Clawback Policy. Awards under the Plan shall be subject to the Company's clawback policy, as in effect from time to time.

SECTION 19. EFFECTIVE DATE OF PLAN

This Plan shall become effective upon the date immediately preceding the Registration Date subject to prior stockholder approval in accordance with applicable state law, the Company's bylaws and articles of incorporation, and applicable stock exchange rules. No grants of Stock Options and other Awards may be made hereunder after the tenth anniversary of the Effective Date and no grants of Incentive Stock Options may be made hereunder after the tenth anniversary of the date the Plan is approved by the Board.

SECTION 20. GOVERNING LAW

This Plan and all Awards and actions taken thereunder shall be governed by, and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of New York, applied without regard to conflict of law principles.

DATE APPROVED BY BOARD OF DIRECTORS: June 5, 2019

DATE APPROVED BY STOCKHOLDERS: July 3, 2019

INCENTIVE STOCK OPTION AGREEMENT
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Optionee:	________________________
No. of Option Shares:	____________
Option Exercise Price per Share:	$____________
	[FMV on Grant Date (110% of FMV if a 10% owner)]
Grant Date:	____________
Expiration Date:	____________
	[up to 10 years (5 if a 10% owner)]

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants to the Optionee named above an option (the "Stock Option") to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Common Stock, par value $0.01 per share (the "Stock"), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator (as defined in Section 2 of the Plan) to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable with respect to the following number of Option Shares on the dates indicated so long as the Optionee remains an employee of the Company or a Subsidiary on such dates:

Incremental Number of Option Shares Exercisable*	Exercisability Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

* Max. of $100,000 per yr.

Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator of his or her election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) through the delivery (or attestation to the ownership) of shares of Stock that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; or (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option purchase price, provided that in the event the Optionee chooses to pay the option purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; or (iv) a combination of (i), (ii) and (iii) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company's receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws, and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Stock to be purchased pursuant to the exercise of Stock Options under the Plan and any subsequent resale of the shares of Stock will be in compliance with applicable laws and regulations. In the event the Optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the Optionee upon the exercise of the Stock Option shall be net of the Shares attested to.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Stock subject to this Stock Option unless and until this Stock Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the shares to the Optionee, and the Optionee's name shall have been entered as the stockholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such shares of Stock.

(c) The minimum number of shares with respect to which this Stock Option may be exercised at any one time shall be 100 shares, unless the number of shares with respect to which this Stock Option is being exercised is the total number of shares subject to exercise under this Stock Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination of Employment. If the Optionee's employment by the Company or a Subsidiary (as defined in the Plan) is terminated, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's employment terminates by reason of the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of 12 months from the date of death or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Termination Due to Disability. If the Optionee's employment terminates by reason of the Optionee's disability (as determined by the Administrator), any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of such termination of employment, may thereafter be exercised by the Optionee for a period of 12 months from the date of disability or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of disability shall terminate immediately and be of no further force or effect.

(c) Termination for Cause. If the Optionee's employment terminates for Cause, any portion of this Stock Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "Cause" shall mean, unless otherwise provided in an employment agreement between the Company and the Optionee, a determination by the Administrator that the Optionee shall be dismissed as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company.

(d) Other Termination. If the Optionee's employment terminates for any reason other than the Optionee's death, the Optionee's disability, or Cause, and unless otherwise determined by the Administrator, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of three months from the date of termination or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's employment shall be conclusive and binding on the Optionee and his or her representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Status of the Stock Option. This Stock Option is intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), but the Company does not represent or warrant that this Stock Option qualifies as such. The Optionee should consult with his or her own tax advisors regarding the tax effects of this Stock Option and the requirements necessary to obtain favorable income tax treatment under Section 422 of the Code, including, but not limited to, holding period requirements. To the extent any portion of this Stock Option does not so qualify as an "incentive stock option," such portion shall be deemed to be a non-qualified stock option. If the Optionee intends to dispose or does dispose (whether by sale, gift, transfer or

otherwise) of any Option Shares within the one-year period beginning on the date after the transfer of such shares to him or her, or within the two-year period beginning on the day after the grant of this Stock Option, he or she will so notify the Company within 30 days after such disposition.

7. Tax Withholding. The Optionee shall, not later than the date as of which the exercise of this Stock Option becomes a taxable event for Federal income tax purposes, pay to the Company or make arrangements satisfactory to the Administrator for payment of any Federal, state, and local taxes required by law to be withheld on account of such taxable event. The Company shall have the authority to cause the required tax withholding obligation to be satisfied, in whole or in part, by withholding from shares of Stock to be issued to the Optionee a number of shares of Stock with an aggregate Fair Market Value that would satisfy the minimum withholding amount due.

8. No Obligation to Continue Employment. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Optionee in employment and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the employment of the Optionee at any time.

9. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

11. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By: ______________________________

Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____
Optionee's Signature

Optionee's name and address:
____
____
____

NON-QUALIFIED STOCK OPTION AGREEMENT
FOR NON-EMPLOYEE DIRECTORS
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Optionee:	_____________________________________
No. of Option Shares:	____________________
Option Exercise Price per Share:	$____________________
Grant Date:	____________________
Expiration Date:	____________________

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants to the Optionee named above, who is a Director of the Company but is not an employee of the Company, an option (the "Stock Option") to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Common Stock, par value $0.01 per share (the "Stock"), of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. This Stock Option is not intended to be an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator (as defined in Section 2 of the Plan) to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable with respect to the following number of Option Shares on the dates indicated so long as the Optionee remains in service as a member of the Board on such dates:

Incremental Number of Option Shares Exercisable	Exercisability Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan. Notwithstanding the foregoing, 100% of the Option Shares shall immediately become exercisable upon immediately prior to the consummation of a Sale Event, provided that the Grantee continues to provide services as a Director through the date of such Sale Event.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator of his or her election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) through the delivery (or attestation to the ownership) of shares of Stock that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option purchase price, provided that in the event the Optionee chooses to pay the option purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; or (v) a combination of (i), (ii), (iii) and (iv) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company’s receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws, and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Stock to be purchased pursuant to the exercise of Stock Options under the Plan and any subsequent resale of the shares of Stock will be in compliance with applicable laws and regulations. In the event the Optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the Optionee upon the exercise of the Stock Option shall be net of the Shares attested to.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a

holder with respect to, any shares of Stock subject to this Stock Option unless and until this Stock Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the shares to the Optionee, and the Optionee’s name shall have been entered as the stockholder of record on the books of the

Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such shares of Stock.

(c) The minimum number of shares with respect to which this Stock Option may be exercised at any one time shall be 100 shares, unless the number of shares with respect to which this Stock Option is being exercised is the total number of shares subject to exercise under this Stock Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination as Director. If the Optionee ceases to be a Director of the Company, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's service as a Director terminates by reason of the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of 12 months from the date of death or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Other Termination. If the Optionee ceases to be a Director for any reason other than the Optionee's death, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date the Optionee ceased to be a Director, for a period of 12 months from the date the Optionee ceased to be a Director or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date the Optionee ceases to be a Director shall terminate immediately and be of no further force or effect.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. No Obligation to Continue as a Director. Neither the Plan nor this Stock Option confers upon the Optionee any rights with respect to continuance as a Director.

7. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

8. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

9. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By: ______________________________

Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____

Optionee's Signature

Optionee's name and address:

____

____

____

NON-QUALIFIED STOCK OPTION AGREEMENT
FOR COMPANY EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Optionee: ____

No. of Option Shares: ______________________

Option Exercise Price per Share: $ ____________________
[FMV on Grant Date]

Grant Date: ______________________

Expiration Date: ______________________

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants to the Optionee named above an option (the "Stock Option") to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Common Stock, par value $0.01 per share (the "Stock") of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. This Stock Option is not intended to be an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator (as defined in Section 2 of the Plan) to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable with

respect to the following number of Option Shares on the dates indicated so long as Optionee maintains a continuous Service Relationship with the Company or a Subsidiary on such dates:

Incremental Number of Option Shares Exercisable	Exercisability Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator of his or her election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) through the delivery (or attestation to the ownership) of shares of Stock that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the option purchase price, provided that in the event the Optionee chooses to pay the option purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; or (v) a combination of (i), (ii), (iii) and (iv) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company’s receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws, and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Stock to be purchased pursuant to the exercise of Stock Options under the Plan and any subsequent resale of the shares of Stock will be in compliance with applicable laws and regulations. In the event the Optionee chooses to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the Optionee upon the exercise of the Stock Option shall be net of the Shares attested to.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Stock subject to this Stock Option unless and until this Stock Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the shares to the Optionee, and the Optionee’s name shall have been entered as the stockholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such shares of Stock.

(c) The minimum number of shares with respect to which this Stock Option may be exercised at any one time shall be 100 shares, unless the number of shares with respect to which this Stock Option is being exercised is the total number of shares subject to exercise under this Stock Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination of Service Relationship. If the Optionee's Service Relationship with the Company or a Subsidiary (as defined in the Plan) is terminated, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) Termination Due to Death. If the Optionee's Service Relationship terminates by reason of the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of 12 months from the date of death or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(b) Termination Due to Disability. If the Optionee's Service Relationship terminates by reason of the Optionee's disability (as determined by the Administrator), any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of such termination of Service Relationship, may thereafter be exercised by the Optionee for a period of 12 months from the date of disability or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of disability shall terminate immediately and be of no further force or effect.

(c) Termination for Cause. If the Optionee's Service Relationship terminates for Cause, any portion of this Stock Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "Cause" shall mean, unless otherwise provided in an employment or other form of agreement between the Company and the Optionee, a determination by the Administrator that the Optionee shall be dismissed as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company.

(d) Other Termination. If the Optionee's Service Relationship terminates for any reason other than the Optionee's death, the Optionee's disability or Cause, and unless otherwise determined by the Administrator, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of three months from the date of termination or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's Service Relationship shall be conclusive and binding on the Optionee and his or her representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

5. Transferability. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Tax Withholding. The Optionee shall, not later than the date as of which the exercise of this Stock Option becomes a taxable event for Federal income tax purposes, pay to the Company or make arrangements satisfactory to the Administrator for payment of any Federal, state, and local taxes required by law to be withheld on account of

such taxable event. The Company shall have the authority to cause the required tax withholding obligation to be satisfied, in whole or in part, by withholding from shares of Stock to be issued to the Optionee a number of shares of Stock with an aggregate Fair Market Value that would satisfy the minimum withholding amount due.

7. No Obligation to Continue Service Relationship. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Optionee in a Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the Service Relationship of the Optionee at any time.

8. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Optionee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Optionee may have with respect to the Relevant Information; (iii) authorizes the

Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Optionee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

10. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By: ______________________________

Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____
Optionee's Signature

Optionee's name and address:

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____
____

GLOBAL NON-QUALIFIED STOCK OPTION AGREEMENT
FOR EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Optionee:
No. of Option Shares:
Option Exercise Price per Share: $
[FMV on Grant Date]
Grant Date:
Expiration Date:

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), and this Global Non-Qualified Stock Option Award Agreement for Employees, including any special terms and conditions for the Optionee's country set forth in the appendix attached hereto (the "Appendix" and together with the Global Non-Qualified Stock Option Agreement for Employees, the "Agreement"), Phreesia, Inc. (the "Company") hereby grants to the Optionee named above an option (the "Stock Option") to purchase on or prior to the Expiration Date specified above all or part of the number of shares of Common Stock, par value $0.01 per share (the "Stock") of the Company specified above at the Option Exercise Price per Share specified above subject to the terms and conditions set forth herein and in the Plan. This Stock Option is not intended to be an "incentive stock option" under Section 422 of the U.S. Internal Revenue Code of 1986, as amended. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

1. Exercisability Schedule. No portion of this Stock Option may be exercised until such portion shall have become exercisable. Except as set forth below, and subject to the discretion of the Administrator to accelerate the exercisability schedule hereunder, this Stock Option shall be exercisable with respect to the following number of Option Shares on the dates indicated so long as Optionee remains an employee of the Company or any Affiliate on such dates:

Incremental Number of Option Shares Exercisable	Exercisability Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

Once exercisable, this Stock Option shall continue to be exercisable at any time or times prior to the close of business on the Expiration Date, subject to the provisions hereof and of the Plan.

2. Manner of Exercise.

(a) The Optionee may exercise this Stock Option only in the following manner: from time to time on or prior to the Expiration Date of this Stock Option, the Optionee may give written notice to the Administrator or an agent designated by the Administrator of his or her election to purchase some or all of the Option Shares purchasable at the time of such notice. This notice shall specify the number of Option Shares to be purchased.

Payment of the purchase price for the Option Shares may be made by one or more of the following methods: (i) in cash, by certified or bank check or other instrument acceptable to the Administrator; (ii) if permitted by the Administrator, through the delivery (or attestation to the ownership) of shares of Stock that have been purchased by the Optionee on the open market or that are beneficially owned by the Optionee and are not then subject to any restrictions under any Company plan and that otherwise satisfy any holding periods as may be required by the Administrator; (iii) by the Optionee delivering to the Company a properly executed exercise notice together with irrevocable instructions to a broker to promptly deliver to the Company cash or a check payable and acceptable to the Company to pay the purchase price, provided that in the event the Optionee chooses to pay the purchase price as so provided, the Optionee and the broker shall comply with such procedures and enter into such agreements of indemnity and other agreements as the Administrator shall prescribe as a condition of such payment procedure; (iv) if permitted by the Administrator, by a “net exercise” arrangement pursuant to which the Company will reduce the number of shares of Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate purchase price; or (v) a combination of (i), (ii), (iii) and (iv) above. Payment instruments will be received subject to collection.

The transfer to the Optionee on the records of the Company or of the transfer agent of the Option Shares will be contingent upon (i) the Company’s receipt from the Optionee of the full purchase price for the Option Shares, as set forth above, (ii) the fulfillment of any other requirements contained herein or in the Plan or in any other agreement or provision of laws, and (iii) the receipt by the Company of any agreement, statement or other evidence that the Company may require to satisfy itself that the issuance of Stock to be purchased pursuant to the exercise of Stock Options under the Plan and any subsequent resale of the shares of Stock will be in compliance with applicable laws and regulations. In the event the Optionee chooses (and the Administrator permits to) to pay the purchase price by previously-owned shares of Stock through the attestation method, the number of shares of Stock transferred to the Optionee upon the exercise of the Stock Option shall be net of the shares attested to.

(b) The shares of Stock purchased upon exercise of this Stock Option shall be transferred to the Optionee on the records of the Company or of the transfer agent upon compliance to the satisfaction of the Administrator with all requirements under applicable laws or regulations in connection with such transfer and with the requirements hereof and of the Plan. The determination of the Administrator as to such compliance shall be final and binding on the

Optionee. The Optionee shall not be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Stock subject to this Stock Option unless and until this Stock Option shall have been exercised pursuant to the terms hereof, the Company or the transfer agent shall have transferred the shares to the Optionee, and the Optionee’s name shall have been entered as the stockholder of record on the books of the Company. Thereupon, the Optionee shall have full voting, dividend and other ownership rights with respect to such shares of Stock.

(c) The minimum number of shares with respect to which this Stock Option may be exercised at any one time shall be 100 shares, unless the number of shares with respect to which this Stock Option is being exercised is the total number of shares subject to exercise under this Stock Option at the time.

(d) Notwithstanding any other provision hereof or of the Plan, no portion of this Stock Option shall be exercisable after the Expiration Date hereof.

3. Termination of Employment. If the Optionee's employment by the Company or an Affiliate is terminated, the period within which to exercise the Stock Option may be subject to earlier termination as set forth below.

(a) For purposes of this Stock Option, the Optionee's employment shall be considered terminated as of the date the Optionee is no longer actively providing services to the Company or any of its Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Optionee is employed or the terms of the Optionee's employment agreement, if any) and such date will not be extended by any notice period (*e.g.,* the date would not be delayed by any contractual notice period or any period of "garden leave" or similar period mandated under employment or other laws in the jurisdiction where the Optionee is employed or the terms of the Optionee's employment agreement, if any). The Administrator shall have the exclusive discretion to determine when the Optionee is no longer actively providing services for purposes of this Stock Option (including whether the Optionee may still be considered to be providing services while on a leave of absence).

(b) Termination Due to Death. If the Optionee's employment terminates by reason of the Optionee's death, any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of death, may thereafter be exercised by the Optionee's legal representative or legatee for a period of 12 months from the date of death or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of death shall terminate immediately and be of no further force or effect.

(c) Termination Due to Disability. If the Optionee's employment terminates by reason of the Optionee's disability (as determined by the Administrator), any portion of this Stock Option outstanding on such date, to the extent exercisable on the date of such termination of employment, may thereafter be exercised by the Optionee for a period of 12 months from the date of termination or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

(d) <u>Termination for Cause</u>. If the Optionee's employment terminates for Cause, any portion of this Stock Option outstanding on such date shall terminate immediately and be of no further force and effect. For purposes hereof, "Cause" shall mean, unless otherwise provided in an employment service agreement, if any, between the Company or an Affiliate and the Optionee, a determination by the Administrator that the Optionee shall be dismissed as a result of (i) any material breach by the Optionee of any agreement between the Optionee and the Company or an Affiliate; (ii) the conviction of, indictment for or plea of nolo contendere by the Optionee to a felony (or crime of similar magnitude under non-U.S. laws, as determined by the Administrator) or a crime involving moral turpitude; or (iii) any material misconduct or willful and deliberate non-performance (other than by reason of disability) by the Optionee of the Optionee's duties to the Company or an Affiliate.

(e) <u>Other Termination</u>. If the Optionee's employment terminates for any reason other than the Optionee's death, the Optionee's disability or Cause, and unless otherwise determined by the Administrator, any portion of this Stock Option outstanding on such date may be exercised, to the extent exercisable on the date of termination, for a period of three months from the date of termination or until the Expiration Date, if earlier. Any portion of this Stock Option that is not exercisable on the date of termination shall terminate immediately and be of no further force or effect.

The Administrator's determination of the reason for termination of the Optionee's employment shall be conclusive and binding on the Optionee and his or her representatives or legatees.

4. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Stock Option shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

5. <u>Transferability</u>. This Agreement is personal to the Optionee, is non-assignable and is not transferable in any manner, by operation of law or otherwise, other than by will or the laws of descent and distribution. This Stock

Option is exercisable, during the Optionee's lifetime, only by the Optionee, and thereafter, only by the Optionee's legal representative or legatee.

6. Responsibility for Taxes.

(a) The Optionee acknowledges that, regardless of any action taken by the Company or, if different, the Affiliate employing the Optionee (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Optionee's participation in the Plan and legally applicable to the Optionee ("Tax-Related Items") is and remains the Optionee's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Optionee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this Stock Option, including, but not limited to, the grant, vesting or exercise of this Stock Option, the subsequent sale of shares of Stock acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to

structure the terms of the grant or any aspect of this Stock Option to reduce or eliminate the Optionee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Optionee is subject to Tax-Related Items in more than one jurisdiction, the Optionee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Optionee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from the Optionee's wages or other cash compensation paid to the Optionee by the Company and/or the Employer; (ii) allowing or requiring the Optionee to make a cash payment to cover the Tax-Related Items; (iii) withholding from proceeds of the sale of shares of Stock acquired upon exercise of this Stock Option either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee's behalf pursuant to this authorization without further consent); (iv) withholding from the shares of Stock to be issued to the Optionee upon exercise of this Stock Option; or (v) any other method of withholding determined by the Company and permitted by applicable law; provided, however, that that if the Optionee is a Section 16 officer of the Company under the Exchange Act, then the Administrator shall establish the method of withholding from alternatives (i)-(iv) herein and, if the Administrator does not exercise its discretion prior to the applicable withholding event, then the Optionee shall be entitled to elect the method of withholding from the alternatives above.

(c) The Company and/or the Employer may withhold or account for Tax-Related Items by considering applicable statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in the Optionee's jurisdiction, in which case the Optionee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent amount in shares of Stock. If the obligation for Tax-Related Items is satisfied by withholding in shares of Stock, for tax purposes, the Optionee is deemed to have been issued the full number of shares of Stock subject to the exercised Stock Option, notwithstanding that a number of the shares of Stock is held back solely for the purpose of paying the Tax-Related Items.

(d) The Optionee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Optionee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares of Stock, or the proceeds of the sale of shares of Stock, if the Optionee fails to comply with his or her obligations in connection with the Tax-Related Items.

7. No Obligation to Continue Employment. The grant of this Stock Option shall not be construed as giving the Optionee the right to be retained in the employ or other service of the Employer, or to be employed or providing services to the Company or any other Affiliate. Neither the Plan nor this Agreement shall interfere in any way with the right of the Employer to terminate the employment of the Optionee at any time.

8. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Stock Option and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. <u>Data Privacy Notification and Consent</u>

(a) By accepting this Stock Option, the Optionee explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Optionee's personal data as described in the Agreement by and among, as applicable, the Employer, the Company and its other Affiliates for the exclusive purpose of implementing, administering and managing the Optionee's participation in the Plan.

(b) The Optionee understands that the Company, the Employer and other Affiliates may hold certain personal information about the Optionee, including, but not limited to, the Optionee's name, home address and telephone number, email address, date of birth, social security number, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all Stock Options or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in the Optionee's favor ("Data"), for the purpose of implementing, administering and managing the Plan

(c) The Optionee understands that Data will be transferred to the stock plan service provider selected by the Company, which assist in the implementation, administration and management of the Plan. The Optionee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g. the United States) may have different data privacy laws and protections than the Optionee's country. The Optionee understands that if he or she resides outside the United States, the Optionee may request a list with the names and addresses of any potential recipients of the Data by contacting the Optionee's local human resources representative. The Optionee authorizes the Company, stock plan service provider and other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Optionee's participation in the Plan, including any requisite transfer of such Data as may be required to a broker, escrow agent or other third party with whom the shares of Stock received upon exercise of the Stock Option may be deposited. The Optionee understands that Data will be held only as long as is necessary to implement, administer and manage the Optionee's participation in the Plan. The Optionee understands that if the Optionee resides outside the United States, he or she may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Optionee's local human resources representative. Further, the Optionee understands that he or she is providing the consents herein on a purely voluntary basis. If the Optionee does not consent, or if the Optionee later seeks to revoke his or her consent, the Optionee's employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant Stock Options or other equity awards to the Optionee or administer or maintain such awards. Therefore, the Optionee understands that refusing or withdrawing the

Optionee's consent may affect his or her ability to participate in the Plan. For more information on the consequences of the Optionee's refusal to consent or withdrawal of consent, the Optionee understands that he or she may contact his or her local human resources representative.

(d) Upon request of the Company or the Employer, the Optionee agrees to provide a separate executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from the Optionee for the purpose of administering the Optionee's participation in the Plan in compliance with the data privacy laws in the Optionee's country, either now or in the future. The Optionee understands and agrees that he or she will not be able to participate in the Plan if the Optionee fails to provide any such consent or agreement requested by the Company and/or the Employer.

10. <u>Nature of Grant</u>. In accepting this Stock Option, the Optionee acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be modified, amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of this Stock Option is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of stock options, or benefits in lieu of stock options, even if stock options have been granted in the past;

(c) all decisions with respect to future stock option or other grants, if any, will be at the sole discretion of the Company;

(d) the Optionee is voluntarily participating in the Plan;

(e) if the Optionee is not employed by the Company, the grant of this Stock Option shall not be interpreted as forming an employment contract with the Company;

(f) this Stock Option and the shares of Stock subject to this Stock Option, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) unless otherwise agreed with the Company, this Stock Option and the shares of Stock subject to this Stock Option, and the income from and value of same, are not granted as consideration for, or in connection with, the service the Optionee may provide as a director of an Affiliate;

(h) this Stock Option and the shares of Stock subject to this Stock Option, and the income from and value of same, are not part of normal or expected compensation for purposes of, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday-pay, long-service awards, pension or retirement or welfare benefits or similar payments;

(i) the future value of the shares of Stock subject to this Stock Option is unknown, indeterminable, and cannot be predicted with certainty;

(j) if the shares of Stock subject to this Stock Option do not increase in value, this Stock Option will have no value;

(k) if the Optionee exercises this Stock Option and acquires shares of Stock, the value of such shares may increase or decrease in value, even below the Option Exercise Price;

(l) no claim or entitlement to compensation or damages shall arise from forfeiture of this Stock Option resulting from the termination of the Optionee's employment (for any reason whatsoever, whether or not later found to be invalid or in breach of employment or other laws in the jurisdiction where the Optionee is employed or the terms of the Optionee's employment agreement, if any);

(m) unless otherwise provided in the Plan or by the Company in its discretion, this Stock Option and the benefits evidenced by this Agreement do not create any entitlement to have this Stock Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Stock; and

(n) if the Optionee resides and/or works in a country outside the United States, the following shall apply:

(i) this Stock Option and any shares of Stock subject to this Stock Option, and the income from and value of same, are not part of normal or expected compensation for any purpose;

(ii) neither the Company, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between the Optionee's local currency and the United States Dollar that may affect the value of this Stock Option or of any amounts due to the Optionee pursuant to the exercise of this Stock Option or the subsequent sale of any shares of Stock acquired upon exercise.

11. Appendix. Notwithstanding any provision of this Global Non-Qualified Stock Option Agreement for Employees, if the Optionee resides in a country outside the United States or is otherwise subject to the laws of a country other than the United States, this Stock Option shall be subject to the special terms and conditions set forth in the Appendix for the Optionee's country, if any. Moreover, if the Optionee relocates to one of the countries included in the Appendix during the term of the Stock Option, the terms and conditions for such country shall apply to the Optionee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix forms part of this Agreement.

12. <u>Language</u>. The Optionee acknowledges that he or she is proficient in the English language and understands the terms of this Agreement. If the Optionee has received this Agreement, or any other documents

related to this Stock Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

13. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Optionee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

14. Waivers. The Optionee acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Optionee or any other Optionee**.**

15. Governing Law. This Agreement shall be governed by, and construed in accordance with, the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of New York, applied without regard to conflict of law principles..

16. Venue. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of New York, and agree that such litigation shall be conducted only in the courts of New York County, New York, or the federal courts for the United States for the Southern District of New York, where this grant is made and/or to be performed, and no other courts.

17. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

18. Imposition of Other Requirements. The Company reserves the right to impose other requirements on this Stock Option and the shares of Stock acquired upon exercise of this Stock Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Optionee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing.

19. Electronic Delivery and Acceptance of Documents. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Optionee hereby consents to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

20. Compliance with Law. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Stock, the Company shall not be required to permit the exercise of this Stock Option and/or deliver any shares of Stock prior to the completion of any registration or qualification of the shares of Stock under any U.S. or non-U.S. local, state or federal securities or other applicable law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any U.S. or non-U.S. local, state or federal

governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Optionee understands that the Company is under no obligation to register or qualify the shares of Stock with the SEC or any state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares of Stock subject to this Stock Option. Further, the Optionee agrees that the Company shall have unilateral authority to amend this Agreement without the Optionee's consent to the extent necessary to comply with securities or other laws applicable to issuance of the shares of Stock subject to this Stock Option.

21. Insider Trading Restrictions / Market Abuse Laws. By accepting this Stock Option, the Optionee acknowledges that he or she is bound by all the terms and conditions of any Company's insider trading policy as may be in effect from time to time. The Optionee further acknowledges that, depending on the Optionee's country, the broker's country or the country in which the shares of Stock are listed, the Optionee may be or may become subject to insider trading restrictions and/or market abuse laws which may affect the Optionee's ability to accept,

acquire, sell or otherwise dispose of shares of Stock, rights to shares of Stock (*e.g.*, Stock Options) or rights linked to the value of shares of Stock under the Plan during such times as the Optionee is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Optionee placed before the Optionee possessed inside information. Furthermore, the Optionee could be prohibited from (i) disclosing the inside information to any third party, which may include fellow employees and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any Company's insider trading policy as may be in effect from time to time. The Optionee acknowledges that it is the Optionee's responsibility to comply with any applicable restrictions, and the Optionee should speak to his or her personal advisor on this matter.

22. Foreign Asset/Account, Exchange Control and Tax Reporting. Depending on the Optionee's country, the Optionee may be subject to foreign asset/account, exchange control, tax reporting or other requirements which may affect the Optionee's ability acquire or hold Stock Options or shares of Stock under the Plan or cash received from participating in the Plan (including dividends and the proceeds arising from the sale of shares of Stock) in a brokerage/bank account outside the Optionee's country. The applicable laws of the Optionee's country may require that he or she report such Stock Options, shares of Stock, accounts, assets or transactions to the applicable authorities in such country and/or repatriate funds received in connection with the Plan to the Optionee's country within a certain time period or according to certain procedures. The Optionee acknowledges that he or she is responsible for ensuring compliance with any applicable requirements and should consult his or her personal legal advisor to ensure compliance with applicable laws.

PHREESIA, INC.

By: ______________________________

Title:

The Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Optionee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____

<Optionee Name>

APPENDIX

GLOBAL NON-QUALIFIED STOCK OPTION AGREEMENT
FOR EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Capitalized terms used but not defined in this Appendix shall have the same meanings assigned to them in the Plan and/or the Global Non-Qualified Stock Option Agreement for Employees (the "Option Agreement").

Terms and Conditions

This Appendix includes special terms and conditions that govern the Optionee's Stock Option if the Optionee works and/or resides in one of the countries listed below. If the Optionee is a citizen or resident of a country other than the

one in which the Optionee is currently working and/or residing (or is considered as such for local law purposes), or the Optionee transfers employment and/or residency to a different country after the grant of this Stock Option, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will apply to the Optionee.

Notifications

This Appendix also includes information regarding certain other issues of which the Optionee should be aware with respect to the Optionee's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of May 2019. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Optionee not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out-of-date at the time the Optionee exercises the Stock Option or sells any shares of Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Optionee's particular situation. As a result, the Company is not in a position to assure the Optionee of any particular result. Accordingly, the Optionee is strongly advised to seek appropriate professional advice as to how the relevant laws in the Optionee's country may apply to the Optionee's individual situation.

If the Optionee is a citizen or resident of a country other than the one in which the Optionee is currently working and/or residing (or is considered as such for local law purposes), or if the Optionee transfers employment and/or residency to a different country after the Stock Option is granted, the notifications contained in this Appendix may not be applicable to the Optionee in the same manner.

CANADA

Terms and Conditions

Method of Exercise. Notwithstanding any provision of the Plan or the Option Agreement, the Optionee may not pay the Option Exercise Price by using the methods of exercise set forth in Section 2(a)(ii) and (iv) of the Option Agreement or the corresponding provisions of the Plan.

The following terms and conditions apply to employees resident in Quebec:

Language. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Data Privacy. The following provision supplements Section 9 of the Option Agreement:

The Optionee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan. The Optionee further authorizes the Company and any Affiliate and the Administrator to disclose and discuss the Plan with their advisors and to record all relevant information and keep such information in the Optionee's employee file.

Notifications

Securities Law Information. The Optionee is permitted to sell shares of Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares of Stock acquired under the Plan takes place outside Canada through the facilities of a stock exchange on which the shares of Stock are listed.

Foreign Asset/Account Reporting Information. The Optionee is required to report any foreign specified property on form T1135 (Foreign Income Verification Statement) if the total cost of the Optionee's foreign specified property exceeds C$100,000 at any time in the year. Foreign specified property includes shares of Stock acquired under the Plan and their cost generally is the adjusted cost base ("ACB") of the shares of Stock. The ACB ordinarily would equal the fair market value of the shares of Stock at the time of acquisition, but if the Optionee owns other shares of Stock (e.g., acquired under other circumstances or at another time), this ACB may have to be averaged with the ACB of the other shares of Stock. The form T1135 generally must be filed by April 30 of the following year.

Canadian residents should consult with a personal advisor to ensure compliance with the applicable reporting requirements.

**RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR NON-EMPLOYEE DIRECTORS
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN**

Name of Grantee: ____________________

No. of Restricted Stock Units: __________

Grant Date: __________

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants an award of the number of Restricted Stock Units listed above (an "Award") to the Grantee named above. Each Restricted Stock Unit shall relate to one share of Common Stock, par value $0.01 per share (the "Stock") of the Company.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Stock Units. The restrictions and conditions of Paragraph 1 of this Agreement shall lapse on the Vesting Date or Dates specified in the following schedule so long as the Grantee remains in service as a member of the Board on such Dates. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Stock Units specified as vested on such date.

Incremental Number of Restricted Stock Units Vested	Vesting Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

Notwithstanding the foregoing, 100% of the Restricted Stock Units shall vest upon immediately prior to the consummation of a Sale Event, provided that the Grantee continues to provide services as a Director through the date of such Sale Event. The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service. If the Grantee's service as a Director terminates for any reason (other than death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.

4. <u>Issuance of Shares of Stock</u>. As soon as practicable following each Vesting Date (but in no event later than two and one-half months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have

vested pursuant to Paragraph 2 of this Agreement on such date and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares.

5. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

6. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code.

7. No Obligation to Continue as a Director. Neither the Plan nor this Award confers upon the Grantee any rights with respect to continuance as a Director.

8. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

9. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

10. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By: ______________________________

Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____
Grantee's Signature

Grantee's name and address:

____
____
____

RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR COMPANY EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Grantee: ____

No. of Restricted Stock Units: ______________________

Grant Date: ______________________

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants an award of the number of Restricted Stock Units listed above (an "Award") to the Grantee named above. Each Restricted Stock Unit shall relate to one share of Common Stock, par value $0.01 per share (the "Stock") of the Company.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Stock Units. The restrictions and conditions of Paragraph 1 of this Agreement shall lapse on the Vesting Date or Dates specified in the following schedule so long as the Grantee maintains a continuous Service Relationship with the Company or a Subsidiary on such Dates. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Stock Units specified as vested on such date.

Incremental Number of Restricted Stock Units Vested	Vesting Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service Relationship. If the Grantee's Service Relationship with the Company and its Subsidiaries terminates for any reason (including death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.

For purposes of the Award, the Grantee's Service Relationship will be considered terminated as of the date the Grantee is no longer actively providing services to the Company or any Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Grantee is providing services or the terms of the Grantee's service agreement, if any). Unless otherwise determined by the Company, the Grantee's right to vest in the Restricted Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the Grantee's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under labor laws in the jurisdiction where the Grantee is providing services or the terms of the Grantee's service agreement, if any). The Administrator shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of his or her Award (including whether the Grantee may still be considered to be providing services while on a leave of absence).

4. Issuance of Shares of Stock. As soon as practicable following each Vesting Date (but in no event later than two and one-half months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have vested pursuant to Paragraph 2 of this Agreement on such date and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares.

5. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

6. Tax Withholding. The Grantee shall, not later than the date as of which the receipt of this Award becomes a taxable event for Federal income tax purposes, pay to the Company or make arrangements satisfactory to the Administrator for payment of any Federal, state, and local taxes required by law to be withheld on account of such taxable event. The Company shall have the authority to cause the required tax withholding obligation to be satisfied, in whole or in part, by withholding from shares of Stock to be issued to the Grantee a number of shares of Stock with an aggregate Fair Market Value that would satisfy the withholding amount due.

7. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code.

8. <u>No Obligation to Continue Service Relationship</u>. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Grantee in a Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the Service Relationship of the Grantee at any time.

9. <u>Integration</u>. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the

Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

11. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By: ______________________________
Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____
Grantee's Signature

Grantee's name and address:
____
____
____

GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Grantee:	____________________
No. of Restricted Stock Units:	____________________
Grant Date:	____________________

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), and this Global Restricted Stock Unit Award Agreement for Employees, including any special terms and conditions for the Grantee's country set forth in the appendix attached hereto (the "Appendix" and together with the Global Restricted Stock Unit Award Agreement for Employees, the "Agreement"), Phreesia, Inc. (the "Company") hereby grants an award of the number of Restricted Stock Units listed above (an "Award") to the Grantee named above. Each Restricted Stock Unit shall relate to one share of Common Stock, par value $0.01 per share (the "Stock") of the Company. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Stock Units. The restrictions and conditions of Paragraph 1 of this Agreement shall lapse on the Vesting Date or Dates specified in the following schedule so long as the Grantee remains an employee of the Company or an Affiliate on such Dates. If a series of Vesting Dates is specified, then the restrictions and conditions in Paragraph 1 shall lapse only with respect to the number of Restricted Stock Units specified as vested on such date.

Incremental Number of Restricted Stock Units Vested	Vesting Date
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________
__________ (__%)	__________

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Employment.

(a) If the Grantee's employment with the Company and its Affiliates terminates for any reason (including death or disability) prior to the satisfaction of the vesting conditions set forth in Paragraph 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.

(b) For purposes of the Restricted Stock Units, the Grantee's employment shall be considered terminated as of the date the Grantee is no longer actively providing services to the Company or any of its Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Grantee is employed or the terms of the Grantee's employment agreement, if any) and such date will not be extended by any notice period (*e.g.,* the date would not be delayed by any contractual notice period or any period of "garden leave" or similar period mandated under employment or other laws in the jurisdiction where the Grantee is employed or the terms of the Grantee's employment agreement, if any). The Administrator shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of the Restricted Stock Units (including whether the Grantee may still be considered to be providing services while on a leave of absence).

4. Issuance of Shares of Stock. Subject to Paragraph 6 below, as soon as practicable following each Vesting Date (but in no event later than two and one-half months after the end of the year in which the Vesting Date occurs), the Company shall issue to the Grantee the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have vested pursuant to Paragraph 2 of this Agreement on such date and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares.

5. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan.

6. Responsibility for Taxes

(a) The Grantee acknowledges that, regardless of any action taken by the Company or, if different, the Affiliate employing the Grantee (the "Employer"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Grantee's participation in the Plan and legally applicable to the Grantee ("Tax-Related Items") is and remains the Grantee's responsibility and may exceed the amount, if any, actually withheld by the Company or the Employer. The Grantee further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the subsequent sale of shares of Stock acquired pursuant to such

settlement and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Restricted Stock Units to reduce or eliminate the Grantee's liability for Tax-Related Items or achieve any particular tax result. Further, if the Grantee is subject to Tax-Related Items in more than one jurisdiction, the Grantee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) Prior to any relevant taxable or tax withholding event, as applicable, the Grantee agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Grantee authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from the Grantee's wages or other cash compensation paid to the Grantee by the Company and/or the Employer; (ii) withholding from proceeds of the sale of shares of Stock acquired upon settlement of the Restricted Stock Units either through a voluntary sale or through a mandatory sale arranged by the Company (on the Grantee's behalf pursuant to this authorization without further consent); (iii) withholding from shares of Stock to be issued to the Grantee upon settlement of the Restricted Stock Units; or (iv) any other method of withholding determined by the Company and permitted by applicable law; provided, however, that that if the Grantee is a Section 16 officer of the Company under the Exchange Act, then the Administrator shall establish the method of withholding from alternatives (i)-(iv) herein and, if the Administrator does not exercise its discretion prior to the applicable withholding event, then the Grantee shall be entitled to elect the method of withholding from the alternatives above.

(c) The Company and/or the Employer may withhold or account for Tax-Related Items by considering applicable statutory withholding amounts or other applicable withholding rates, including maximum rates applicable in the Grantee's jurisdiction, in which case the Grantee may receive a refund of any over-withheld amount in cash and will have no entitlement to the equivalent amount in shares of Stock. If the obligation for Tax-Related Items is satisfied by withholding in shares of Stock, for tax purposes, the Grantee is deemed to have been issued the full number of shares of Stock subject to the vested Restricted Stock Units, notwithstanding that a number of the shares of Stock is held back solely for the purpose of paying the Tax-Related Items.

(d) The Grantee agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Grantee's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the shares of Stock, or the proceeds of the sale of shares of Stock, if the Grantee fails to comply with his or her obligations in connection with the Tax-Related Items.

7. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code.

8. No Obligation to Continue Employment. The grant of the Restricted Stock Units shall not be construed as giving the Grantee the right to be retained in the employ or other service of the Employer. Neither the Plan nor this Agreement shall interfere in any way with the right of the Employer to terminate the employment of the Grantee at any time.

9. <u>Integration</u>. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

10. ***<u>Data Privacy Notification and Consent</u>. By accepting the Restricted Stock Units, the Grantee explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Grantee's personal data as described in the Agreement by and among, as applicable, the Employer, the Company and its other Affiliates for the exclusive purpose of implementing, administering and managing the Grantee's participation in the Plan.***

(a) The Grantee understands that the Company, the Employer and other Affiliates may hold certain personal information about the Grantee, including, but not limited to, the Grantee's name, home address and telephone number, email address, date of birth, social security number, passport or other identification number (e.g., resident registration number), salary, nationality, job title, any shares of Stock or directorships held in the Company, details of all Restricted Stock Units or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in the Grantee's favor ("Data"), for the purpose of implementing, administering and managing the Plan

(b) The Grantee understands that Data will be transferred to the stock plan service provider selected by the Company, which assist in the implementation, administration and management of the Plan. The Grantee understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g. the United States) may have different data privacy laws and protections than the Grantee's country. The Grantee understands that if he or she resides outside the United States, the Grantee may request a list with the names and addresses of any potential recipients of the Data by contacting the Grantee's local human resources representative. The Grantee authorizes the Company, the stock plan service provider and other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Grantee's participation in the Plan, including any requisite transfer of such Data as may be required to a broker, escrow agent or other third party with whom the shares of Stock received upon vesting of the Restricted Stock Units may be deposited. The Grantee understands that Data will be held only as long as is necessary to implement, administer and manage the Grantee's participation in the Plan. The Grantee understands that if the Grantee resides outside the United States, he or she may, at any time, view Data, request information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Grantee's local human resources representative. Further, the Grantee understands that he or she is providing the consents herein on a purely voluntary basis. If the Grantee does not consent, or if the Grantee later seeks to revoke his or her consent, the Grantee's employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Company would not be able to grant Restricted Stock Units or other equity awards to the Grantee or administer or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing the Grantee's consent may affect his or her ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to consent or withdrawal of consent, the Grantee understands that he or she may contact your local human resources representative.

or maintain such awards. Therefore, the Grantee understands that refusing or withdrawing the Grantee's consent may affect his or her ability to participate in the Plan. For more information on the consequences of the Grantee's refusal to consent or withdrawal of consent, the Grantee understands that he or she may contact your local human resources representative.

(c) Upon request of the Company or the Employer, the Grantee agrees to provide a separate executed data privacy consent form (or any other agreements or consents that may be required by the Company and/or the Employer) that the Company and/or the Employer may deem necessary to obtain from the Grantee for the purpose of administering the Grantee's participation in the Plan in compliance with the data privacy laws in the Grantee's country, either now or in the future. The Grantee understands and agrees that he or she will not be able to participate in the Plan if the Grantee fails to provide any such consent or agreement requested by the Company and/or the Employer.

11. Nature of Grant. In accepting the Restricted Stock Units, the Grantee acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by the Plan;

(b) the grant of the Restricted Stock Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units, even if Restricted Stock Units have been granted in the past;

(c) all decisions with respect to future Restricted Stock Units or other grants, if any, will be at the sole discretion of the Company;

(d) the Grantee is voluntarily participating in the Plan;

(e) if the Grantee is not employed by the Company, the grant of the Restricted Stock Units shall not be interpreted as forming an employment contract with the Company;

(f) the Restricted Stock Units and any shares of Stock subject to the Restricted Stock Units, and the income from and value of same, are not intended to replace any pension rights or compensation;

(g) unless otherwise agreed with the Company, the Restricted Stock Units and the shares of Stock subject to the Restricted Stock Units, and the income from and value of same, are not granted as consideration for, or in connection with, the service the Grantee may provide as a director of an Affiliate;

(h) the Restricted Stock Units and any shares of Stock subject to the Restricted Stock Units, and the income from and value of same, are not part of normal or expected compensation for purposes of, including, without limitation, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, holiday pay, pension or retirement or welfare benefits or similar mandatory payments;

(i) the future value of the shares of Stock underlying the Restricted Stock Units is unknown, indeterminable, and cannot be predicted with certainty;

(j) no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from the termination of the Grantee's employment (for any reason whatsoever, whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Grantee is employed or the terms of the Grantee's employment agreement, if any);

(k) unless otherwise provided in the Plan or by the Company in its discretion, the Restricted Stock Units and the benefits evidenced by this Agreement do not create any entitlement to have the Restricted Stock Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the shares of Stock; and

(l) if the Grantee resides and/or works in a country outside the United States, the following shall apply:

(i) the Restricted Stock Units and any shares of Stock subject to the Restricted Stock Units, and the income from and value of same, are not part of normal or expected compensation for any purpose;

(ii) neither the Company, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between the Grantee's local currency and the United States Dollar that may affect

the value of the Restricted Stock Units or of any amounts due to the Grantee pursuant to the settlement of the Restricted Stock Units or the subsequent sale of any shares of Stock acquired upon settlement.

12. Appendix. Notwithstanding any provision of this Global Restricted Stock Unit Award Agreement for Employees, if the Grantee resides in a country outside the United States or is otherwise subject to the laws of a country other than the United States, the Restricted Stock Units shall be subject to the special terms and conditions set forth in the Appendix for the Grantee's country, if any. Moreover, if the Grantee relocates to one of the countries included in the Appendix during the term of the Restricted Stock Units, the terms and conditions for such country shall apply to the Grantee, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix forms part of this Agreement.

13. Language. The Grantee acknowledges that he or she is proficient in the English language and understands the terms of this Agreement. If the Grantee has received this Agreement, or any other documents related to the Restricted Stock Units and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

14. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

15. Waivers. The Grantee acknowledges that a waiver by the Company of breach of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by the Grantee or any other Grantee.

16. Choice of Law. This Agreement shall be governed by, and construed in accordance with, the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of New York, applied without regard to conflict of law principles.

17. Venue. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of the State of New York, and agree that such litigation shall be conducted only in the courts of New York County, New York, or the federal courts for the United States for the Southern District of New York, where this grant is made and/or to be performed, and no other courts.

18. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

19. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Restricted Stock Units and the shares of Stock acquired upon settlement of the Restricted Stock Units, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Grantee to accept any additional agreements or undertakings that may be necessary to accomplish the foregoing.

20. Electronic Delivery and Acceptance of Documents. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Grantee hereby consents to receive such documents by electronic delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. Compliance with Law. Notwithstanding any other provision of the Plan or this Agreement, unless there is an available exemption from any registration, qualification or other legal requirement applicable to the Stock, the Company shall not be required to permit the vesting of the Restricted Stock Units and/or deliver any shares of Stock prior to the completion of any registration or qualification of the shares of Stock under any U.S. or non-U.S. local, state or federal securities or other applicable law or under rulings or regulations of the U.S. Securities and Exchange Commission ("SEC") or of any other governmental regulatory body, or prior to obtaining any approval or other clearance from any U.S. or non-U.S. local, state or federal governmental agency, which registration, qualification or approval the Company shall, in its absolute discretion, deem necessary or advisable. The Grantee understands that the Company is under no obligation to register or qualify the Stock with the SEC or any state or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the shares of Stock subject to the Restricted Stock Units. Further, the Grantee

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agrees that the Company shall have unilateral authority to amend this Agreement without the Grantee's consent to the extent necessary to comply with securities or other laws applicable to issuance of the shares of Stock subject to the Restricted Stock Units.

22. Insider Trading Restrictions / Market Abuse Laws. By accepting the Restricted Stock Units, the Grantee acknowledges that he or she is bound by all the terms and conditions of any Company's insider trading policy as may be in effect from time to time. The Grantee further acknowledges that, depending on the Grantee's country, the broker's country or the country in which the shares of Stock are listed, the Grantee may be or may become subject to insider trading restrictions and/or market abuse laws which may affect the Grantee's ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to shares of Stock (*e.g.*, Restricted Stock Units) or rights linked to the value of shares of Stock under the Plan during such times as the Grantee is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Grantee placed before the Grantee possessed inside information. Furthermore, the Grantee could be prohibited from (i) disclosing the inside information to any third party, which may include fellow employees and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any Company's insider trading policy as may be in effect from time to time. The Grantee acknowledges that it is the Grantee's responsibility to comply with any applicable restrictions, and the Grantee should speak to his or her personal advisor on this matter.

23. Foreign Asset/Account, Exchange Control and Tax Reporting. Depending on the Grantee's country, the Grantee may be subject to foreign asset/account, exchange control, tax reporting or other requirements which may affect the Grantee's ability acquire or hold Restricted Stock Units or shares of Stock under the Plan or cash received from participating in the Plan (including dividends and the proceeds arising from the sale of shares of Stock) in a brokerage/bank account outside the Grantee's country. The applicable laws of the Grantee's country may require that he or she report such Restricted Stock Units, shares of Stock, accounts, assets or transactions to the applicable authorities in such country and/or repatriate funds received in connection with the Plan to the Grantee's country within a certain time period or according to certain procedures. The Grantee acknowledges that he or she is responsible for ensuring compliance with any applicable requirements and should consult his or her personal legal advisor to ensure compliance with applicable laws.

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PHREESIA, INC.

By: ______________________________
Title:

The Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____
<Grantee Name>

APPENDIX A

**GLOBAL RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN**

Capitalized terms used but not defined in this Appendix shall have the same meanings assigned to them in the Plan and/or the Global Restricted Stock Unit Award Agreement for Employees (the "RSU Agreement").

Terms and Conditions

This Appendix includes additional terms and conditions that govern the Restricted Stock Units if the Grantee works and/or resides in one of the countries listed below. If the Grantee is a citizen or resident of a country other than the one in which the Grantee is currently working and/or residing (or is considered as such for local law purposes), or the Grantee transfers employment and/or residency to a different country after the Restricted Stock Units are granted, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will apply to the Grantee.

Notifications

This Appendix also includes information regarding certain other issues of which the Grantee should be aware with respect to the Grantee's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of October 2018. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Grantee not rely on the information noted herein as the only source of information relating to the consequences of participation in the Plan because the information may be out-of-date at the time the Grantee vests in the Restricted Stock Units or sells any shares of Stock acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Grantee's particular situation. As a result, the Company is not in a position to assure the Grantee of any particular result. Accordingly, the Grantee is strongly advised to seek appropriate professional advice as to how the relevant laws in the Grantee's country may apply to the Grantee's individual situation.

If the Grantee is a citizen or resident of a country other than the one in which the Grantee is currently working and/or residing (or is considered as such for local law purposes), or if the Grantee transfers employment and/or residency to a different country after the Restricted Stock Units are granted, the notifications contained in this Appendix may not be applicable to the Grantee in the same manner.

CANADA

Terms and Conditions

Award Payable Only in Shares. The Restricted Stock Units shall be paid in shares of Stock only and do not provide the Grantee with any right to receive a cash payment.

The following terms and conditions apply to employees resident in Quebec:

Language. The parties acknowledge that it is their express wish that this Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de cette convention, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.

Data Privacy. The following provision supplements the Data Privacy Notification and Consent provision above in this Appendix:

The Grantee hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or non-professional, involved in the administration and operation of the Plan. The Grantee further authorizes the Company and any Subsidiary and the Administrator to disclose and discuss the Plan with their advisors and to record all relevant information and keep such information in the Grantee's employee file.

Notifications

Securities Law Information. The Grantee is permitted to sell shares of Stock acquired under the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares of Stock acquired under the Plan takes place outside Canada through the facilities of a stock exchange on which the shares of Stock are listed.

Foreign Asset/Account Reporting Information. The Grantee is required to report any foreign specified property on form T1135 (Foreign Income Verification Statement) if the total cost of the Grantee's foreign specified property exceeds C$100,000 at any time in the year. Foreign specified property includes shares of Stock acquired under the Plan and their cost generally is the adjusted cost base ("ACB") of the shares of Stock. The ACB ordinarily would equal the fair market value of the shares of Stock at the time of acquisition, but if the Grantee owns other shares of Stock (e.g., acquired under other circumstances or at another time), this ACB may have to be averaged with the ACB of the other shares of Stock. The form T1135 generally must be filed by April 30 of the following year. Canadian residents should consult with a personal advisor to ensure compliance with the applicable reporting requirements.

INDIA

Notifications

Exchange Control Information. Indian residents are required to repatriate or surrender any cash dividends paid on shares of Stock acquired under the Plan or any proceeds from the sale of such shares of Stock, to an authorised person within a period of 180 days from the date of such receipt or within such other period of time as may be required under applicable regulations and to convert the proceeds into local currency. Such recipients will receive a foreign inward remittance certificate ("FIRC") from the bank where the foreign currency is deposited and should maintain the FIRC as evidence of repatriation of funds in the event the Reserve Bank of India or the Employer requests proof of repatriation. The Grantee acknowledges that it is his or her responsibility to comply with applicable exchange control laws in India.

Foreign Asset/Account Reporting Information. Indian residents are required to declare the following items in their annual tax returns: (i) any foreign assets held by them (including shares of Stock acquired under the Plan), and (ii) any foreign bank accounts for which they have signing authority. Indian residents are responsible for complying with any and all applicable exchange control and reporting laws in India and should consult with a personal tax advisors in this regard.

RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR COMPANY EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Grantee: __

Target No. of Restricted Stock
Units: ________ (the "Target Award")

Maximum No. of Restricted
Stock Units: __

Grant Date: __

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants an award of the number of Restricted Stock Units listed above (an "Award") to the Grantee named above. Each Restricted Stock Unit shall relate to one share of Common Stock, par value $0.01 per share (the "Stock") of the Company.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Stock Units. Except as otherwise provided below, the restrictions and conditions of Paragraph 1 of this Agreement shall lapse as follows:

(a) Number of Restricted Stock Units Earned. The number of Restricted Stock Units that shall be earned for a Performance Measurement Period shall equal the Grantee's Target Award multiplied by the Performance Multiplier for such Performance Measurement Period. The number of Restricted Stock Units earned for a Performance Measurement Period (if any) shall be rounded to the nearest whole share of Stock. The Performance Multiplier shall be determined as set forth on Exhibit A, attached hereto.

(b) Administrator Determination. The Administrator, at its first meeting following the conclusion of the Performance Measurement Period, shall determine the actual number of Restricted Stock Units that shall be earned as of the final day of such Performance Measurement Period (such date, the "Determination Date"). The number of Restricted Stock Units earned for such period shall equal the Target Award multiplied by the Performance Multiplier, subject to the terms and conditions hereof.

(c) Vesting. Subject to Sections 3 and 4, on the Determination Date (the "Vesting Date"), the total number of Restricted Stock Units, if any, that were earned for the Performance Measurement Period shall become vested, subject to the Grantee's continuous Service Relationship through such date.

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service Relationship.

(a) Except as otherwise provided herein, if the Grantee's Service Relationship with the Company and its Subsidiaries terminates for any reason prior to the satisfaction of the vesting conditions set forth in Section 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.

(b) If the Grantee's Service Relationship is terminated by the Company without Cause prior to the end of the Performance Measurement Period, subject to the effectiveness of a Separation Agreement and Release, the Administrator shall determine the amount of Restricted Stock Units deemed earned, and the Grantee shall vest as of the Vesting Date in the number of Restricted Stock Units deemed earned, based on the Company's Total Shareholder Return through the last day of the Performance Measurement Period (or, if applicable, the

Change in Control Performance Measurement Period), multiplied by a fraction, the numerator of which shall be the number of calendar days from the Grant Date to the date the Grantee's Service Relationship is terminated and the denominator of which shall be the number of days in the Performance Period or Change in Control Performance Measurement Period, as applicable.

(c) If the Grantee's Service Relationship terminates due to the Grantee's death or Disability, then the number of Restricted Stock Units deemed earned and vested as of such date shall equal the Target Award.

(d) For purposes of the Award, the Grantee's Service Relationship will be considered terminated as of the date the Grantee is no longer actively providing services to the Company or any Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Grantee is providing services or the terms of the Grantee's service agreement, if any). Unless otherwise determined by the Company, the Grantee's right to vest in the Restricted Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the Grantee's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under labor laws in the jurisdiction where the Grantee is providing services or the terms of the Grantee's service agreement, if any). The Administrator shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of his or her Award (including whether the Grantee may still be considered to be providing services while on a leave of absence).

4. Change in Control. Upon a Change in Control, with respect to the Change in Control Performance Measurement Period, the Administrator, in accordance with Section 2(a), shall determine the actual number of Restricted Stock Units that shall be earned for such period based on the Total Shareholder Return percentile rank for the Change in Control Performance Measurement Period relative to the Performance Measurement Index for such Change in Control Performance Measurement Period. The earned Award (i.e., Target Award multiplied by Performance Multiplier determined for Change in Control Performance Measurement Period) shall vest as of the date of the Change in Control, subject to the Grantee having a Service Relationship with the Company (or its successor) through such date.

5. Issuance of Shares of Stock. As soon as practicable following the Vesting Date (or, in the case of a termination due to death or Disability pursuant to Section 3(c), as soon as practicable following the date of such termination), but in no event later than two and one-half months following the Vesting Date or date of such termination, as applicable, the Company shall issue to the Grantee (the date of such issuance, the "Issuance Date") the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have vested pursuant to Paragraph 2, Paragraph 3 or Paragraph 4 of this Agreement and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares. On the Issuance Date, the Company shall also issue to the Grantee shares of Stock with respect to any Dividend Equivalent Rights that have vested in accordance with Paragraph 7.

6. Defined Terms. The following terms shall have the following respective meanings:

(a) "Cause" shall have the meaning set forth for such term in the Grantee's Executive Agreement, of if no Executive Agreement is in effect, then shall have the meaning set forth for such term in any individually negotiated and signed employment contract or similar agreement in effect between the Company and the Grantee, or, if no such contract or agreement is in effect, shall mean, (i) conduct by the Grantee constituting a material act of misconduct in connection with the performance of the Grantee's duties, including, without limitation, (A) willful failure or refusal to perform material responsibilities that have been requested by the Chief Executive Officer ("CEO"); (B) dishonesty to the Chief Executive Officer with respect to any material matter; or (C) misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and *de minimis* use of Company property for personal purposes; (ii) the commission by the Grantee of acts satisfying the elements of (A) any felony or (B) a misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (iii) any misconduct by the Grantee, regardless of whether or not in the course of the Grantee's employment, that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries or affiliates if the Grantee were to continue to be employed in the same position; (iv) continued unsatisfactory performance or non-performance by the Grantee of the Grantee's duties hereunder (other than by reason of the Grantee's physical or mental illness, incapacity or Disability) which has continued for more than 30 days following written notice of such unsatisfactory performance or non-performance from the CEO; (v) a breach by the Grantee of any of any provision of any agreement(s) between the Grantee and the Company relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions; (vi) a material violation by the Grantee of any of the Company's written employment policies; or (vii) the Grantee's failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(b) "Change in Control" shall mean "Sale Event" as such term is defined in the Plan.

(c) "Change in Control Date" means with respect to a Change in Control Performance Measurement Period, the date immediately prior to the consummation of the Change in Control.

(d) "Change in Control Performance Measurement Period" means the Performance Measurement Period that is shortened by the Administrator such that the period shall be deemed to have concluded as of the Change in Control Date.

(e) "Closing Stock Price" means the Stock Price as of the last day of the Performance Measurement Period.

(f) "Disability" shall mean (A) the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months or (ii) the Grantee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

(g) "Executive Agreement" means the Amended and Restated Employment Agreement by and between the Company and the Grantee as such may be in effect.

(h) "Initial Stock Price" means the closing price on the New York Stock Exchange (NYSE) on [ ] for one share of Stock, as determined by the Committee in its discretion.

(i) "Performance Measurement Index" means the companies within the Russell 3000 as of the first day of the Performance Measurement Period; provided, that companies may be removed from the index if acquired.

(j) "Performance Measurement Period" means the three-year period commencing on [ ] and ending on [ ].

(k) "Separation Agreement and Release" shall have the meaning set forth for such term in the Grantee's Executive Agreement or if there is no such Executive Agreement shall mean an effective release of claims by the Grantee against the Company, its affiliates, directors and officers in the form provided by the Company and subject to the timing for delivery and effectiveness required by the Company.

(l) "Stock Price" means, as of a particular date, the volume weighted average price of one share of Stock for the 20 consecutive trading days ending on the trading day immediately prior to such date; provided however, that in the event of a Change in Control of the Company, the Stock Price as of the Change in Control Date shall equal the fair market value, as determined by the Committee in its discretion, of the total consideration paid in the transaction resulting in the Change in Control for one share of Stock.

(m) "Target Award" means the target number of Restricted Stock Units as set forth in this Agreement.

(n) "Total Shareholder Return" means, with respect to the Performance Measurement Period, the total percentage return per share, achieved by the Stock assuming contemporaneous reinvestment in the Stock of all dividends and other distributions (excluding dividends and distributions paid in the form of additional shares of Stock) at the closing price of one share of Stock on the date such dividend or other distribution was paid, based on the Initial Stock Price, and the Closing Stock Price for the last day of the Performance Measurement Period or, in the case of a Change in Control Measurement Period, the Stock Price as of the Change in Control Date.

7. Dividend Equivalent Rights. The Grantee shall also be granted Dividend Equivalent Rights with respect to the Restricted Stock Units, which shall be settled in shares of Stock upon vesting as set forth in this Paragraph 7. The Dividend Equivalent Rights shall accrue and shall be deemed to be reinvested into the Company (which, for purposes of determining the amounts deemed to be reinvested, will include all dividends received on such Dividend Equivalent Rights) and payment with respect to the Dividend Equivalent Rights (including any dividends received on such Dividend Equivalent Rights) shall be deferred until the end of the Performance Measurement Period to coincide with the vesting, if any, of the Restricted Stock Units in respect of which such dividends accrue, and shall be subject to the same vesting requirements set forth in Paragraph 2 above. For the

avoidance of doubt, if any portion of the Restricted Stock Units are not earned and do not vest, then the corresponding Dividend Equivalent Rights with respect to such Restricted Stock Units shall be forfeited and such corresponding Dividend Equivalent Rights shall automatically and without notice be forfeited.

8. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

9. Tax Withholding. The Company shall cause the required tax withholding obligation to be satisfied by withholding from shares of Stock to be issued to the Grantee a number of shares of Stock with an aggregate Fair Market Value that would satisfy the withholding amount due.

10. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as "short-term deferrals" as described in Section 409A of the Code.

11. No Obligation to Continue Service Relationship. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Grantee in a Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the Service Relationship of the Grantee at any time.

12. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

13. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the "Relevant Companies") may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the "Relevant Information"). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

14. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By: ______________________________
Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: ___________________________

____
Grantee's Signature

Grantee's name and address:
____
____
____

Exhibit A

Performance Multiplier For Performance Measurement Period

The Performance Multiplier for the Performance Measurement Period shall be determined as follows:

Total Shareholder Return Percentile Rank within the Performance Measurement Index	Performance Multiplier
90th Percentile or higher	220%
80th Percentile	166.7%
70th Percentile	133.3%
60th Percentile	100%
50th Percentile	95%
40th Percentile	65%
30th Percentile	35%
20th Percentile	5%
Below 20th Percentile	0%

If the Total Shareholder Return for the Performance Measurement Period ranks between two of the Percentile Ranks above, then the Performance Multiplier shall be determined by using linear interpolation. For purposes of clarity, (i) in no event shall the percentage of the Target Award that vests exceed 220%; and (ii) in the event the Total Shareholder Return does not equal or exceed the 20th percentile, no portion of the Target Award shall vest. Notwithstanding anything herein to the contrary, if the Total Shareholder Return in a Performance Measurement Period is a negative percentage, then in no event shall the percentage of the Target Award that vests exceed 100%, even if the Total Shareholder Return would result in a greater percentage pursuant to the table above.

RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR COMPANY EMPLOYEES
UNDER THE PHREESIA, INC.
2019 STOCK OPTION AND INCENTIVE PLAN

Name of Grantee: __

Target No. of Restricted Stock Units: ________ (the "Target Award")

Maximum No. of Restricted Stock Units:[1] __

Grant Date: __

Pursuant to the Phreesia, Inc. 2019 Stock Option and Incentive Plan as amended through the date hereof (the "Plan"), Phreesia, Inc. (the "Company") hereby grants an award of the number of Restricted Stock Units listed above (an "Award") to the Grantee named above. Each Restricted Stock Unit shall relate to one share of Common Stock, par value $0.01 per share (the "Stock") of the Company.

1. Restrictions on Transfer of Award. This Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of by the Grantee, and any shares of Stock issuable with respect to the Award may not be sold, transferred, pledged, assigned or otherwise encumbered or disposed of until (i) the Restricted Stock Units have vested as provided in Paragraph 2 of this Agreement and (ii) shares of Stock have been issued to the Grantee in accordance with the terms of the Plan and this Agreement.

2. Vesting of Restricted Stock Units. Except as otherwise provided below, the restrictions and conditions of Paragraph 1 of this Agreement shall lapse as follows:

(a) Number of Restricted Stock Units Earned. The number of Restricted Stock Units that shall be earned for a Performance Measurement Period shall equal 50% of the Grantee's Target Award multiplied by the Performance Multiplier for such Performance Measurement Period. The number of Restricted Stock Units earned for a Performance Measurement Period (if any) shall be rounded to the nearest whole share of Stock. Each Performance Multiplier shall be determined as set forth on Exhibit A, attached hereto.

(b) Administrator Determination. The Administrator, at its first meeting following the conclusion of both Performance Measurement Periods, shall determine the actual number of Restricted Stock Units that shall be earned as of the final day of such Performance Measurement Period (such date, a "Determination Date"). The number of Restricted Stock Units earned for such period shall equal 50% of the Target Award multiplied by the Performance Multiplier for such Performance Period, subject to the terms and conditions hereof.

(c) Vesting. Subject to Sections 3 and 4, on the date that is 36 months after the grant date (except for vesting in the case of death, disability, or a change-in-control, as discussed further below) (the "Vesting Date"), the total number of Restricted Stock Units, if any, that were earned for each Performance Measurement Period shall become vested, subject to the Grantee's continuous Service Relationship through such date.

The Administrator may at any time accelerate the vesting schedule specified in this Paragraph 2.

3. Termination of Service Relationship.

(a) Except as otherwise provided herein, if the Grantee's Service Relationship with the Company and its Subsidiaries terminates for any reason prior to the satisfaction of the vesting conditions set forth in Section 2 above, any Restricted Stock Units that have not vested as of such date shall automatically and without notice terminate and be forfeited, and neither the Grantee nor any of his or her successors, heirs, assigns, or personal representatives will thereafter have any further rights or interests in such unvested Restricted Stock Units.

[1] Should be 220% of target.

(b) If the Grantee's Service Relationship is terminated by the Company without Cause prior to the end of one or both Performance Measurement Periods, subject to the effectiveness of a Separation Agreement and Release, the Administrator shall determine the amount of Restricted Stock Units deemed earned, and the Grantee shall vest as of the Vesting Date in the number of Restricted Stock Units deemed earned, based on the Company's Total Shareholder Return through the last day of each Performance Measurement Period (or, if applicable, the Change in Control Performance Measurement Period), multiplied by a fraction, the numerator of which shall be the number of calendar days from the Grant Date to the date the Grantee's Service Relationship is terminated and the denominator of which shall be the number of days in the each Performance Period or Change in Control Performance Measurement Period, as applicable.

(c) If the Grantee's Service Relationship terminates due to the Grantee's death or Disability, then the number of Restricted Stock Units deemed earned and vested as of such date shall equal the Target Award.

(d) For purposes of the Award, the Grantee's Service Relationship will be considered terminated as of the date the Grantee is no longer actively providing services to the Company or any Subsidiary (regardless of the reason for such termination and whether or not later found to be invalid or in breach of labor laws in the jurisdiction where the Grantee is providing services or the terms of the Grantee's service agreement, if any). Unless otherwise determined by the Company, the Grantee's right to vest in the Restricted Stock Units under the Plan, if any, will terminate as of such date and will not be extended by any notice period (*e.g.*, the Grantee's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under labor laws in the jurisdiction where the Grantee is providing services or the terms of the Grantee's service agreement, if any). The Administrator shall have the exclusive discretion to determine when the Grantee is no longer actively providing services for purposes of his or her Award (including whether the Grantee may still be considered to be providing services while on a leave of absence).

4. Change in Control. Upon a Change in Control, with respect to the Change in Control Performance Measurement Period, the Administrator, in accordance with Section 2(a), shall determine the actual number of Restricted Stock Units that shall be earned for such period based on the Total Shareholder Return percentile rank for the Change in Control Performance Measurement Period relative to the Performance Measurement Index for such Change in Control Performance Measurement Period. The earned Award (i.e., Target Award multiplied by Performance Multiplier determined for Change in Control Performance Measurement Period) shall vest as of the date of the Change in Control, subject to the Grantee having a Service Relationship with the Company (or its successor) through such date.

5. Issuance of Shares of Stock. As soon as practicable following the Vesting Date (or, in the case of a termination due to death or Disability pursuant to Section 3(c), as soon as practicable following the date of such termination), but in no event later than two and one-half months following the Vesting Date or date of such termination, as applicable, the Company shall issue to the Grantee (the date of such issuance, the "Issuance Date") the number of shares of Stock equal to the aggregate number of Restricted Stock Units that have vested pursuant to Paragraph 2, Paragraph 3 or Paragraph 4 of this Agreement and the Grantee shall thereafter have all the rights of a stockholder of the Company with respect to such shares. On the Issuance Date, the Company shall also issue to the Grantee shares of Stock with respect to any Dividend Equivalent Rights that have vested in accordance with Paragraph 7.

6. Defined Terms. The following terms shall have the following respective meanings:

(a) "Cause" shall have the meaning set forth for such term in the Grantee's Executive Agreement, of if no Executive Agreement is in effect, then shall have the meaning set forth for such term in any individually negotiated and signed employment contract or similar agreement in effect between the Company and the Grantee, or, if no such contract or agreement is in effect, shall mean, (i) conduct by the Grantee constituting a material act of misconduct in connection with the performance of the Grantee's duties, including, without limitation, (A) willful failure or refusal to perform material responsibilities that have been requested by the Chief Executive Officer ("CEO"); (B) dishonesty to the Chief Executive Officer with respect to any material matter; or (C) misappropriation of funds or property of the Company or any of its subsidiaries or affiliates other than the occasional, customary and *de minimis* use of Company property for personal purposes; (ii) the commission by the Grantee of acts satisfying the elements of (A) any felony or (B) a misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (iii) any misconduct by the Grantee, regardless of whether or not in the course of the Grantee's employment, that would reasonably be expected to result in material injury or reputational harm to the Company or any of its subsidiaries or affiliates if the Grantee were to continue to be employed in the same position; (iv) continued unsatisfactory performance or non-performance by the Grantee of the Grantee's duties hereunder (other than by reason of the Grantee's physical or mental illness, incapacity or Disability) which has continued for more than 30 days following written notice of such unsatisfactory performance or non-performance from the CEO; (v) a breach by the Grantee of any of any provision of any agreement(s) between the Grantee and the Company relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions; (vi) a material violation by the

Grantee of any of the Company's written employment policies; or (vii) the Grantee's failure to cooperate with a bona fide internal investigation or an investigation by regulatory or law enforcement authorities, after being instructed by the Company to cooperate, or the willful destruction or failure to preserve documents or other materials known to be relevant to such investigation or the inducement of others to fail to cooperate or to produce documents or other materials in connection with such investigation.

(b) "Change in Control" shall mean "Sale Event" as such term is defined in the Plan.

(c) "Change in Control Date" means with respect to a Change in Control Performance Measurement Period, the date immediately prior to the consummation of the Change in Control.

(d) "Change in Control Performance Measurement Period" means the Performance Measurement Period that is shortened by the Administrator such that the period shall be deemed to have concluded as of the Change in Control Date.

(e) "Change in Control Stock Price" means the fair market value, as determined by the Committee in its discretion, of the total consideration paid in the transaction resulting in the Change in Control for one share of Stock.

(f) "Closing Stock Price" means, with respect to each Performance Period, the volume weighted average closing price on the New York Stock Exchange of one share of Stock for the 20 consecutive trading days ending on the trading day immediately prior to the last day of such Performance Period.

(g) "Disability" shall mean (A) the Grantee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months or (ii) the Grantee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Company.

(h) "Executive Agreement" means the Amended and Restated Employment Agreement by and between the Company and the Grantee as such may be in effect.

(i) "Initial Stock Price" means the volume weighted average closing price on the New York Stock Exchange of one share of Stock for the 60 consecutive trading days ending on the trading day immediately prior to January 2, 2025.

(j) "Performance Measurement Index" means the companies within the Russell 3000 as of the first day of the Performance Measurement Periods; provided, that companies may be removed from the index if acquired.

(k) "Performance Measurement Periods" mean the periods commencing on January 2, 2025, and ending on (i) July 2, 2027 for 50% of the Restricted Stock Units (the "July Performance Measurement Period") and (ii) January 2, 2028 for 50% of the Restricted Stock Units (the "January Performance Measurement Period").

(l) "Separation Agreement and Release" shall have the meaning set forth for such term in the Grantee's Executive Agreement or if there is no such Executive Agreement shall mean an effective release of claims by the Grantee against the Company, its affiliates, directors and officers in the form provided by the Company and subject to the timing for delivery and effectiveness required by the Company.

(m) "Target Award" means the target number of Restricted Stock Units as set forth in this Agreement.

(n) "Total Shareholder Return" means, with respect to each Performance Measurement Period, the total percentage return per share, achieved by the Stock assuming contemporaneous reinvestment in the Stock of all dividends and other distributions (excluding dividends and distributions paid in the form of additional shares of Stock) at the closing price of one share of Stock on the date such dividend or other distribution was paid, based on the Initial Stock Price, and the Closing Stock Price for the last day of such Performance Measurement Period or, in the case of a Change in Control Measurement Period, the Change in Control Stock Price.

(o)

7. Dividend Equivalent Rights. The Grantee shall also be granted Dividend Equivalent Rights with respect to the Restricted Stock Units, which shall be settled in shares of Stock upon vesting as set forth in this Paragraph 7. The Dividend Equivalent Rights shall accrue and shall be deemed to be reinvested into the Company (which, for purposes of determining the amounts deemed to be reinvested, will include all dividends received on such Dividend Equivalent Rights) and payment with respect to the Dividend Equivalent Rights (including any dividends received on such Dividend Equivalent Rights) shall be deferred until the end of the January Performance Measurement Period to coincide with the vesting, if any, of the Restricted Stock Units in respect of which such dividends accrue, and shall be subject to the same vesting requirements set forth in Paragraph 2 above. For the avoidance of doubt, if any portion of the Restricted Stock Units are not earned and do not vest, then the corresponding Dividend Equivalent Rights with respect to such Restricted Stock Units shall be forfeited and such corresponding Dividend Equivalent Rights shall automatically and without notice be forfeited.

(a)

8. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Section 2(b) of the Plan. Capitalized terms in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein.

9. Tax Withholding. The Company shall cause the required tax withholding obligation to be satisfied by withholding from shares of Stock to be issued to the Grantee a number of shares of Stock with an aggregate Fair Market Value that would satisfy the withholding amount due.

10. Section 409A of the Code. This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award are exempt from the requirements of Section 409A of the Code as “short-term deferrals” as described in Section 409A of the Code.

11. No Obligation to Continue Service Relationship. Neither the Company nor any Subsidiary is obligated by or as a result of the Plan or this Agreement to continue the Grantee in a Service Relationship and neither the Plan nor this Agreement shall interfere in any way with the right of the Company or any Subsidiary to terminate the Service Relationship of the Grantee at any time.

12. Integration. This Agreement constitutes the entire agreement between the parties with respect to this Award and supersedes all prior agreements and discussions between the parties concerning such subject matter.

13. Data Privacy Consent. In order to administer the Plan and this Agreement and to implement or structure future equity grants, the Company, its subsidiaries and affiliates and certain agents thereof (together, the “Relevant Companies”) may process any and all personal or professional data, including but not limited to Social Security or other identification number, home address and telephone number, date of birth and other information that is necessary or desirable for the administration of the Plan and/or this Agreement (the “Relevant Information”). By entering into this Agreement, the Grantee (i) authorizes the Company to collect, process, register and transfer to the Relevant Companies all Relevant Information; (ii) waives any privacy rights the Grantee may have with respect to the Relevant Information; (iii) authorizes the Relevant Companies to store and transmit such information in electronic form; and (iv) authorizes the transfer of the Relevant Information to any jurisdiction in which the Relevant Companies consider appropriate. The Grantee shall have access to, and the right to change, the Relevant Information. Relevant Information will only be used in accordance with applicable law.

14. Notices. Notices hereunder shall be mailed or delivered to the Company at its principal place of business and shall be mailed or delivered to the Grantee at the address on file with the Company or, in either case, at such other address as one party may subsequently furnish to the other party in writing.

PHREESIA, INC.

By:

Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned. Electronic acceptance of this Agreement pursuant to the Company's instructions to the Grantee (including through an online acceptance process) is acceptable.

Dated: __ __

Grantee's Signature

Grantee's name and address:

__

__

__

Exhibit A

Performance Multiplier For Performance Measurement Periods

The Performance Multiplier for the Performance Measurement Periods shall be determined as follows:

Total Shareholder Return Percentile Rank within the Performance Measurement Index	Performance Multiplier
90th Percentile or higher	220%
80th Percentile	185.7%
70h Percentile	151.4%
55th Percentile	100%
45th Percentile	81.4%
35th Percentile	62.9%
25th Percentile	44.3%
20th Percentile	35%
Below 20th Percentile	0%

If the Total Shareholder Return for a Performance Measurement Period ranks between two of the Percentile Ranks above, then the Performance Multiplier shall be determined by using linear interpolation. For purposes of clarity, (i) in no event shall the percentage of the Target Award that vests exceed 220%; and (ii) in the event the Total Shareholder Return does not equal or exceed the 20th percentile, no portion of the Target Award shall vest. Notwithstanding anything herein to the contrary, if the Total Shareholder Return for the January Performance Measurement Period is a negative percentage, then in no event shall the sum of the awards for both Performance Periods exceed 100% of the Target Award amount, even if the relative Total Shareholder Return Percentile Rank would result in a greater percentage pursuant to the table above.

PHREESIA, INC.

INSIDER TRADING POLICY

Phreesia, Inc. and its subsidiaries (collectively, the "Company") has adopted the following policy and procedures regarding trading in the Company's securities and the disclosure of information concerning the Company. This Insider Trading Policy (the "Insider Trading Policy") is designed to prevent insider trading or the appearance of impropriety, to prevent the misuse of material nonpublic information, and to help Company personnel avoid the severe consequences associated with violations of insider trading laws. It is your obligation to review, understand and comply with this Insider Trading Policy and applicable laws. We have appointed our General Counsel as our Compliance Officer (the "Compliance Officer") to administer this Insider Trading Policy and to be available to answer your questions.

PART I. OVERVIEW

A. To Whom does this Insider Trading Policy Apply?

This Insider Trading Policy is applicable to all of the Company's officers, members of the Company's Board of Directors (each, a "Director") and employees, and to certain contractors designated by the Compliance Officer, and applies to any and all transactions by such persons and their Affiliated Persons (as defined below) in the Company's securities, including its common stock, options to purchase common stock, any other type of securities that the Company may issue (such as preferred stock, convertible debentures, warrants, exchange-traded options or other derivative securities), and any derivative securities that provide the economic equivalent of ownership of any of the Company's securities or an opportunity, direct or indirect, to profit from any change in the value of the Company's securities.

In addition, all Directors, all executive officers (as defined by Section 16 of Securities Exchange Act of 1934, as amended (the "Exchange Act")), all employees in the Company's legal department, and all other employees and contractors informed of their status as an "Insider" (collectively, and solely for the purposes of this Insider Trading Policy, these persons are referred to as "Insiders") must comply with the Trading Procedures set forth in Part II of this Insider Trading Policy (the "Trading Procedures"). Generally, the Trading Procedures establish trading windows outside of which such persons will be restricted from trading in the Company's securities and also require the pre-clearance of certain transactions in the Company's securities by such persons. You will be notified if you are required to comply with the Trading Procedures.

This Insider Trading Policy, including the applicable Trading Procedures contained herein, also applies to the following persons (collectively, these persons and entities are referred to as "Affiliated Persons"):

- your Family Members ("Family Members" are (a) your spouse or domestic partner, children, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws who reside in the same household as you, (b) your children or your spouse's children who do not reside in the same household as you but are financially dependent on you, (c) any of your other family members who do not reside in your household but whose transactions are directed by you, and (d) any

other individual over whose account you have control and to whose financial support you materially contribute (materially contributing to financial support would include, for example, paying an individual's rent but not just a phone bill));

- all trusts, family partnerships and other types of entities formed for your benefit or for the benefit of a member of your family and over which you have the ability to influence or direct investment decisions concerning securities;
- all persons who execute trades on your behalf; and
- all investment funds, trusts, retirement plans, partnerships, corporations and other types of entities over which you have the ability to influence or direct investment decisions concerning securities.

You are responsible for ensuring compliance with this Insider Trading Policy, including, if applicable, the Trading Procedures contained herein, by all of your Affiliated Persons.

This Insider Trading Policy applies to you and your Affiliated Persons so long as you are associated with the Company. In the event that you leave the Company for any reason, this Insider Trading Policy, including, if applicable, the Trading Procedures contained herein, will continue to apply to you and your Affiliated Persons until the later of: (1) the second trading day following the public release of earnings for the fiscal quarter in which you leave the Company or

(2) the second trading day after any material nonpublic information known to you has become public or is no longer material.

B. What is Prohibited by this Insider Trading Policy?

1. General Prohibitions.

It is generally illegal for you and your Affiliated Persons to trade (buying or selling) in the securities of the Company, whether for your account or for the account of another, while in the possession of material nonpublic information (described in Part I, Section C below) about the Company. It is also generally illegal for you to disclose material nonpublic information about the Company to others who may trade on the basis of that information. These illegal activities are commonly referred to as "*insider trading*."

When you know or are in possession of material nonpublic information about the Company, whether positive or negative, you are prohibited from the following activities:

- trading (whether for your account or for the account of another) in the Company's securities, which includes common stock, options to purchase common stock, any other type of securities that the Company may issue (such as preferred stock, convertible debentures, warrants, exchange-traded options or other derivative securities), and any derivative securities that provide the economic equivalent of ownership of any of the Company's securities or an opportunity, direct or indirect, to profit from any change in the value of the Company's securities, except for trades made in compliance with the affirmative defense of Rule 10b5-1 under the Exchange Act, such as when trades are made pursuant to a written plan that was adopted, or trading instructions that were given, before you knew or had possession of such material nonpublic information and certain other conditions are satisfied;

- giving trading advice of any kind about the Company, including recommending to any person that such person engage in or refrain from engaging in any transaction involving the Company's securities; and
- disclosing such material nonpublic information about the Company, whether positive or negative, to anyone else who might buy or sell a security or other financial instrument on the basis of that information (commonly known as "*tipping*"), whether or not you intend to or actually do realize a profit (or any other benefit) from such tipping.

This Insider Trading Policy does not apply to: (1) transactions in mutual funds that are invested in Company securities; (2) transactions effected under pre-approved Rule 10b5-1 Plans, as described in Part II below; (3) an exercise of an employee stock option when payment of the exercise price is made in cash; or (4) the withholding by the Company of shares of stock upon vesting of restricted stock or upon settlement of restricted stock units to satisfy applicable tax withholding requirements if (a) such withholding is required by the applicable plan or award agreement or (b) the election to exercise such tax withholding right was made in compliance with the Trading Procedures, if applicable.

This Insider Trading Policy does apply, however, to: the use of outstanding Company securities to pay part or all of the exercise price of an option, any sale of stock as part of a broker-assisted cashless exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

These prohibitions continue whenever and for as long as you know or are in possession of material nonpublic information. Remember, anyone scrutinizing your transactions will be doing so after the fact, with the benefit of hindsight. As a practical matter, before engaging in any transaction, you should carefully consider even the appearance of improper insider trading and how enforcement authorities and others might view the transaction in hindsight.

2. Trading in Securities of Other Companies.

This Insider Trading Policy's prohibitions against insider trading and tipping also apply to trading in securities of other companies, including the Company's customers, suppliers, partners and other enterprises with which we are working (such as when negotiating an acquisition, investment or other transaction that could be material to the other company).

Whenever, during the course of your service to or employment by the Company, you become aware of material nonpublic information about another company, including any confidential information that is reasonably likely to affect the market price of that company's securities (for example, discussions of licensing a product or acquiring that other company), neither you nor your Affiliated Persons may trade in any securities of that company, give trading advice about

that company, tip or disclose that information, pass it on to others, or engage in any other action to take advantage of that information.

If your work regularly involves handling or discussing confidential information of one of our partners, suppliers or customers, you should consult with the Compliance Officer before trading in any of that company's securities.

3. Special Restrictions – Prohibited and Discouraged Transactions. The following restrictions apply to all persons subject to this Insider Trading Policy:

- ***No Short Sales***. You may not at any time sell any securities of the Company that are not owned by you at the time of the sale (a "short sale").
- ***No Purchases or Sales of Derivative Securities or Hedging Transactions***. You may not buy or sell puts, calls, other derivative securities of the Company or any derivative securities that provide the economic equivalent of ownership of any of the Company's securities or an opportunity, direct or indirect, to profit from any change in the value of the Company's securities or engage in any other hedging transaction with respect to the Company's securities, at any time.
- ***Standing and Limit Orders***. The Company discourages placing standing or limit orders on Company securities (except standing and limit orders under approved Rule 10b5-1 Plans, as described below). If you determine that you must use a standing order or a limit order, the order should be limited to a short duration (two business days or less) and should otherwise comply with all applicable Trading Procedures set forth in Part II below.

4. No Trading During Event-Specific Trading Restriction Periods.

From time to time, an event may occur that is material to the Company and is known by only a few Directors, officers, employees and/or contractors. So long as the event remains material and nonpublic, the persons designated by the Compliance Officer may not trade in Company securities. In addition, the Company's financial results may be sufficiently material in a particular fiscal quarter that, in the judgement of the Compliance Officer, designated persons should refrain from trading in Company securities even sooner than the typical Blackout Period described in the Trading Procedures below. In that situation, the Compliance Officer or their designee(s) may notify these persons that they should not trade in the Company's securities, without disclosing the reason for the restriction. The existence of an event-specific trading restriction period or extension of a Blackout Period will not be announced to the Company as a whole, and should not be communicated to any other person. You will be notified if you are subject to an event-specific trading restriction period. Even if the Compliance Officer has not designated you as a person who should not trade due to an event-specific restriction, you should not trade while aware of material nonpublic information. Exceptions will not be granted during an event-specific trading restriction period. If an Insider requests preclearance of a trade during the pendency of an event-specific trading restriction period, the Compliance Officer or their designee(s) may reject the trading request without disclosing the reason. The Compliance Officer

or their designee(s) will subsequently notify the Insider once the event-specific trading restriction period or extended Blackout Period has ended.

C. What is Material Nonpublic Information?

This Insider Trading Policy prohibits you from trading in a company's securities if you are in possession of information about the company that is both "*material*" and "*nonpublic*." If you have a question whether certain information you are aware of is material or has been made public, you are encouraged to consult with the Compliance Officer.

"Material" Information

Information about our Company or any other company is "material" if it could reasonably be expected to affect the investment or voting decisions of a stockholder or potential investor, or if the disclosure of the information could reasonably be expected to significantly alter the total mix of information in the marketplace about us or any other company. We speak mostly in this Insider Trading Policy about determining whether information about our Company is material and nonpublic, but the same analysis applies to information about other companies that would preclude you from trading in their securities.

In simple terms, material information is any type of information that could reasonably be expected to affect the market price of the Company's securities. Both positive and negative information may be material. While it is not possible to identify all information that would be deemed "material," the following items are examples of the types of information that could be material:

- projections of future earnings or losses, or other earnings guidance;
- earnings or revenue that are inconsistent with the consensus expectations of the investment community;
- potential restatements of the Company's financial statements, changes in auditors or auditor notification that the Company may no longer rely on an auditor's audit report;
- pending or proposed corporate mergers, acquisitions, tender offers, joint ventures or dispositions of significant assets;
- changes in management or the Board of Directors;
- significant actual or threatened litigation or governmental investigations or major developments in such matters;
- a cybersecurity incident;
- significant developments regarding products, customers, suppliers, orders, contracts or financing sources (e.g., the acquisition or loss of a contract);
- changes in dividend policy, declarations of stock splits, or public or private sales of additional securities;
- potential defaults under the Company's credit agreements or indentures, or the existence of material liquidity deficiencies;

- bankruptcies or receiverships; and
- the imposition of an event-specific restriction on trading in the Company's securities or the securities of another company or the extension or termination of such restriction.

By including the list above, the Company does not mean to imply that each of these items above is per se material. The information and events on this list still require determinations as to their materiality (although some determinations will be reached more easily than others). For example, some new products or contracts may clearly be material to an issuer; yet that does not mean that all product developments or contracts will be material. This demonstrates, in our view, why no "bright-line" standard or list of items can adequately address the range of situations that may arise. Furthermore, the Company cannot create an exclusive list of events and information that have a higher probability of being considered material.

The U.S. Securities and Exchange Commission (the "SEC") has stated that there is no fixed quantitative threshold amount for determining materiality, and that even very small quantitative changes can be qualitatively material if they would result in a movement in the price of the Company's securities.

"Nonpublic" Information

Material information is "nonpublic" if it has not been disseminated in a manner making it available to investors generally. To show that information is public, one must be able to point to some fact that establishes that the information has become publicly available, such as the filing of a report with the SEC, the distribution of a press release through a widely disseminated news or wire service, or by other means that are reasonably designed to provide broad public access.

Before a person who possesses material nonpublic information can trade, there also must be adequate time for the market as a whole to absorb the information that has been disclosed. For the purposes of this Insider Trading Policy, information will be considered public after the close of trading on the second full trading day following the Company's public release of the information. A full trading day means a session of regular trading hours on the New York Stock Exchange ("NYSE") between 9:30 a.m. and 4:00 p.m. Eastern Time (or such earlier closing time as has been set by exchange rules) has occurred.

For example, if the Company publicly discloses material nonpublic information of which you are aware before trading begins on a Tuesday, the first time you can buy or sell Company securities is the opening of the market on Thursday. However, if the Company publicly discloses this material information after trading begins on that Tuesday, the first time that you can buy or sell Company securities is the opening of the market on Friday.

D. What are the Penalties for Insider Trading and Noncompliance with this Insider Trading Policy?

Both the SEC and the national securities exchanges, through the Financial Industry Regulatory Authority ("FINRA"), investigate and are very effective at detecting insider trading. The U.S. government pursues insider trading violations vigorously. For instance, cases have been successfully prosecuted against trading by employees in foreign accounts, trading by family members and friends of insiders, and trading involving only a small number of shares.

The penalties for violating rules against insider trading can be severe and include:

- disgorgement of the profit gained or loss avoided by the trading;
- payment of the loss suffered by the persons who, contemporaneously with the purchase or sale of securities that are subject of such violation, have purchased or sold, as applicable, securities of the same class;
- payment of criminal penalties of up to $5,000,000;
- payment of civil penalties of up to three times the profit made or loss avoided; and
- imprisonment for up to 20 years.

The Company and/or the supervisors of the person engaged in insider trading may also be required to pay civil penalties of $2 million or more, up to three times the profit made or loss avoided, as well as criminal penalties of up to $25,000,000, and could under certain circumstances be subject to private lawsuits.

Violation of this Insider Trading Policy or any federal or state insider trading laws may subject the person violating such policy or laws to disciplinary action by the Company up to and including termination of your employment or other relationship with the Company. The Company reserves the right to determine, in its own discretion and on the basis of the information available to it, whether this Insider Trading Policy has been violated. The Company may determine that specific conduct violates this Insider Trading Policy, whether or not the conduct also violates the law. It is not necessary for the Company to await the filing or conclusion of a civil or criminal action against the alleged violator before taking disciplinary action.

E. How Do You Report a Violation of this Insider Trading Policy?

If you have a question about this Insider Trading Policy, including whether certain information you are aware of is material or has been made public, you are encouraged to consult with the Compliance Officer. In addition, **if you believe that actions have taken place, may be taking place, or may be about to take place that violate this Insider Trading Policy or any federal or state laws governing insider trading (whether by you, any Director, officer or employee of the Company or other person subject to this Insider Trading Policy), you should immediately report the matter to the Company**. Our whistleblower hotline number is **844-520-0002** and for French, 855-725-0002. An online reporting option is available at

lighthouse-services.com/Phreesia; and an email option at reports@lighthouse-services.com. You may also contact the Compliance Officer directly.

PART II. TRADING PROCEDURES

A. Special Trading Restrictions Applicable to Insiders

In addition to the restrictions on trading in Company securities set forth above, all Insiders and their Affiliated Persons are subject to the following special trading restrictions:

1. No Trading Except During Trading Windows.

The announcement of the Company's quarterly financial results almost always has the potential to have a material effect on the market for the Company's securities. Although an Insider may not know the financial results prior to public announcement, if an Insider engages in a trade before the financial results are disclosed to the public, such trades may give an appearance of impropriety that could subject the Insider and the Company to a charge of insider trading. Therefore, subject to limited exceptions described herein, Insiders may trade in Company securities only during four quarterly "open" trading windows, and then only after obtaining pre-clearance from the Compliance Officer or their designee(s) in accordance with the procedures set forth below. Unless otherwise advised, the four trading open windows consist of the periods that begin after market close on the second full trading day following the Company's issuance of a press release (or other method of broad public dissemination) announcing its quarterly or annual earnings and end at the close of business on the 10th day before the end of the then-current quarter. In other words, Insiders may not trade in Company securities during four quarterly "Blackout Periods," each beginning after the close of business on the 10th day before the end of each fiscal quarter and ending at market close on the second full trading day following the Company's issuance of a press release (or other method of broad public dissemination) announcing its quarterly or annual earnings, as applicable. Insiders may be allowed to trade outside of a trading window only (a) pursuant to a pre-approved Rule 10b5-1 Plan as described below or (b) if granted a waiver in accordance with the procedure for granting waivers as described below.

2. Prohibited Insider Transactions.

In addition to the prohibited transactions set forth in Part I, Section B above, the following prohibitions apply to Insiders:

- ***No Company Securities Subject to Margin Calls***. No Insider may use the Company's securities as collateral in a margin account.
- ***No Pledges***. *No Insider may pledge Company securities as collateral for a loan (or modify an existing pledge).*

3. No Trading During Retirement Plan Blackout Periods.

If the Company adopts a policy to allow ownership of Company stock in the Company's 401(k) or other retirement plan, then no Insider may trade in any Company securities, which were acquired in connection with such Insider's service or employment with the Company, during a retirement plan "blackout period" except as specifically permitted below. A blackout

period includes any period of more than three (3) consecutive business days during which at least fifty percent (50%) of all participants and beneficiaries under all of the individual account plans maintained by the Company and members of its controlled group are prohibited from trading in Company securities through their plan accounts. Insiders will receive advance notice of any such blackout period from the Compliance Officer or their designee(s).

4. Pre-Clearance Procedures for Insiders.

No Insider may trade in Company securities, including during an open trading window, unless the trade has been approved by the Compliance Officer or their designee(s) in accordance with the procedures set forth below. The Compliance Officer or their designee(s) will review and either approve or prohibit all proposed trades by Insiders in accordance with the procedures set forth below. In reviewing trading requests, the Compliance Officer may consult with the Company's other officers and/or outside legal counsel and will receive approval for their own trades from the Chief Financial Officer.

a) Procedures. No Insider may trade in Company securities until:

- The Insider has notified the Compliance Officer of the amount and nature of the proposed trade(s) using the Pre-Clearance Form attached to this Insider Trading Policy. In order to provide adequate time for the preparation of any required reports under Section 16 of the Exchange Act, a Pre-Clearance Form should, if practicable, be received by the Compliance Officer at least two (2) business days prior to the intended trade date;
- The Insider has certified to the Compliance Officer in writing prior to the proposed trade(s) that the Insider is not in possession of material nonpublic information concerning the Company;
- The Insider has informed the Compliance Officer, using the Pre-Clearance Form attached hereto, whether, to the Insider's best knowledge, (a) the Insider has (or is deemed to have) engaged in any opposite way transactions within the previous six months that were not exempt from Section 16(b) of the Exchange Act and (b) if the transaction involves a sale by an "affiliate" of the Company or of "restricted securities" (as such terms are defined under Rule 144 under the Securities Act of 1933, as amended ("Rule 144")), whether the transaction meets all of the applicable conditions of Rule 144; and
- The Compliance Officer or their designee has approved the trade(s) and has certified such approval in writing. Such certification may be made via digitally-signed electronic mail.

The Compliance Officer does not assume the responsibility for, and approval from the Compliance Officer does not protect the Insider from, the consequences of prohibited insider trading.

b) Additional Information.

Insiders shall provide to the Compliance Officer or their designee(s) any documentation reasonably requested by the Compliance Officer or their designee(s) in furtherance of the foregoing procedures. Any failure to provide such requested information will be grounds for denial of approval by the Compliance Officer or their designee(s).

c) Notification to Brokers of Insider Status.

Insiders who are required to file reports under Section 16 of the Exchange Act shall inform their broker-dealers that (i) the Insider is subject to Section 16; (ii) the broker shall confirm that any trade by the Insider or any of their Affiliate Persons has been precleared by the Company; and (iii) the broker is to provide transaction information to the Insider and/or Compliance Officer on the day of a trade.

d) No Obligation to Approve Trades.

The existence of the foregoing approval procedures does not in any way obligate the Compliance Officer or their designee(s) to approve any trade requested by an Insider. The Compliance Officer or their designee(s) may reject any trading request at their sole discretion.

e) Completion of Trades.

After receiving written clearance to engage in a trade signed by the Compliance Officer, **an Insider must complete the proposed trade within two (2) business days or make a new trading request**. Even if an Insider has received clearance, the Insider may not engage in a trade if (i) such clearance has been rescinded by the Compliance Officer or their designee(s), (ii) the Insider has otherwise received notice that the trading window has closed or (iii) the Insider has or acquires material nonpublic information.

f) Post-Trade Reporting by Section 16 Insiders.

Any transactions in the Company's securities by a Director or an executive officer (as defined by Section 16 of the Exchange Act (any such directors or executive officers, a "Section 16 Insider")) (including gifts and transactions effected pursuant to a Rule 10b5-1 Plan) must be reported to the Compliance Officer in writing on the same day in which such a transaction occurs. Each report a Section 16 Insider makes to the Compliance Officer should include the date of the transaction, quantity of shares, price and name of the broker-dealer through which the transaction was effected. For stock option exercises, such report should identify the specific option exercised. This reporting requirement may be satisfied by sending (or having such Section 16 Insider's broker send) duplicate confirmations of trades to the Compliance Officer if such information is received by the Compliance Officer on or before the required date.

Compliance by Section 16 Insiders with this provision is imperative given the requirement of Section 16 of the Exchange Act that these persons generally must report changes in ownership of

Company securities within two (2) business days. The sanctions for noncompliance with this reporting deadline include mandatory disclosure in the Company's proxy statement for the next

annual meeting of stockholders, as well as possible civil or criminal sanctions for chronic or egregious violators.

B. Exemptions

1. Pre-Approved Rule 10b5-1 Plan.

Transactions effected pursuant to a Rule 10b5-1 Plan (as defined below) will not be subject to the Company's trading windows (including event-specific trading restriction periods, unless otherwise specified by the Compliance Officer or their designee(s)), retirement plan blackout periods or pre-clearance procedures, and Insiders are not required to complete a Pre- Clearance Form for such transactions. Rule 10b5-1 of the Exchange Act provides an affirmative defense from insider trading liability under the federal securities laws for trading plans, arrangements or instructions that meet certain requirements. A trading plan, arrangement or instruction that meets the requirements of Rule 10b5-1 (a "Rule 10b5-1 Plan") enables Insiders to establish arrangements to trade in Company securities outside of the Company's trading windows, even when in possession of material nonpublic information.

The Company has adopted a separate Rule 10b5-1 Trading Plan Policy that sets forth the requirements for putting in place a Rule 10b5-1 Plan with respect to Company securities, which is available on the Company's Employee Resources site or from the Company's Legal Department.

2. Employee Benefit Plans.

Exercise of Stock Options. The trading prohibitions and restrictions set forth in the Trading Procedures do not apply to the exercise of an option to purchase securities of the Company when payment of the exercise price is made in cash. However, the exercise of an option to purchase securities of the Company is subject to the current reporting requirements of Section 16 of the Exchange Act and, therefore, Section 16 Insiders must comply with the post- trade reporting requirement described in Part II, Section A.4.f above for any such transaction. In addition, the securities acquired upon the exercise of an option to purchase Company securities are subject to all of the requirements of this Insider Trading Policy, including the Trading Procedures contained herein. Moreover, the Trading Procedures apply to the use of outstanding Company securities to pay part or all of the exercise price of an option, any net option exercise, any exercise of a stock appreciation right, share withholding, any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

Tax Withholding on Restricted Stock/Units. The trading prohibitions and restrictions set forth in the Trading Procedures do not apply to the withholding by the Company of shares of stock upon vesting of restricted stock or upon settlement of restricted stock units to satisfy applicable tax withholding requirements if (a) such withholding is required by the applicable plan or award agreement or (b) the election to exercise such tax withholding right was made by the Insider in compliance with the Trading Procedures.

Employee Stock Purchase Plan. The trading prohibitions and restrictions set forth in the Trading Procedures do not apply to periodic wage withholding contributions by the Company or employees of the Company which are used to purchase the Company's securities pursuant to the employees' advance instructions under the Company's 2019 Employee Stock Purchase Plan.

However, no Insider may: (a) elect to participate in the plan or alter such Insider's instructions regarding the level of withholding or purchase by the Insider of Company securities under such plan; or (b) make cash contributions to such plan (other than through periodic wage withholding) without complying with the Trading Procedures. Any sale of securities acquired under such plan is subject to the prohibitions and restrictions of the Trading Procedures.

3. Gifts.

No Insider may give or make any other transfer of Company securities without consideration (e.g., a gift) during a period when the Insider is not permitted to trade unless the donee agrees not to sell the shares until such time as the Insider can sell. In addition, such transactions by Section 16 Insiders remain subject to the post-trade reporting requirements set forth in Part II, Section A.4.f above.

C. Waivers

A waiver of any provision of this Insider Trading Policy, or the Trading Procedures contained herein, in a specific instance may be authorized in writing by the Compliance Officer or their designee, and any such waiver shall be reported to the Company's Board of Directors.

PART III. ACKNOWLEDGEMENT

This Insider Trading Policy will be available on the Company's internal website, made available to all persons subject to this Insider Trading Policy upon adoption, and to all new other persons subject to this Insider Trading Policy at the start of their employment or relationship with the Company. Upon receiving a copy of this Insider Trading Policy, each such person must sign an acknowledgement, in substantially the form attached hereto as Exhibit B, that such individual has received a copy and agrees to comply with the terms of this Insider Trading Policy, and, if applicable, the Trading Procedures contained herein. The acknowledgment may be signed electronically and must be returned within ten (10) days of receipt to legal@phreesia.com or as otherwise requested by the Company.

All Directors, officers, employees and designated contractors will be required upon the Company's request to re-acknowledge and agree to comply with the Insider Trading Policy (including any amendments or modifications). For such purpose, an individual will be deemed to have acknowledged and agreed to comply with the Insider Trading Policy, as amended from time to time, when copies of such items have been delivered by regular or electronic mail (or other delivery option used by the Company) by the Compliance Officer or their designee.

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Questions regarding this Insider Trading Policy are encouraged and may be directed to the Compliance Officer.

Initially adopted June 5, 2019.

Amendments adopted and approved by the Board of Directors of the Company on October 12, 2022.

Additional Amendments adopted and approved by the Board of Directors on the Company on March 21, 2023.

Exhibit 21.1

Subsidiaries of the Registrant

As of January 31, 2025 Phreesia, Inc. had no significant subsidiaries as defined in Rule 1-02(w) of Regulation S-X.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statements (No. 333-274387) on Form S-3ASR and registration statements (Nos.333-277982, 333-273231, 333-270783, 333-264022, 333-254925, 333-237806, and 333-232832) on Form S-8 of our reports dated March 13, 2025, with respect to the consolidated financial statements of Phreesia, Inc. and subsidiaries and the effectiveness of internal control over financial reporting.

/s/ KPMG LLP

Pittsburgh, Pennsylvania
March 13, 2025

Exhibit 31.1

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

I, Chaim Indig, certify that:

1. I have reviewed this Annual Report on Form 10-K of Phreesia, Inc. (the "registrant");
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 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: March 13, 2025

/s/ Chaim Indig

Chaim Indig

Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

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

I, Balaji Gandhi, certify that:

1. I have reviewed this Annual Report on Form 10-K of Phreesia, Inc. (the "registrant");
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 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: March 13, 2025

/s/ Balaji Gandhi

Balaji Gandhi

Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Chaim Indig, Chief Executive Officer of Phreesia, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Annual Report on Form 10-K of the Company for the fiscal year ended January 31, 2025 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 13, 2025

By: /s/ Chaim Indig
Chaim Indig
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Balaji Gandhi, Chief Financial Officer of Phreesia, Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- the Annual Report on Form 10-K of the Company for the fiscal year ended January 31, 2025 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 13, 2025

By: /s/ Balaji Gandhi
Balaji Gandhi
Chief Financial Officer
(Principal Financial Officer)