

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 March 31, 2022

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 001-40508

Doximity, Inc.

Exact Name of Registrant as Specified in Its Charter

Delaware
(State or Other Jurisdiction of Incorporation or
Organization)

27-2485512
(I.R.S. Employer Identification Number)

500 3rd St.
Suite 510
San Francisco, CA 94107
(Address of principal executive offices, including zip code)
(650) 549-4330
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.001 par value per share	DOCS	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
Non-accelerated filer

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 control 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant as of September 30, 2021, based on the closing price of \$80.70 for a share of Class A common stock on the New York Stock Exchange, was approximately \$9.0 billion.

The registrant had outstanding 110,086,201 shares of Class A common stock and 83,022,658 shares of Class B common stock as of May 20, 2022.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement relating to the 2022 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such Definitive Proxy Statement will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended March 31, 2022.

TABLE OF CONTENTS

	PAGE
	<u>Part I</u>
<u>Item 1.</u> <u>Business</u>	3
<u>Item 1A.</u> <u>Risk Factors</u>	14
<u>Item 1B.</u> <u>Unresolved Staff Comments</u>	43
<u>Item 2.</u> <u>Properties</u>	44
<u>Item 3.</u> <u>Legal Proceedings</u>	44
<u>Item 4.</u> <u>Mine Safety Disclosures</u>	44
	<u>Part II</u>
<u>Item 5.</u> <u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	45
<u>Item 6.</u> <u>[Reserved]</u>	46
<u>Item 7.</u> <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	47
<u>Item 7A.</u> <u>Quantitative and Qualitative Disclosures About Market Risk</u>	57
<u>Item 8.</u> <u>Financial Statements and Supplementary Data</u>	58
<u>Item 9.</u> <u>Changes in and Disagreements With Accountants on Accounting and Financial Disclosure</u>	92
<u>Item 9A.</u> <u>Controls and Procedures</u>	92
<u>Item 9B.</u> <u>Other Information</u>	92
<u>Item 9C.</u> <u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u>	93
	<u>Part III</u>
<u>Item 10.</u> <u>Directors, Executive Officers and Corporate Governance</u>	94
<u>Item 11.</u> <u>Executive Compensation</u>	94
<u>Item 12.</u> <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	94
<u>Item 13.</u> <u>Certain Relationships and Related Transactions, and Director Independence</u>	94
<u>Item 14.</u> <u>Principal Accounting Fees and Services</u>	94
	<u>Part IV</u>
<u>Item 15.</u> <u>Exhibits, Financial Statement Schedules</u>	95
<u>Item 16.</u> <u>Form 10-K Summary</u>	96
<u>Signatures</u>	97

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws, which are statements that involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements about:

- our expectations regarding our revenue, expenses, and other operating results;
- our future financial performance;
- our expectations and management of future growth;
- our ability to acquire new members and successfully retain existing members;
- our ability to acquire new customers and successfully retain existing customers;
- our ability to achieve or maintain our profitability;
- future investments in our business, our anticipated capital expenditures, and our estimates regarding our capital requirements;
- the costs and success of our sales and marketing efforts, and our ability to promote our brand;
- our ability to effectively manage our growth, including our ability to identify, retain, and recruit personnel, and maintain our culture;
- our ability to comply with laws and regulations;
- our ability to successfully defend litigation brought against us;
- our ability to maintain, protect, and enhance our intellectual property rights and any costs associated therewith;
- our ability to maintain data privacy and data security;
- our ability to respond to rapid technological changes;
- the effects of the COVID-19 pandemic or other pandemic, epidemic, or infectious diseases;
- our expectations regarding the impact of the COVID-19 pandemic and the end of the COVID-19 pandemic on our business;
- our ability to compete effectively with existing competitors and new market entrants;
- the growth rates of the markets in which we compete;
- the increased expenses associated with being a public company;
- the sufficiency of our cash and cash equivalents and marketable securities to meet our liquidity needs;
- our ability to comply with modified or new laws and regulations applying to our business;
- our ability to successfully identify, acquire, and integrate companies and assets;
- our expectations regarding the time during which we will be, and the risks related to our status as, an emerging growth company under the Jumpstart Our Business Startups Act, or JOBS Act;
- developments and projections relating to our competitors and our industry, including competing solutions;
- impact from future regulatory, judicial, and legislative changes or developments that may affect our customers’ or our business; and

- the risks related to our Class A common stock and our dual class common stock structure.

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 the forward-looking statements contained in this Annual Report on Form 10-K primarily on our current expectations and projections about future events and trends that we believe may affect our business, results of operations, financial condition, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described in the section titled “Risk Factors” and elsewhere 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. The results, events, and circumstances reflected in the forward-looking statements may not 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 made in this Annual Report on Form 10-K relate only to events as of the date on which the statements are made. We undertake no 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. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Annual Report on Form 10-K, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and you are cautioned not to unduly rely upon these statements.

PART I

Item 1. Business

Overview

We are the leading digital platform for U.S. medical professionals, as measured by the number of U.S. physician members, with over two million medical professional members as of March 31, 2022. Our members include more than 80% of physicians across all 50 states and every medical specialty, as well as over 50% of U.S. nurse practitioners and physician assistants, and over 90% of graduating U.S. medical students.

Our mission is to help every physician be more productive and provide better care for their patients. We are physicians-first, putting technology to work for doctors instead of the other way around. That guiding principle has enabled Doximity to become an essential and trusted professional platform for physicians. Doximity's physician cloud puts modern software tools in the hands of physicians and other medical professionals. We provide our members with capabilities specifically built for medical professionals, enabling them to collaborate with their colleagues, securely coordinate patient care, conduct virtual patient visits, stay up-to-date with the latest medical news and research, and manage their careers.

At the core of our platform is the largest medical professional network in the nation, which creates proximity within our community of doctors and hundreds of thousands of other medical professionals. Our focus on clinician-centric product design and productivity has led to high levels of health professional adoption and endorsement. For example, we had over 350,000 unique active providers use our telehealth tools in the quarter ended March 31, 2022.

Our business model is designed to both respect and support physicians while driving value for our customers through our Marketing, Hiring, and Telehealth Solutions (see defined below). Our revenue-generating customers, primarily pharmaceutical manufacturers and health systems, have access to a suite of commercial solutions that benefit from broad physician usage.

Our "Marketing Solutions" enable our pharmaceutical and health system customers to get the right content, services, and peer connections to the right medical professionals through a variety of modules. Our Marketing Solutions deliver high engagement and high value and help those customers embrace the shift to digital marketing. We count the top pharmaceutical manufacturers and hospitals and health systems as our customers.

Our "Hiring Solutions" provide digital recruiting capabilities to health systems and medical recruiting firms, enabling them to identify, connect with, and hire from our network of both active and passive potential medical professional candidates, who might otherwise be missed through traditional recruiting channels.

Our "Telehealth Solutions", which are software tools that include voice and video Dialer, are designed to easily connect patients with care providers. Our Dialer tool has powered over 100 million virtual patient visits since launch.

The ecosystem we have created in the medical community benefits from powerful network effects. Medical professional engagement with our platform increases as the breadth and utility of our tools expands, attracting even more members and driving broader and more effective communication and collaboration among healthcare professionals. This also drives greater value for our pharmaceutical and health system customers that seek to interact with specific groups of physicians. In turn, the insights that we gain from increased use of our platform enable us to invest in improving our tools and solutions to meet the changing needs of our members, customers, and the patients that they care for, ultimately creating a win-win-win for all constituents in our ecosystem.

Our member interactions have enabled us to build a vast, interactive data set intelligently combining proprietary information and previously-siloed public information. When coupled with our customized algorithms and our team of analysts, engineers, and clinical experts, we believe this gives us unique, unparalleled insight into the specific needs of medical professionals in the United States that would be highly challenging and time consuming for any competitor to replicate.

Our Tools for Medical Professionals

The Doximity platform is free to join and use for U.S. medical professionals. Becoming a member of Doximity is as simple as navigating to our homepage or downloading our mobile app, and entering a first and last name and verifying real-name identity by National Prescriber Identifier, Social Security Number, Drug Enforcement Administration Registration Number, or medical email account confirmation. Our technology platform provides most medical professionals with a pre-populated profile using publicly and commercially available third-party data which members can further supplement, update, and refine.

Once verified, members gain access to our network, newsfeed, and—depending on their credentials—core features of our productivity tools, including telehealth.

Our Professional Network

- **Profile.** Members have a personalized and validated professional profile on the Doximity network that acts as a digital curriculum vitae. Profile information includes education and training, hospital affiliations and practice contact as well as information, certifications and licenses, specialization and clinical expertise, links to published research reports and press mentions, clinical trial participation, and any awards conferred. Our technology automatically searches for and updates new information on a daily basis. Members may also choose to share personal contact information (such as email or cell phone number) with other medical professionals on an individual, opt-in basis, each time they make a connection with another member.
- **Connectivity with colleagues.** Our network makes it easy for professionals to connect and stay in touch with the broader medical community. We regularly suggest new connections to members, such as co-residents, co-fellows, co-authors, colleagues from the same hospital or practice, and medical school classmates, enabling referrals, sharing of medical knowledge, and career opportunities.
- **Search.** Members can use our powerful search technology to find other medical professionals by name, specialty, expertise, affiliation, or location. For example, a physician may have a patient with a chronic condition that requires specialist care at another health system or in another state. The physician can use our search tool to find the right expert for a right chronic condition at the closest health system, and potentially leverage mutual connections for a warm introduction.
- **Careers.** Our platform provides numerous tools that empower physicians to manage their careers effectively from training through retirement.
 - **For practicing physicians.** Members can browse permanent and locum tenens opportunities, set up job alerts to stay abreast of career opportunities matching their interests, and directly connect with our Hiring Solutions customers. Members also have access to detailed job market data, such as our Salary Map, which provides a first-of-its-kind county-level look at physician compensation trends across specialties and geographies.
 - **For students and residents.** Members beginning their medical careers can discover and compare training programs across the country using Residency Navigator, a tool which provides a transparent look into U.S. medical residency programs, powered by peer nominations, ratings, and hand-written reviews, giving medical students the tools they need to navigate their future in medicine and to help choose the right program for their career goals. We do not accept fees or payments from hospitals or medical residency programs to impact their ranking or visibility on Residency Navigator. Residency Navigator serves as a relationship funnel for new members at the beginning of their medical careers. Over 90% of graduating U.S. medical students join Doximity to use tools including Residency Navigator before earning their medical degree.

Newsfeed

Our newsfeed serves as the personalized, curated home screen for each member when they sign on to the Doximity platform. We leverage artificial intelligence, or AI, including machine learning, or ML, to create a personalized and curated newsfeed for each of our members. Our platform provides access, free of charge to all of our members, to content from a variety of internal and third-party sources, including content created in-house and content linked to third-party sites (some of which may require a separate subscription).

- **Medical articles.** Our platform uses both algorithms and clinical editors to select content from a variety of sources based on a member's profile and reading interests. Information used to select articles includes each member's specialties, qualifications, connections, and content preferences, along with what is popular across our network at that time. We are able to aggregate connections to relevant content from a variety of different sources, such as medical journals and specialist websites that a member might otherwise have to search for separately.
- **Medical videos.** Information about recent clinical trials or research results are distributed in an easy-to-consume video format, optimized for desktop or mobile viewing. Videos are designed to be brief, relevant and eye-catching to disseminate knowledge without wasting a physician's time.
- **Continuing Medical Education, or CME, credit.** Our platform automatically tracks the articles that our members read, logging eligible CME credit for them as they go.

- **Peer and colleague updates.** Doximity members can stay abreast of and celebrate the professional updates and accomplishments of their peers and colleagues, from new jobs to awards, newly authored publications, and press mentions.
- **Clinical discussions.** Members can comment on and react to posts directly in their newsfeed. For example, members might discuss the results of a new clinical study, or even ask questions to the author of that study. Members can also submit for publication Op-Med articles, which is long-form content written by clinicians for clinicians, covering topics such as front-line experiences and practice-changing viewpoints. Ultimately, dialogue and interactive elements drive engagement within the ecosystem and facilitate peer-to-peer education.
- **Sponsored content.** Certain articles and videos are marked as sponsored content and are designed to be highly relevant to our members. These can appear to our members and are created in concert with our pharmaceutical and health systems customers and may include information about medications, clinical trials, guidelines and resources, and trends in medical and patient care. They are developed in collaboration with our customer success team to ensure they meet the high quality standards of our community.

Productivity

Members of our platform are able to access our productivity tools, a suite of Health Insurance Portability and Accountability Act, or HIPAA, compliant communication and digital workflow tools that are designed with their needs in mind to make their daily workflows more efficient. We put the following critical digital tools in one easy-to-use app and website.

- **Digital Fax and eSignature.** Allows physicians to send and receive HIPAA-compliant faxes through our mobile app or website. Members can electronically sign, edit, date, add attachments, and customize the cover page for their faxed documents, eliminating the need to print, manually sign, and re-scan documents. This streamlines patient care coordination and digital record keeping.
- **Secure Messaging.** Enables members to collaborate securely regarding patient consultations, and coordinate care across multiple care team members, specialists, systems, or locations.
- **Dialer.** Our members can connect with their patients through our Dialer telehealth feature through Dialer Free, which is available for free to all members, through Dialer Pro, a paid version with some enhanced capacities, or Dialer Enterprise, which may be purchased by a hospital enterprise. Physicians can either initiate the visits in the Doximity app, or use the leading EHR app, Haiku by Epic, to find a patient's information and start a visit with one tap, under an enterprise license. Dialer visits can be either voice or video based. Voice visits allow physicians to pre-set their Caller ID to their office number, which maintains the privacy of their personal line while increasing the likelihood that the patient will answer so that they can efficiently connect on-the-go. Video visits allow physicians to convert their smartphone and desktop to a telemedicine hub, without any extra download or sign in required for patients. Additional convenient features are accessible during a video call, such as the ability to easily add an interpreter or family member, or hand off the call to another member of the care team with one click, all in a HIPAA-compliant manner.

Our Solutions for Healthcare Customers

We offer Marketing, Hiring, and Telehealth Solutions to pharmaceutical manufacturers, health systems, medical recruiting firms, and certain other healthcare companies on a predominantly subscription basis. In fiscal 2022, we had 265 customers which contributed at least \$100,000 of subscription revenue. Our solutions focus on win-wins for our customers and our members, containing useful and relevant information for the physician's particular area of practice and their patients' needs, while being respectful of their time.

Marketing Solutions

We provide a digital marketing platform for pharmaceutical manufacturers and health systems to serve our members with tailored content that is highly relevant to their clinical practices. Pharmaceutical manufacturers purchase programs on a brand-by-brand basis, and health systems execute programs on a service line by service line basis. Service lines in health systems refer to patient-centric clinical specialties, such as cardiology, oncology, neurology, and otolaryngology, among others.

Our customers are able to specify a combination of audience attributes, such as specialty, credential, and location, and also choose modules. Modules are the core building blocks of the marketing plan and are additive to one another. We package them into programs to meet the needs of individual brands and service lines. Our modules can be categorized as Awareness, Interactivity, and Peer, as follows:

- **Awareness:** modules that generate awareness and build name recognition, such as text and video articles. The content of these modules may include updates on how certain drugs perform in clinical trials, the opening of new hospitals or departments within a health system, or other information that is relevant to our members.
- **Interactivity:** modules that enable digital activities such as conference attendance, connecting with a sales representative, booking an appointment, or ordering product samples.
- **Peer:** modules that enable our members to connect and build professional relationships with thought-leaders, department chairs, and other experts within the Doximity network.

We seek to develop new modules in response to customer feedback and market trends and to address specific needs of our customers. For example, an Interactivity module may appear adjacent to articles about scientific congresses or professional meetings.

Our goal is to make sponsored content useful, relevant, and informative for our members. We have a customer success team that ensures both that our customers receive tangible, measurable, and repeatable benefits from their marketing spend, and that our members have access to sponsored content that is relevant and informative. The team works directly with our customers to deeply understand a customer’s goals, priorities, and messaging before helping with content and media formats. Our team can develop new content or fine-tune and reformat existing content for digital and feed-friendly marketing. We also provide ongoing support and reporting at the customer’s request.

We have become a valued collaborator to our customers. We have a track record of expanding throughout the medication portfolios of pharmaceutical customers and into additional service lines throughout a health system while also upselling additional modules.

Hiring Solutions

We offer our Hiring Solutions to both health systems and medical recruiting firms, which pay for subscriptions that provide them with the ability to search and connect with medical professionals on Doximity. Our AI and ML-supported platform enables customers to run highly targeted hiring campaigns across a range of medical specialties and sub-specialties, uncovering passive but eligible candidates for proactive outreach on any locum tenens or permanent position.

Our modules for Hiring Solutions consist of the following:

- **Job posts.** Individual listings on our platform for open jobs, either posted directly by a health system or by a recruiting firm. Our members can search and browse these listings.
- **Direct message.** Recruiters, physicians, and administrators can direct message members who might be a good fit for a given open position. These messages may or may not be for an opening that has been posted on our job posts.

Both job posts and direct messages are sold as a subscription that entitles the customer to a certain number of job listings or messages on a self-serve basis throughout the contract period.

We also have a tech-enabled, higher-touch Hiring Solution called Curative, combining Doximity’s data science and intelligence with the service of Curative’s customer-focused recruiters. Our account managers at Curative work with health systems to source both locum tenens and permanent staffing, leveraging our platform and providing a higher level of support on an ongoing basis than our self-service Hiring Solutions. Health systems enter into a contract with Curative on an hourly-fee or a placement-fee basis.

Telehealth Solutions for Health Systems

We provide Dialer Enterprise to health systems and hospitals seeking an accessible but powerful telehealth solution. The organic adoption of our direct-to-member offerings—Dialer Free and Dialer Pro— is an important factor driving our Enterprise offerings. Many users have already adopted Dialer into their regular workflow and this familiarity significantly streamlines implementation when health systems are deploying Dialer Enterprise while competitor solutions often require a full physician training.

Dialer Enterprise enables unlimited access to Dialer for all users across a health system’s organization, and unlocks the same premium feature set as Dialer Pro with an added service layer for the organization that includes a dedicated customer success manager, premium user support, and monthly utilization reporting. Health system customers also have the opportunity to brand the user and patient experience as well as leverage their own security and HIPAA requirements to create consistent

protocols for use. Our health system team can also integrate Dialer into our customer's electronic medical record system so that their users can access Dialer from directly within their existing clinical workflows.

Dialer Enterprise is sold as a subscription, with pricing based on the size of the health system.

Scheduling Capabilities for Health Systems

On April 1, 2022, we closed our acquisition of the AMiON shift scheduling service to further expand our physician cloud platform. Our AMiON shift scheduling tool helps health systems easily manage care coverage across their business units, by enabling administrators and staff to view work schedules, communicate with colleagues, swap and adjust shifts, and sync work shifts to personal calendars.

Our Strengths

Our business exhibits a number of key strengths which we believe position us to drive sustained growth.

- ***We are the trusted and secure physician-first platform.*** Since our founding, Doximity has been built to be physician-first, with trust at the core of what we do. We verify the identities and qualifications of our medical professionals through integration with third-party databases. In addition, our communications solutions are HIPAA compliant, providing medical professionals with a critical platform for protected communications.
- ***We have the largest digital network of medical professionals.*** Our members have the broadest available range of professional connections and networking opportunities through our platform, and we believe we have become the primary physician-to-physician connectivity medium. The scale and strength of our network has made us a strategic collaborator of choice for pharmaceutical manufacturers and health systems. We enable these organizations to engage with a valuable and otherwise difficult-to-reach audience, covering an increasing number of specialized medical professionals and enabling targeted outreach.
- ***We benefit from powerful network effects.*** Both the medical professionals and customers that use our platform benefit immensely from access to our large and dynamic ecosystem, and we fuel the expansion of this network of medical professionals, pharmaceutical manufacturers, and health systems by adding new tools and solutions to our platform. As we expand our capabilities, Doximity becomes more attractive to new and existing members and customers, ultimately generating more data and insights that allow us to develop better tools and solutions, and build greater scale.
- ***We are deeply embedded in physician workflows.*** Our tools and third-party integrations are designed to solve workflow pain-points for physicians. Our tools provide physicians with the ability to deliver best-in-class healthcare, spend more time with patients, and ultimately improve patient care.
- ***We innately understand physician workflows are different from traditional technology workflows.*** Through having product leaders who are physicians, designers, and engineers familiar with healthcare services, and an extended team of medical professionals in our advisory committees, we are able to build solutions that enable physicians and act as an extension of their practice.
- ***We are strategic to our customers.*** We provide a unique, digital channel to connect with the most valuable professionals in healthcare. Pharmaceutical manufacturers and health systems gain access to a high value solution. Health systems and medical recruiting firms gain access to a comprehensive nationwide network and database of specialty and sub-specialty professionals. We align our goals with our customers and help them make the necessary leap to digital.

Our Growth Strategies

- ***Grow the Doximity Network.*** While we will continue to grow our number of physician members, we are under-penetrated among other types of medical professionals such as nurse practitioners, and have an opportunity to expand our offering to physical therapists, dentists, psychologists, and many other professions. As more medical professionals join our platform, we become a more valuable connectivity tool for members, and a more valuable marketing and hiring channel for pharmaceutical manufacturers and health systems.
- ***Continuously improve and innovate on our platform.*** Improving our existing capabilities, and innovating to add new tools and solutions, will make our platform more valuable to members, helping to attract new members and customers, while increasing the engagement of existing ones.

- **Expand within customers of our solutions.** Our existing customers represent a significant opportunity to grow our platform. Many of our large pharmaceutical customers initially run marketing programs for a certain number of brands but have a track record of increasing their spend with us both by adding modules and expanding across more of their portfolio of brands once they have seen the quantifiable benefits of our Marketing Solutions. Health systems have a similar track record of expanding their usage of our platform across different service lines.
- **Attract new customers.** We have an opportunity to engage additional pharmaceutical manufacturers and health systems as we raise awareness of our offerings through our sales and marketing efforts and as we expand our offerings.
- **Further monetize our Telehealth Solutions.** Our telehealth tools are used and trusted by hundreds of thousands of our members, and the rapid adoption by health systems of our commercial Telehealth Solution, Dialer Enterprise, reflects that professional trust. Our Dialer Enterprise solution is still in its early stages and we have significant whitespace ahead of us.
- **Grow our patient-facing tools.** Patients can search for the right doctor or hospital for their needs through our collaboration with the Doctor Finder tool of U.S. News & World Report, which publicly displays summary physician profiles and hospital rankings powered by an integration with our Doximity network. We also collaborate with U.S. News & World Report to offer a direct-to-patient scheduling tool for health systems. We see opportunities to expand our offerings to patients in the future. Consumers on the platform would also create a significant value opportunity for our customers.
- **Consider strategic acquisitions to expand our platform capabilities.** In the past, we have selectively used mergers and acquisitions to accelerate our product roadmap to bring medical professionals and customers more complete solutions and increase demand for our products. For example, in the fiscal year ended March 31, 2021, or fiscal 2021, we acquired Curative Talent, a medical recruiting agency, in order to augment our Hiring Solutions with a tech-enabled, higher-touch service, and on April 1, 2022 we closed our acquisition of the AMiON shift scheduling service to further expand our physician cloud platform. We plan to continue evaluating similar opportunities and execute on them if we find the right fit for our members, customers, and our company.

Our Technology Platform

Our technology platform supports a vast network of member connections, with regularly updated profiles, secure communication and productivity tools, and vast amounts of searchable indexed data. Together, we believe these features of our physician cloud form a valuable competitive strength.

Platform Advantages

- **Extensive and dynamic database of U.S. physician information:** Since the launch of our business, members have interacted with each other and our technology platform hundreds of millions of times. This has enabled us to build a vast, interactive data set intelligently combining proprietary information and previously siloed public information. Along with user-entered input, our proprietary algorithms constantly identify new information for our members from hundreds of third party sources that are isolated and siloed in the healthcare space. The up-to-date and scaled nature of our database is critical to the value proposition for both our members and our pharmaceutical manufacturer and health system customers.
- **Statistical and machine learning methodologies:** We utilize proprietary statistical and machine learning methodologies across our platform for a number of use cases to benefit our members. Some of the major components include:
 - Aggregating and coupling disjointed datasets from numerous medical sources into a live database of physician information to perform descriptive, diagnostic, and prescriptive analysis.
 - Medical news tailored to a member's specific specialty, clinical areas of interest, and viewing history, ensuring that each member's news feed is personalized to them and that the digital marketing content of our pharmaceutical and health system customers will be served to members that are more likely to find it relevant and interesting based on their profile and viewing history.
 - Automatically matching top candidates with openings offered by recruiters and administrators based on job history, interests, and geography.

- **Extensive, interactive database of U.S. medical residency and employment data:** We collect and maintain a vast repository of residency and employment data from our members, which includes member reviews on their experience at hospitals and residency programs, detailed statistics on user experiences regarding program setting and training environment, and a salary map across different specialties and geographies across the country. We make this data available to all of our members in easily accessible portals which are automatically updated as our members provide additional data on the platform.
- **Proprietary productivity and telehealth tools:** Our productivity and telehealth tools have been built to be physician-first with usability in mind at every step. Built on top of a modern software stack that ensures rapid scalability and enterprise-grade reliability, our tools allow doctors to communicate via messages, voice, and video—and their patients do not need to install an app to be connected. On top of this base service, we have designed a broad range of customized, physician-first telehealth features specific to our platform such as ‘call nudge’ reminding a patient of a visit, ‘straight to voicemail’ enabling physicians to choose not to disturb patients after-hours, and the flexibility to switch between voice and video at will, among others.
- **Design Principles:** Our technology stack and product development teams are set up to enable rapid prototyping and development of new features via controlled rollouts. We focus on innovative, useful and unobtrusive features that are designed to optimize the healthcare professional’s workflow. And at all times, we follow the stringent security and privacy requirements of a physician’s data; our messaging tools are compliant with HIPAA and validated through external auditing procedures.

Sales and Marketing

We employ a direct sales organization composed of highly trained team members. The sales organization is segmented primarily by customer type. For example, there is one enterprise-focused team concentrating on pharmaceutical manufacturers and another concentrated on health systems. Our direct sales organization also reaches customers through indirect channels, such as third-party marketing agencies utilized by our pharmaceutical and health system customers.

The direct sales organization is supported by marketing and customer success specialists. We generate customer leads, accelerate sales opportunities, and build brand awareness through our marketing programs, both digitally and offline. These programs target decision makers to provide information about our company and solutions through digital advertising, field marketing events, integrated marketing programs (including direct email and online advertising), industry events, trade shows, and conferences. Our customer success team supports customer retention by working directly with customers to produce higher engagement with our solutions, which in turn expands their use of the platform in the future.

We buy a limited amount of digital search and display advertising on Google and Facebook to encourage potential members to sign up for our platform.

Competition

Although we have built a scaled and highly differentiated platform, we face competition across different aspects of our business. We have experienced, and expect to continue to experience, intense competition from a number of companies, and we expect such competition to increase as our industry evolves. Specifically, we compete for medical professionals as members, and for pharmaceutical and health system companies as customers for our Marketing, Hiring, and Telehealth Solutions.

- **Competing for members:** We compete with large technology companies that have developed online networking and collaboration tools such as LinkedIn, Facebook, Google, and Twitter, in addition to smaller, emerging companies. However, we believe we are the only professional network solely dedicated to medical professionals, with a purpose-built platform to address their networking, collaboration, content, educational, and career management needs.
- **Competing for customers:** We compete across several categories to access spend in the healthcare category. We specifically compete for access to marketing, hiring, and telehealth budgets. We believe that our platform and the network of medical professionals on Doximity allow us to provide our customers with solutions that result in attractive returns on their marketing and hiring budgets.
 - **Marketing:** We compete with online and offline outlets that provide marketing and advertising services that enable pharmaceutical manufacturers and health systems to educate medical professionals about their brands. These outlets include health-related websites and mobile apps.

- **Hiring:** We compete in the healthcare staffing industry with job boards, self-service recruiting tools, and medical recruiting firms in national, regional, and local markets. We compete with large healthcare staffing companies as well as smaller, more regionally focused companies.
- **Telehealth:** We compete with other providers of telehealth services, such as Teladoc Health and Amwell, in addition to smaller, emerging companies that provide telehealth services on behalf of employers and insurance plans. In addition, with the COVID-19 pandemic, we have seen increased competition from broader video communication solutions, such as Zoom Video Communications.

The industries in which our products are offered are evolving rapidly and are becoming increasingly competitive. Larger and more established companies may focus on our market and could directly compete with us. Smaller companies, including application developers, could also launch new products and services that compete with us and that could gain market acceptance quickly. We also expect our existing competitors in the markets for Marketing and Hiring Solutions to continue to focus on these areas. Many of our competitors and potential competitors have significantly greater financial, technological, and other resources than we do and greater name recognition and more established distribution networks and relationships with healthcare providers than us. As a result, many of these companies may respond more quickly to new or emerging technologies and standards and changes in customer requirements. These companies may be able to invest more resources in research and development, strategic acquisitions, sales and marketing, patent prosecution, litigation, and financing capital equipment acquisitions for their customers.

Our competitors may announce new products, services, or enhancements that better address changing industry standards or the needs of members and customers, such as mobile access. Any such increased competition could cause pricing pressure, loss of market share or decreased member engagement, any of which could adversely affect our business and operating results. Internet search engines could also change their methodologies in ways that adversely affect our ability to optimize our page rankings within their search results. If this occurs, our ability to successfully market our services to customers may be harmed and our business results may suffer.

Our People, Culture, Values, and Human Capital Resources

At Doximity, we organize our teams into small, nimble groups that operate autonomously and are empowered to make decisions quickly and who aim to stay close to our members and customers. We prioritize diversity and inclusion, and regularly track our progress against quantifiable goals. We have always been a geographically distributed team: over three-quarters of our employees were already working remotely prior to the COVID-19 pandemic. We supplement our workforce with contractors and consultants in the United States and internationally.

We champion the following core values:

- **Get Stuff Done:** We are doers. We solve problems everyday by treating obstacles like an adventure.
- **Straight Talk:** We say what we think and every voice is heard and respected. Transparency makes us stronger.
- **Stretch Goals:** Innovation requires risk taking. We challenge assumptions and shoot for the stars.
- **Bring the Real You:** We bring our quirky, unique selves to work. Diverse personalities create a more interesting and creative environment.

We and certain of our employees also volunteer time with a number of charity initiatives, including the Dox Foundation, which was formed by our Chief Executive Officer and his family. The Dox Foundation's work includes helping clinicians reach underserved communities by funding flights for medical mission trips and providing grants to applicants. Applicants have traveled to Uganda, Cambodia, India, Myanmar, and the West Indies to provide services as diverse as cleft lip and palate surgery, orthopedic surgery education, and nursing education at a children's hospital.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing, and integrating our existing and additional employees. The principal purposes of our equity incentive plans are to attract, retain, and motivate selected employees, consultants, and directors through the granting of stock-based compensation awards and cash-based performance bonus awards. To our knowledge, none of our employees are represented by a labor union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

As of March 31, 2022, we had a total of 887 full-time equivalent employees. More than 35% of our full-time equivalent employees work in R&D, including in product, engineering, and data.

Data Protection, Security, and Regulatory Compliance

The data we collect and process is an integral part of our tools and solutions, allowing us to ensure our members are verified, the experience we provide is engaging and personalized, and the content we present is the most relevant. In addition, our business is subject to extensive, complex, and rapidly changing federal and state laws and regulations governing data collection, healthcare regulation, financial services laws, regulations and rules, such as the Payment Card Industry Data Security Standards, and related matters. Our respect for laws and regulations regarding the collection and processing of personal data underlies our strategy to improve our member experience and build trust in our network and platform. While we believe we comply in all material respects with applicable laws and regulations, these regulations can vary significantly from jurisdiction to jurisdiction, and interpretation and enforcement of existing laws and regulations may change periodically. Federal and state legislatures also may enact various legislative proposals that could materially impact certain aspects of our business. For additional information, see “Risk Factors—Risks Related to Our Business— We are subject to stringent and changing laws, regulations, self-regulatory schemes, contractual obligations, and standards related to privacy, data protection, and information security. The actual or perceived failure by us, our customers, partners, or vendors to comply with such obligations could harm our reputation, subject us to significant fines and liability, or otherwise adversely affect our business.”

Data Collection and Protection

We collect and may use personal information to help run our business (including for analytical purposes) and to communicate and otherwise reach our network members. In some instances, we may use third-party service providers to assist us in these efforts.

We endeavor to treat our members’ data with respect and maintain member trust. We provide our members with options designed to allow them to control their data, such as allowing our members to decide which profile contact information is viewable publicly and which is accessible to new connections. Members can also request deletion of their data under applicable privacy laws and procedures. Our privacy and security teams are devoted to processing and fulfilling member requests regarding access to and deletion of their data.

Physician information that is posted to profiles is protected with anti-scraping technologies such as a Web Application Firewall, Runtime Application Self-Protection, Bot Protection, Rate-Limiting, and our network employs DDoS mitigation technology to protect against attacks. All data is encrypted in transit and at rest using TLS 1.2, and personal health information is encrypted at rest using AES-256 encryption. Along with a dedicated in-house security team and contracted security researchers, we maintain a comprehensive HackerOne program for proactive vulnerability inspection of our entire offering.

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 health information. In particular, HIPAA established privacy and security standards that limit the use and disclosure of protected health information, referred to as PHI, and require the implementation of administrative, physical, and technical safeguards to ensure the confidentiality, integrity, and availability of individually identifiable health information in electronic form. Our members as well as certain of our enterprise customers are regulated as covered entities under HIPAA. As a service provider who creates, receives, maintains, or transmits PHI on behalf of these covered entities for certain of our services, Doximity is a “business associate” as defined under HIPAA.

Violations of HIPAA may result in civil and criminal penalties and a single breach incident can result in violations of multiple standards. In the event of a breach, we must also comply with HIPAA’s breach notification rule and our covered entity enterprise customers may require we provide assistance in the breach notification process and may seek indemnification and other contractual remedies. State attorneys general also have the right to prosecute HIPAA violations committed against residents of their states, and individuals have used HIPAA standards 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 mandates that HHS conduct periodic compliance audits of HIPAA covered entities and their business associates for compliance.

Further, many states in which we operate and in which our members and customers as well as their patients reside also have laws that protect the privacy and security of sensitive and personal information, including health information, information regarding mental health and substance use treatment, and other information related to the provision of healthcare services. Some of these laws also prohibit unfair privacy and security practices and deceptive statements about privacy and security place specific requirements on certain types of activities, such as data security and texting. These laws may be similar to or even more protective than HIPAA and other federal privacy laws. For example, the laws of the State of California, in which we operate, are more restrictive than HIPAA, including the provisions of the California Consumer Privacy Act, or CCPA, which went into effect January 1, 2020. While any information we maintain in our role as a business associate may be exempt from the CCPA,

other records and information we maintain on our members may be subject to the CCPA. Where state laws are more protective than HIPAA or require us to take action such as breach notification, we must comply with the state laws we are subject to, in addition to HIPAA. In certain cases, it may be necessary to modify our planned operations and procedures to comply with these more stringent state laws. Not only may some of these state laws impose fines and penalties upon violators, but also some, 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 or federal breach notification law, to which we may be subject. For additional information, see “Risk Factors—Risks Related to the Healthcare Industry.”

Federal and State Telecommunications Laws

There are a number of federal and state laws and regulations potentially applicable to communications by phone, text message, or facsimile, including the TCPA, and those laws and regulations are continuously evolving. Our services that allow members and other platform users to leverage such telephonic communications may be subject to these laws and regulations.

Other Healthcare Laws and Regulations and Health Reform

There are many laws that govern the activities of healthcare professionals, some of which may be applied to us because of our relationships with them. Some of these requirements may apply to us even if we do not have a physical presence in the state, based solely on our agreements with providers licensed in the state. Many states limit the scope of business relationships between business entities and medical professionals. For example, while many states’ fee-splitting laws only prohibit a physician from sharing medical fees with a referral source, some states have interpreted certain management agreements between business entities and physicians as unlawful fee-splitting. These laws generally prohibit us from exercising control over the medical judgments or decisions of physicians and non-physician healthcare providers and from engaging in certain financial arrangements, such as splitting professional fees with healthcare providers. In addition, certain federal and state anti-kickback and false claims laws may apply to us indirectly through our arrangements with healthcare professionals and entities. Statutes and regulations relating to the practice of medicine, anti-kickback, fraud, fee-splitting, and similar issues vary widely from state to state. Because these laws are often vague, their application is frequently dependent on court rulings and attorney general opinions.

In addition, there have been several legislative and regulatory changes and proposed reforms of the healthcare system to contain costs, improve quality, and expand access to care. It is also possible that additional governmental action is taken in response to the COVID-19 pandemic. Failure to comply with any of these laws or regulations could lead to adverse judicial or administrative action against us and/or our provider customers, civil or criminal penalties, receipt of cease and desist orders from state regulators, loss of provider licenses, the need to make changes to the terms of engagement of our provider customers that interfere with our business, and other materially adverse consequences. For additional information, see “Risk Factors—Risks Related to the Healthcare Industry.”

Intellectual Property

We believe that our intellectual property rights are valuable and important to our business. We rely on a combination of trademarks, copyrights, patents, trade secrets, license agreements, confidentiality procedures, non-disclosure agreements, employee disclosure and invention assignment agreements, as well as other legal and contractual rights, to establish and protect our proprietary rights. However, our contractual provisions may not always be effective at preventing unauthorized parties from obtaining our intellectual property and proprietary technologies. In addition, though we rely in part upon these legal and contractual protections, we believe that factors such as the skills and ingenuity of our employees and the functionality and frequent enhancements to our platform are larger contributors to our success in the market.

As of March 31, 2022, we have four provisional patent applications in the United States. We continually review our development efforts to assess the existence and patentability of new intellectual property.

We have an ongoing trademark and service mark registration program pursuant to which we register our brand names, product names, and logos in the United States to the extent we determine appropriate and cost-effective. As of March 31, 2022, we have a total of seven registered or applied-for trademarks in the United States and two registered trademarks in non-U.S. jurisdictions. We also have registered domain names for websites that we use in our business, such as www.doximity.com and other variations.

We intend to pursue additional intellectual property protection to the extent we believe it would be beneficial and cost effective. Despite our efforts to protect our intellectual property rights, they may not be respected in the future or may be invalidated, circumvented, or challenged. In addition, if we were to expand internationally, the laws of certain foreign countries may not protect our intellectual property rights to the same extent as laws in the United States. We may be dependent on third-

party content, technology, and intellectual property in connection with our business. We expect that infringement claims may increase as the number of products and competitors in our market increase. In addition, to the extent that we gain greater visibility and market exposure as a public company, we face a higher risk of being the subject of intellectual property infringement claims from third parties. Any third-party intellectual property claims against us could significantly increase our expenses and could have a significant and negative impact on our business, results of operations, and financial condition.

Seasonality

Historically, we have experienced some seasonality based on the timing of marketing programs, subscription launches on our platform and budgetary timing of purchases of additional modules.

Corporate Information

We were incorporated in the state of Delaware in April 2010 as 3MD Communications, Inc. and we subsequently changed the name to Doximity, Inc. in June 2010. Our principal executive offices are located at 500 3rd Street, Suite 510, San Francisco, California 94107, and our telephone number is (650) 549-4330.

Available Information

We file electronically with the SEC our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, our Proxy Statement, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act. In addition, copies of these reports and other information may be obtained, free of charge, on our website at www.investors.doximity.com as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC also maintains an Internet website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

We webcast our earnings calls and certain events we participate in or host with members of the investment community on our investor relations website. Additionally, we provide notifications of news or announcements regarding our financial performance, including SEC filings, investor events, press and earnings releases, and blogs as part of our investor relations website. We have used, and intend to continue to use, our investor relations website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Further corporate governance information, including our corporate governance guidelines, composition of our board and its committees, and Code of Conduct, are also available on our investor relations website under the heading "Governance Documents." The contents of our websites are not intended to be incorporated by reference 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

A description of the risks and uncertainties associated with our business is set forth below. You should carefully consider the risks and uncertainties described below, together with all of the other information contained in this Annual Report on Form 10-K, including our consolidated financial statements and the related notes thereto, and the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The risks and uncertainties described below may not be the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that affect us. If any of the following risks occur, our business, results of operations, financial condition, and prospects could be harmed. In that event, the trading price of our Class A common stock could decline and you could lose a portion or all of your investment.

Risk Factors Summary

The below is a summary of principal risks to our business and risks associated with ownership of our stock. It is only a summary. You should read the more detailed discussion of risks set forth below and elsewhere in this report for a more complete discussion of the risks listed below and other risks. Additional risks, beyond those summarized below, set forth in this section, or discussed elsewhere in this Annual Report on Form 10-K, may apply to our business, activities or operations as currently conducted or as we may conduct them in the future or in the markets in which we operate or may in the future operate.

- If we fail to effectively manage our growth, we may be unable to execute our business plan, adequately address competitive challenges or maintain our corporate culture, and our business, financial condition, and results of operations could be harmed;
- We have a limited operating history, which makes it difficult to evaluate our current business and future prospects and to predict our future operating results, and therefore increases the risk of investment;
- If we fail to retain existing members or add new members, our revenue, operating results, financial condition, and business may be significantly harmed;
- If we do not continue to attract new customers, or if existing customers do not renew their subscriptions, renew on less favorable terms, or fail to purchase additional solutions, it could have a material adverse effect on our business, financial condition, and results of operations;
- Our revenue is relatively concentrated within a small number of key customers, and the loss of one or more of such key customers could slow the growth rate of our revenue or cause our revenue to decline;
- We expect to face increasing competition in the market for our solutions;
- The COVID-19 pandemic and any other future pandemic, epidemic, or outbreak of an infectious disease may adversely affect our business, financial condition, and results of operations;
- If we are not able to maintain and enhance our reputation and brand recognition, our business, financial conditions, and results of operations will be harmed;
- Making business decisions that prioritize the interests of our members may adversely impact our financial results;
- We depend on our talent to grow and operate our business, and if we are unable to hire, integrate, develop, motivate, and retain our personnel, we may not be able to grow effectively;
- Failure to maintain, protect, or enforce our intellectual property rights could harm our business and results of operations; and
- The dual class structure of our common stock has the effect of concentrating voting control with our executive officers (including our Chief Executive Officer) and directors and their affiliates; this will limit or preclude your ability to influence corporate matters.

If we are unable to adequately address these and other risks we face, our business, results of operations, financial condition and prospects may be harmed.

Risks Related to Our Business

If we fail to effectively manage our growth, we may be unable to execute our business plan, adequately address competitive challenges or maintain our corporate culture, and our business, financial condition, and results of operations could be harmed.

Since launching our platform in fiscal 2012, we have experienced rapid growth and we continue to rapidly and significantly expand our operations. While we have experienced significant revenue growth in prior periods, it is not indicative of our future revenue growth. We expect our revenue growth rate will decline. In the fiscal year ended March 31, 2022, or fiscal 2022, and fiscal 2021, our revenue grew by 66% and 78%, respectively, as compared to the revenue from the prior fiscal years. In addition, our full-time equivalent employee headcount has grown from 713 as of March 31, 2021 to 887 as of March 31, 2022. This expansion increases the complexity of our business and places significant strain on our management, personnel, operations, systems, technical performance, financial resources, and internal financial control and reporting functions. We may not be able to manage growth effectively, which could damage our reputation, limit our growth, and negatively affect our operating results.

The growth and expansion of our business creates significant challenges for our management, operational, and financial resources. In the event of continued growth of our operations or in the number of our third-party relationships, our information technology systems and our internal controls and procedures may not be adequate to support our operations. To effectively manage our growth, we must continue to improve our operational, financial, and management processes and systems and to effectively expand, train, and manage our employee base. As our organization continues to grow and we are required to implement more complex organizational management structures, we may find it increasingly difficult to maintain the benefits of our corporate culture, including our ability to quickly develop and launch new and innovative solutions. This could negatively affect our business performance.

We expect to invest heavily in growing our business, which may cause our sales and marketing, research and development, and other expenses to increase and our margins to decline. For example, our Telehealth Solutions have experienced significant growth amid a rapidly developing market, which may result in increased price competition and costs and may have an adverse impact on our margins if it continues to grow as a portion of our overall business. Our net income and adjusted EBITDA margin has grown in recent periods and as we continue to grow, may decrease.

Our historical rate of growth may not be sustainable or indicative of our future rate of growth. We believe that our continued growth in revenue, as well as our ability to improve or maintain margins and profitability, will depend upon, among other factors, our ability to address the challenges, risks, and difficulties described elsewhere in this “Risk Factors” section and the extent to which our various offerings grow and contribute to our results of operations. We cannot provide assurance that we will be able to successfully manage any such challenges or risks to our future growth. In addition, our customer base may not continue to grow or may decline due to a variety of possible risks, including increased competition, changes in the regulatory landscape, and the maturation of our business. Any of these factors could cause our revenue growth to decline and may adversely affect our margins and profitability. Failure to continue our revenue growth or margin improvement could have a material adverse effect on our business, financial condition, and results of operations. You should not rely on our historical rate of revenue growth as an indication of our future performance.

We have a limited operating history, which makes it difficult to evaluate our current business and future prospects and to predict our future operating results, and therefore increases the risk of investment.

Doximity, Inc. was incorporated in the state of Delaware in April 2010 as 3MD Communications, Inc. and we subsequently changed the name to Doximity, Inc. in June 2010. We began commercial offerings in fiscal 2012, and by fiscal 2014 we began serving our pharmaceutical and health system customers on some of our early stage solutions. As a result of our limited operating history and our rapid growth, our ability to forecast our future operating results, including revenue, cash flows, and profitability, is limited and subject to a number of uncertainties, including our ability to effectively plan for and model future growth. We have encountered and will encounter risks and challenges frequently experienced by growing companies with competitive offerings, such as the risks and uncertainties described in this Annual Report on Form 10-K. In addition, our business is affected by general economic and business conditions around the world, including the impact of the COVID-19 pandemic or any other similar pandemic or epidemic. If our assumptions regarding these risks and uncertainties are incorrect or change due to changes in our markets, or if we do not address these risks successfully, our operating and financial results may differ materially from our expectations and our business may suffer. These risks and challenges include our ability to:

- maintain and increase our number of registered members for our platform;
- maintain and increase our number of customers for our solutions;

- increase revenue from the solutions we provide;
- successfully compete with other companies that are currently in, or may in the future enter, the online professional network space, telehealth, or productivity tools;
- maintain and improve the infrastructure underlying our network, including Amazon Web Services and our apps and websites, including with respect to data protection and cybersecurity;
- maintain and further develop a scalable, high-performance technology infrastructure that can efficiently and reliably handle increased member usage, as well as the deployment of new features and tools;
- successfully update our network, including expanding our network and offerings, develop and update our apps, features, offerings, and services to benefit our members' experience;
- responsibly use the data that our members share with us to provide solutions that make our members more successful and productive and that are critical to the hiring and marketing needs of enterprises and professional organizations;
- comply with existing and new laws and regulations applicable to our business and our industry;
- process, store, and use personal data in compliance with governmental regulation and other legal obligations related to privacy;
- maintain and enhance the value of our reputation and brand;
- continue to earn and preserve our members' trust with respect to their professional reputation and information;
- effectively manage our growth; and
- hire, integrate, and retain talented people at all levels of our organization.

If we fail to retain existing members or add new members, our revenue, operating results, financial condition, and business may be significantly harmed.

The size of our member base and our members' level of engagement are critical to our success. Our financial performance has been and will continue to be significantly determined by our success in adding, retaining, and engaging members.

If medical professionals do not perceive our platform to be useful, reliable, and trustworthy, we may not be able to attract or retain members or otherwise maintain or increase the frequency and duration of their engagement. A decrease in member retention, growth, or engagement could render us less attractive to our pharmaceutical manufacturer and health system customers, which may have a material and adverse impact on our revenue, business, financial condition, and results of operations. Any number of factors could potentially negatively affect member retention, growth, and engagement, including if:

- we fail to introduce new and improved tools or if we introduce new tools for our members that are not favorably received;
- there are changes in member sentiment about the quality or usefulness of our tools or concerns related to privacy and sharing, safety, security, or other factors;
- we are unable to manage and prioritize information to ensure members are presented with content that is interesting, useful, and relevant to them;
- there are adverse changes in our tools that are mandated by legislation, regulatory authorities, or litigation, including settlements or consent decrees;
- technical or other problems prevent us from delivering our tools in a rapid and reliable manner or otherwise affect the member experience;
- we adopt policies or procedures related to areas such as sharing our member data that are perceived negatively by our members or the general public; and
- new offerings from our competitors are introduced to the market.

If we are unable to maintain and increase our member base and member engagement, our revenue, operating results, financial condition, business, and future growth potential may be adversely affected.

If we do not continue to attract new customers, or if existing customers do not renew their subscriptions, renew on less favorable terms, or fail to purchase additional solutions, it could have a material adverse effect on our business, financial condition, and results of operations.

In order to grow our business, we must continually attract new customers, sell additional solutions to existing customers and reduce the level of non-renewals in our business. Our ability to do so depends in large part on the success of our sales and marketing efforts. Most customers engage with us on particular marketing programs, either directly or through marketing agencies that act on their behalf. We do not typically enter into long-term contracts with our pharmaceutical manufacturer customers, who represent a significant portion of our revenue. When we do enter into long-term relationships with customers, they can generally terminate their relationship with us or move their marketing activity to a new agency with whom we do not currently do business. Even if we are successful in attracting new customers and their agencies, it may take several months or years for them to meaningfully increase the amount that they spend with us. Further, larger pharmaceutical customers with multiple brands typically have brand-level marketing budgets and marketing decision makers, and we may not be able to leverage our success into expanded business with other brands within the customer's portfolio. Moreover, customers may place internal limits on the allocation of their marketing budgets to digital marketing, to particular programs, to a particular marketing vendor, or for other reasons. We may not accurately predict future trends with respect to rates of customer renewals, upgrades, and expansions.

Customers of our Marketing Solutions may not continue to do business with us if their marketing content does not reach their intended audiences. Therefore, we must continue to demonstrate to our customers that using our Marketing Solutions offering is the most effective and cost-efficient way to maximize their results. Similarly, we must demonstrate that our Hiring Solutions are important recruiting tools for enterprises, professional organizations, and individuals and that our Hiring Solutions provide them with access to the target audience. Our Hiring Solutions customers will discontinue their purchases of our solutions if we fail to effectively connect them with the talent they seek. Finally, for our Telehealth Solutions, we may not be able to retain existing customers or attract new customers if we fail to provide high quality solutions, if customers are unable to realize the value of our solutions, or if we are not able to measure and demonstrate the value that our solutions provide.

Our customer base may decline or fluctuate due to a number of factors, including the prices of our solutions, the prices of products and services offered by our competitors, reduced hiring by our customers or reductions in their talent or marketing spending levels due to macroeconomic or other factors, and the efficacy and cost-effectiveness of our solutions. Internet search engines could also change their methodologies in ways that adversely affect our ability to optimize our page rankings within their search results. If this occurs, our ability to successfully market our services may be harmed. If we are unable to retain and increase sales of our solutions to existing customers and their agencies or attract new ones for any of the reasons above or for other reasons, our business, financial condition, and results of operations could be adversely affected.

Our revenue is relatively concentrated within a small number of key customers, and the loss of one or more of such key customers could slow the growth rate of our revenue or cause our revenue to decline.

For the fiscal year ended March 31, 2022, no customers accounted for 10% or more of total revenue. For the fiscal year ended March 31, 2021 and 2020, one of our customers accounted for 10% or more of total revenue. In addition, some of our customers purchase our services indirectly through marketing agencies, some of whom represent a number of customers. The sudden loss of any of our largest customers, or the renegotiation of any of our largest customer contracts could have a significant impact on our revenue, the growth rate of our revenue, our reputation, and our ability to obtain new customers.

In the ordinary course of business, we engage in active discussions and renegotiations with our customers, either directly or through marketing agencies, in respect of the solutions we provide and the terms of our customer agreements, including our fees. As our customers' businesses respond to market dynamics, financial pressures, and regulatory changes or delays impacting their businesses, and as our customers make strategic business decisions regarding how to market their offerings, our customers seek to, and we expect will continue to seek to, amend the terms of their arrangements with us. In the ordinary course, we renegotiate the terms of our agreements with our customers in connection with renewals or extensions of these agreements. These discussions and future discussions could result in reductions to the fees and changes to the scope contemplated by our original customer contracts and consequently could negatively impact our revenue, business, and prospects.

Because we rely on a limited number of customers and agencies for a significant portion of our revenue, we depend on the creditworthiness of these entities. If the financial condition of these entities declines, our credit risk could increase. Should one or more of our significant customers or agencies declare bankruptcy, be declared insolvent, or otherwise be restricted by state or federal laws or regulation from continuing in some or all of their operations, this could adversely affect our ongoing revenue, the collectability of our accounts receivable, and affect our bad debt reserves and net income.

We expect to face increasing competition in the market for our solutions.

We face significant competition across different aspects of our business, and we expect such competition to increase. Our industry and the markets we serve are evolving rapidly and becoming increasingly competitive. Larger and more established companies may focus on our markets and could directly compete with us. Smaller companies could also launch new products and services that compete with us and that could gain market acceptance quickly. We also expect our existing competitors in the markets for Marketing and Hiring Solutions to continue to focus on these areas. A number of these companies may have greater financial, technological, and other resources than we do and greater name recognition and more established distribution networks and relationships with healthcare providers than us, which may enable them to compete more effectively. Specifically, we compete for medical professionals as members against large technology companies that have developed online networking and collaboration tools like LinkedIn, Facebook, Google, and Twitter, in addition to smaller, emerging companies.

We also compete to access marketing, hiring, and telehealth budgets of pharmaceutical and health system companies as customers for our Marketing, Hiring, and Telehealth Solutions. We compete for customers for our Marketing Solutions with online outlets such as health-related websites and mobile apps, like WebMD's Medscape, as well as offline organizations that provide marketing and advertising services that enable pharmaceutical manufacturers and health systems to educate medical professionals. We compete for customers for our Hiring Solutions with large and regional staffing companies, job boards, self-service recruiting tools, and medical recruiting firms. We compete for customers for our Telehealth Solutions with other providers of telehealth offerings such as American Well and Teladoc Health, and other companies that offer telehealth capabilities such as Zoom Video Communications who may further focus on our market and could directly compete with us. We also compete for members, customers, and professional organizations in the market for online professional networks which continues to rapidly evolve. Our competitors may announce new products, services, or enhancements that better address changing industry standards or the needs of members and customers, such as mobile access. Any such increased competition could cause pricing pressure, loss of market share, or decreased member engagement, any of which could adversely affect our business and operating results.

The COVID-19 pandemic and any other future pandemic, epidemic, or outbreak of an infectious disease may adversely affect our business, financial condition, and results of operations.

Despite vaccine efforts, the duration and severity of the COVID-19 pandemic is unknown, and the extent of the business disruption and financial impact depend on factors beyond our knowledge and control. The spread of COVID-19, including the Omicron variants and other variations of the variant, has caused us to modify our business practices, and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, members, and partners. In addition, the COVID-19 pandemic and the determination of appropriate measures and business practices has diverted management's time and attention. A larger percentage of our employees are now working from home, and if they are not able to effectively do so, or if our employees contract COVID-19 or another contagious disease, we may experience a decrease in productivity and operational efficiency, which would negatively impact our business, financial condition, and results of operations. Further, because an increased number of employees are working remotely in connection with the COVID-19 pandemic, we may experience an increased risk of security breaches, loss of data, and other disruptions as a result of accessing sensitive information from multiple remote locations.

With the COVID-19 pandemic, many of our Marketing Solutions customers have shifted their budgets away from in-person marketing to online solutions such as ours. The circumstances that have accelerated the growth of our business stemming from the effects of the COVID-19 pandemic may not continue in the future, and if these customers reallocate a significant portion of their budgets back to in-person marketing, this could cause our growth to decline in future periods.

Like many other businesses in the temporary and permanent staffing space, our Hiring Solutions have been negatively impacted by the COVID-19 pandemic, as doctors and other medical professionals change jobs and travel less frequently for temporary positions. If the hiring market slows or continues to decline, our ability to maintain or grow our business could be adversely affected.

COVID-19 pandemic-related market changes that have caused an increased demand in telehealth solutions and other increases in health systems spending may cause us to invest in additional solutions to meet these needs and may also cause an increase in competitive offerings. If we are not able to make a return on those investments, meet the market demands, or effectively compete in the marketplace, our business results may suffer. Also, the financial impact of COVID-19 or another pandemic, epidemic, or outbreak of an infectious disease may lead to an overall decrease in healthcare spending due to a potential economic downturn and overall uncertainty causing healthcare expenditures to be concentrated in emergency care, which may cause a material impact to our business.

While the potential economic impact brought by and the duration of any pandemic, epidemic, or outbreak of an infectious disease, including COVID-19, may be difficult to assess or predict, the widespread COVID-19 pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity. The impact of any pandemic, epidemic, or outbreak of an infectious disease, including COVID-19, on the needs, expectations, and spending levels of our customers could impact our ability to maintain or grow our business and as a result our operating and financial results could be adversely affected.

The full extent to which the COVID-19 pandemic will impact our business, results of operations, and financial condition is still unknown and will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the COVID-19 pandemic, the impact and severity of new variants, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. Even after the COVID-19 pandemic has subsided, we may experience materially adverse impacts to our business as a result of its global economic impact, including any recession that has occurred or may occur in the future.

To the extent the COVID-19 pandemic adversely affects our business, financial condition, and results of operations, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Impact of COVID-19” for additional information.

If we are not able to maintain and enhance our reputation and brand recognition, our business, financial conditions, and results of operations will be harmed.

We believe that maintaining and enhancing our reputation and brand recognition is critical to our relationships with existing customers and members and our ability to attract new customers and members. 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. Our marketing activities may not be successful or yield increased revenue, and to the extent that these activities yield increased revenue, the increased revenue may not offset the expenses we incur, and our results of operations could be harmed. In addition, any factor that diminishes our reputation or that of our management, including failing to meet the expectations of our customers and members, could make it substantially more difficult for us to attract new customers. Similarly, because our customers often act as references for us with prospective new customers, any existing customer that questions the quality of our work or that of our employees could impair our ability to secure additional new customers. If we do not successfully maintain and enhance our reputation and brand recognition with our members and customers, our business may not grow and we could lose these relationships, which would harm our business, financial condition, and results of operations.

Making business decisions that prioritize the interests of our members may adversely impact our financial results.

Our “physicians first” philosophy may mean we make decisions based on the best interests of our members, which we believe is essential to our success in increasing our member growth rate and engagement, creating value for our members, and in serving the best interests of the Company and our stockholders. Therefore, in the past, we have forgone, and may in the future forgo, certain expansion or revenue opportunities that we do not believe are in the best interests of our members, even if our decision negatively impacts our operating results. In addition, our philosophy of putting our members first may cause disagreements, or negatively impact our relationships, with our existing or prospective customers. Our decisions may not result in the benefits that we expect, in which case our member engagement, business, and operating results could be harmed.

If our members’ profiles are out-of-date, inaccurate, or lack the information that members and customers want to see, we may not be able to realize the full potential of our network, which could adversely impact the growth of our business.

If our members do not update their information or provide accurate and complete information when they join our platform, the value of our platform may be negatively impacted because our value proposition as a professional network and as a source of accurate and comprehensive data will be weakened. For example, incomplete or outdated member information would diminish the ability of our Marketing Solutions customers to reach their target audiences and our ability to provide our customers with valuable insights. Similarly, customers of our Hiring Solutions may not find members that meet their qualifications or may misidentify a candidate as having such qualifications, which could result in mismatches that erode customer confidence in our solutions. Therefore, we must provide features and tools that demonstrate the value of our network to our members and motivate them to contribute additional, timely, and accurate information to their profile and our network. In addition, we must ensure that methods by which we identify relevant audiences for our customers results in accurate targeting. If we fail to successfully undertake these activities, our business and operating results could be adversely affected.

The telehealth market is immature and volatile, and if it does not develop, or if it develops more slowly than we expect, if it encounters negative publicity, or if we are not successful in demonstrating and promoting the benefits of our solutions, the growth of our business will be harmed.

The telehealth market is relatively new and unproven, and it is uncertain whether it will achieve and sustain high levels of demand, consumer acceptance, and market adoption. The increased demand for telehealth solutions as a result of the COVID-19 pandemic may decline in the future. The success of our Telehealth Solutions will depend to a substantial extent on the willingness of our members to use, and to increase the frequency and extent of their utilization of, our network, as well as on our ability to demonstrate the value of telehealth to employers, health plans, government agencies, and other purchasers of healthcare for beneficiaries. If any of these events do not occur or do not occur quickly, it could have a material adverse effect on our business, financial condition, and results of operations.

Our corporate culture has contributed to our success, and if we cannot maintain our corporate culture as we grow, we could lose the innovation, teamwork, passion, and focus on execution that we believe contribute to our success, and our business may be harmed.

We believe that a critical component to our success has been our corporate culture. We have invested substantial time and resources in building our team. As we continue to grow, we may find it difficult to maintain these important aspects of our corporate culture, especially given that the majority of our workforce has traditionally worked remotely and we have been unable to hold in-person employee gatherings as a result of the COVID-19 pandemic. We have experienced, and may continue to experience, rapid growth and organizational change, including growth and organizational change resulting from our acquisition of and subsequent integration with other businesses, which will continue to place significant demands on our management and our operational and financial infrastructure. As we continue to grow, we must effectively integrate, develop, and motivate a large number of new employees, and we must maintain the beneficial aspects of our corporate culture. We will require significant capital expenditures and the allocation of valuable management resources to grow and change in this way, without undermining our corporate culture. Any failure to preserve our culture could negatively affect our future success, including our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives.

In addition, to attract top talent, we have had to offer, and believe we will need to continue to offer, highly competitive compensation packages before we can validate the productivity of those employees. In addition, fluctuations in the price of our common stock may make it more difficult or costly to use equity compensation to motivate, incentivize, and retain our employees. We face significant competition for talent from other healthcare, technology, and high-growth companies, which include both large enterprises and privately-held companies. We may not be able to hire new employees quickly enough to meet our needs. If we fail to effectively manage our hiring needs and successfully integrate our new hires, our efficiency and ability to meet our forecasts and our employee morale, productivity, and retention could suffer, and our business, results of operations, and financial condition could be adversely affected.

The loss of one or more of any of the pharmaceutical brands that purchase our solutions could cause our revenue to decline.

We sell subscriptions for our marketing solutions across different brands within our pharmaceutical customers. The success of pharmaceutical brands and associated marketing spend can depend on patent life, competition, and other factors. For example, in the past we have lost marketing spend and associated revenue when a pharmaceutical brand marketed on our platform lost patent protection. The loss of the business of a significant brand could damage our relationship with that customer and its other brands, and our revenue, operating results, financial condition, business, and future growth potential may be adversely affected.

We calculate certain operational metrics using internal systems and tools and do not independently verify such metrics. Certain metrics are subject to inherent challenges in measurement, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

We present certain operational metrics herein, including size of our network of medical professionals and other metrics. We calculate these metrics using internal systems and tools that are not independently verified by any third party. These metrics may differ from estimates or similar metrics published by third parties or other companies due to differences in sources, methodologies, or the assumptions on which we rely. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose on an ongoing basis. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we present may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges in measuring the size of our network and other metrics. For example, we face

challenges in accurately calculating the number of practicing doctors or other professionals in our network at a given time. In addition, limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which would affect our long-term strategies. If our operating metrics or our estimates are not accurate representations of our business, or if investors do not perceive our operating metrics to be accurate, or if we discover material inaccuracies with respect to these figures, our reputation may be significantly harmed, and our operating and financial results could be adversely affected.

Our estimates of market opportunity and forecasts of market growth may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business may not grow at similar rates, or at all.

The market opportunity estimates and growth forecasts that we may issue from time to time are subject to significant uncertainty and are based on assumptions and estimates which may not prove to be accurate. Our estimates and forecasts relating to size and expected growth of our target market may prove to be inaccurate. Even if the markets in which we compete meet these size estimates and growth forecasts, our business may not grow at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties.

Certain of our operating results and financial metrics may be difficult to predict as a result of seasonality.

We have experienced some seasonality in both revenue and net income based on the timing of marketing program subscription launches on our platform and budgetary timing of purchases of additional modules. We may be affected by seasonal trends in the future, particularly as our business matures. Additionally, this seasonality may be reflected to a much lesser extent, and sometimes may not be immediately apparent, in our revenue. To the extent we experience this seasonality, it may cause fluctuations in our operating results and financial metrics and make forecasting out future operating results and financial metrics more difficult.

Our operating results have in the past and may in the future continue to fluctuate on a quarterly and annual basis 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 have in the past and may in the future continue to fluctuate significantly on a quarterly and annual basis and may fail to match our past performance, and if we fail to meet or exceed the expectations of securities analysts or investors, the trading price of our Class A 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 revenue and operating results to fluctuate from quarter to quarter include:

- our ability to increase sales of our solutions to new customers and expand sales of additional solutions to our existing customers;
- the extent to which existing customers renew their agreements with us and the timing and terms of those renewals;
- the termination or renegotiation by our significant customers of their agreements with us;
- the entrance of new competitors in our market whether by established companies or new companies;
- changes in our pricing policies or those of our competitors;
- the cost of investing in our technology infrastructure, which may be greater than we anticipate;
- our ability to maintain or increase our member base and member engagement;
- disruptions or outages in our website availability, actual or perceived breaches of privacy, and compromises of our member data; and
- general industry and macroeconomic conditions including the impact of the COVID-19 pandemic on the global economy and the deterioration in labor markets, which would adversely impact sales of our Hiring Solutions, or economic growth that does not lead to job growth.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our results of operations could be adversely affected.

The preparation of financial statements in conformity with GAAP and our key metrics require 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 Note 2 - Summary of Significant Accounting Policies included in Part II, Item 8 of this Annual Report on Form 10-K. 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 revenue recognition, the fair values of acquired intangible assets and goodwill, the useful lives of long-lived assets, the valuation of the Company's common stock and stock-based awards, and deferred income taxes. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our Class A common stock.

We are subject to stringent and changing laws, regulations, self-regulatory schemes, contractual obligations, and standards related to privacy, data protection, and information security. The actual or perceived failure by us, our customers, partners, or vendors to comply with such obligations could harm our reputation, subject us to significant fines and liability, or otherwise adversely affect our business.

We collect, receive, store, process, generate, use, transfer, disclose, make accessible, protect, and share (collectively, Process, or Processing) sensitive, confidential, and proprietary information (collectively, Sensitive Information) in connection with providing our services.

There are numerous domestic and foreign laws, regulations, self-regulatory schemes, and standards regarding privacy, data protection, and information security and Processing, or Data Protection Laws, the number and scope of which is changing, subject to differing applications and interpretations, and which may be inconsistent among jurisdictions or in conflict with each other. The regulatory framework for privacy, data protection, and information security issues worldwide is evolving and is likely to remain in flux for the foreseeable future. Various governmental and consumer agencies have also called for new regulations and changes in industry practices. Practices regarding privacy, data protection, and information security have recently come under increased public and regulatory scrutiny. The actual or perceived failure to address or comply with applicable Data Protection Laws by us or our customers, partners, or vendors could increase our compliance and operational costs, expose us to regulatory scrutiny, actions, fines, and penalties, result in reputational harm, lead to a loss of customers, reduce the use of our services, result in litigation and liability, have a material adverse effect on our business operations or financial results, or otherwise result in other material harm to our business.

We are a "Business Associate" as defined under the federal Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, or HITECH, and their implementing regulations, which we collectively refer to as HIPAA, and the U.S. Department of Health and Human Services Office of Civil Rights, or OCR, may impose significant penalties on a Business Associate for a failure to comply with an applicable requirement of HIPAA. Penalties may include civil monetary penalties, criminal monetary penalties and imprisonment. The U.S. Department of Justice, or the DOJ, is responsible for criminal prosecutions under HIPAA. State attorneys general also have the right to prosecute HIPAA violations committed against residents of their states. While HIPAA does not create a private right of action that would allow individuals to sue in civil court for HIPAA violations, 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 individuals' health information. Furthermore, in the event of a breach as defined by HIPAA, the Business Associate may have to comply with specific reporting requirements under HIPAA regulations.

The security measures that we and our third-party vendors and subcontractors have in place in an effort to ensure compliance with privacy and data protection laws may not protect our facilities and systems from security breaches, acts of vandalism or theft, computer viruses, misplaced or lost data, 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 have not received any notices of violation of any Data Protection Law and believe we are in compliance with such laws, there can be no assurance that we will not receive such notices in the future.

Applicable Data Protection Laws may also include state medical privacy laws, including those related to mental health and substance use treatment, and the provision of healthcare services, as well as federal and state consumer protection laws. These laws may not be preempted by HIPAA, may be more protective than HIPAA, and may be subject to varying interpretations by

the courts and government agencies, creating complex compliance issues for us and our customers and partners and potentially exposing us to additional expense, adverse publicity and liability, any of which could adversely affect our business. Federal and state consumer protection laws are increasingly being applied by the U.S. Federal Trade Commission, or FTC, and states' attorneys general to regulate the Processing of personal or personally identifiable information, through websites or otherwise, and to regulate the presentation of website content. The FTC in particular has approved consent decrees resolving complaints and their resulting investigations into the privacy and security practices of a number of online social media companies. These reviews can and have resulted in changes to our solutions and policies, and could result in additional changes in the future. If we are unable to comply with any such reviews or decrees that result in recommendations or binding changes, or if the recommended changes result in degradation of our solutions, our business could be harmed.

In addition, U.S. states have begun to introduce more comprehensive Data Protection Laws. For example, the California Consumer Privacy Act, or CCPA, went into effect in January 2020 and established a new privacy framework for covered businesses such as ours that expands the scope of personal information and provides new privacy rights for California residents. These changes required us to modify our data processing practices and policies and incur compliance related costs and expenses. The CCPA also provides for civil penalties for violations, as well as a private right of action for data breaches, which may increase the likelihood and cost of data breach litigation. Additionally, a new privacy law, the California Privacy Rights Act, or CPRA, was approved by California voters in November 2020. The CPRA significantly modifies the CCPA by, among other things, creating a dedicated privacy regulatory agency, requiring businesses to implement data minimization and data integrity principles, and imposing additional requirements for contracts addressing the processing of personal information. Moreover, the CPRA calls for additional regulations to be implemented before the law becomes fully operative on January 1, 2023. These changes may result in further uncertainty with respect to privacy, data protection, and information security issues and will require us to incur additional costs and expenses in an effort to comply.

In addition to Data Protection Laws, we are or may be subject to the terms of our internal and external policies, representations, publications, frameworks, self-regulatory standards, and industry certification commitments (collectively, Privacy Policies), and contractual obligations to third parties related to privacy, data protection, and information security (collectively, Data Protection Obligations), including the Payment Card Industry Data Security Standards (PCI-DSS), the rules imposed by credit card brands (e.g., VISA and Mastercard), and Security Organization Control 2 certification commitments. We strive to comply with applicable Data Protection Laws, Privacy Policies, and Data Protection Obligations, but we may at times fail to do so or may be perceived to have failed to do so, in which case we may be subject to and suffer a material harm to our business. For example, in the event we fail to comply with the PCI-DSS, we could be in breach of our obligations under customer and other contracts. Moreover, despite our efforts, we may not be successful in achieving compliance if our personnel, customers, partners, or vendors do not comply with applicable Data Protection Laws, Privacy Policies, and Data Protection Obligations. We may be subject to and suffer material harm to our business if our Privacy Policies are, in whole or part, found to be inaccurate, incomplete, deceptive, unfair, or misrepresentative of our actual practices. In addition, any such failure or perceived failure could result in public statements against us by consumer advocacy groups or others, which may cause us material reputational harm.

Further, our customers may expect us to comply with more stringent privacy, data protection, and information security requirements than those imposed by applicable Data Protection Laws, and we may be obligated contractually to comply with additional or different standards relating to our handling or protection of data on or by our offerings. For example, our mobile application is distributed through third-party platforms such as those operated by Apple and Google. These third parties may impose technical and privacy, data protection, and information security requirements on companies that distribute applications through their platforms. These requirements are subject to change and may adversely impact our ability to Process personal information. Complying with these requirements may cause us to incur additional expense, and the failure to comply with these requirements may cause us to lose access to the app store and users, and our business would be harmed.

New or amended Data Protection Laws, and changes in the interpretation of existing Data Protection Laws and our Data Protection Obligations, could impair our, or our customers', our partners', or our vendors' ability to Process personal information, which could have a material adverse effect on our business, financial condition, and results of operations. The enactment of the CCPA has prompted similar legislative developments in other states, which could create the potential for a patchwork of overlapping but different state laws. The federal government is also considering comprehensive privacy legislation. If we begin to conduct business in Europe, complying with the General Data Protection Regulation, or GDPR, would entail significant costs and increase our liability risks. The GDPR imposes more stringent data protection requirements and would require us to undertake significant operational changes in order to comply, which could have a material adverse effect on our business, financial condition, and results of operations.

In view of applicable Data Protection Laws, Privacy Policies, and Data Protection Obligations imposing complex and burdensome obligations, and with substantial uncertainty in their interpretation and compliance, we have faced and may face

challenges in addressing and complying with them, and fundamentally changing our business activities, Privacy Policies, and practices, and may expend significant resources in an effort to do so, any of which could result in material harm to business, financial condition, results of operations, or other harm.

If our security measures are compromised now or in the future, or the security, confidentiality, integrity, or availability of our information technology, software, services, communications, or data is compromised, limited, or fails, this could have a material adverse effect on our business, financial condition, and results of operations.

Our platform involves the storage and transmission of Sensitive Information. As a result, unauthorized access or security breaches as a result of third-party action (e.g., cyber-attacks), employee error, product defect, malfeasance, or other factors could result in the loss of information, inappropriate use of or access to information, service interruption, service degradation, outages, service level credits, litigation, indemnity obligations, damage to our reputation, and other liability. We believe our risk of cyber-attack may be elevated during this time due to an increase in cyber-attack attempts on U.S. businesses generally during the COVID-19 outbreak and the conflict in Ukraine. While we maintain and continue to improve our security measures, we may be unable to adequately anticipate security threats or to implement adequate preventative measures, in part, because the techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target. Moreover, the detection, prevention, and remediation of known or unknown securities vulnerabilities, including those arising from third-parties, is becoming increasingly expensive and may cause us to incur significant costs in the future. We process significant amounts of Sensitive Information, including protected health information, personal information, data concerning our members, and in some cases, limited amounts of data concerning the patients they treat in connection with our members' utilization of our network and related services. While we have implemented security measures 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 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. We may use third-party service providers and subprocessors to help us deliver services and engage in Processing on our behalf, including, without limitation, the processing of payment card information. If we, our service providers, partners, or other relevant third parties have experienced or in the future experience any security incidents that result in any data loss, deletion or destruction, unauthorized access to, loss of, unauthorized acquisition or disclosure of, or inadvertent exposure of, Sensitive Information, or compromise related to the security, confidentiality, integrity, or availability of our (or their) information technology, software, services, communications, or data (collectively, a Security Breach), it may result in material harm to our business, including, without limitation, regulatory investigations or enforcement actions, litigation, indemnity obligations, negative publicity, and financial loss.

Our service is vulnerable to threat actors, software bugs, malicious code (such as computer viruses and internet worms), personnel theft or misuse, break-ins, phishing attacks, denial-of-service attacks (including credential stuffing), ransomware attacks, natural disasters, terrorism, war, telecommunication and electrical failures, server malfunction, software or hardware failures, loss of data or other computer assets, adware, or other similar issues or other attacks or similar disruptions, any of which could lead to system interruptions, delays, or shutdowns, causing loss of critical data or the unauthorized access of data.

We may be required to expend significant resources, fundamentally change our business activities and practices, or modify our services, software, operations, or information technology in an effort to protect against Security Breaches and to mitigate, detect, and remediate actual and potential vulnerabilities. Applicable Data Protection Laws, Privacy Policies, and Data Protection Obligations may require us to implement specific security measures or use industry-standard or reasonable measures to protect against Security Breaches. The recovery systems, security protocols, network protection mechanisms, and other security measures that we (and our third parties) have integrated into our platform, systems, networks, and physical facilities, which are designed to protect against, detect, and minimize Security Breaches, may not be adequate to prevent or detect service interruption, system failure, or data loss.

Applicable Data Protection Laws, Privacy Policies, or Data Protection Obligations may require us to notify affected individuals, regulators, customers, credit reporting agencies, and others in the event of a Security Breach. Patients about whom we obtain health information, as well as the providers 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 Data Protection Laws, Privacy Policies, and Data Protection Obligations. Claims that we have violated individuals' privacy rights or breached our Data Protection 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.

Although we maintain insurance for our business, the coverage under our policies may not apply to the liabilities or damages as a result of the events referenced above or be adequate to compensate us for all losses that may occur. There can also

be no assurance that the limitations of liability in our contracts would be enforceable or adequate or would otherwise protect us from liabilities or damages as a result of the events referenced above.

In addition, varying parts of our workforce are currently working remotely on a part or full time basis. This could increase our cyber security risk, create data accessibility concerns, and make us more susceptible to communication disruptions. Any of the foregoing could have a material adverse effect on us.

We rely on network and mobile infrastructure and our ability to maintain and scale our business and maintain competitiveness. Any significant interruptions or delays in service on our apps or websites or any undetected errors or design faults could adversely affect our business, financial condition, and results of operations.

We depend on the use of information technologies and systems and our reputation and ability to acquire, retain, and serve our customers are dependent upon the reliable performance of our apps and websites and the underlying network infrastructure. As our operations grow, we must continuously improve and upgrade our systems and infrastructure while maintaining or improving the reliability and integrity of our infrastructure. Our future success also depends on our ability to adapt our systems and infrastructure to meet rapidly evolving consumer trends and demands while continuing to improve the performance, features, and reliability of our solutions in response to competitive services and offerings. We expect the use of alternative platforms such as tablets and wearables will continue to grow and the emergence of niche competitors who may be able to optimize offerings, services, or strategies for such platforms will require new investment in technology. New developments in other areas, such as cloud computing, have made it easier for competition to enter our markets due to lower up-front technology costs. In addition, we may not be able to maintain our existing systems or replace or introduce new technologies and systems as quickly as we would like or in a cost-effective manner. There is also no guarantee that we will possess the financial resources or personnel, for the research, design, and development of new applications or services, or that we will be able to utilize these resources successfully and avoid technological or market obsolescence. Further, there can be no assurance that technological advances by one or more of our competitors or future competitors will not result in our present or future applications and services becoming uncompetitive or obsolete. If we were unable to enhance our offerings and network capabilities to keep pace with rapid technological and regulatory change, or if new technologies emerge that are able to deliver competitive offerings at lower prices, more efficiently, more conveniently, or more securely than our offerings, our business, financial condition, and results of operations could be adversely affected.

Our success will also depend on the interoperability of our offerings with a range of third-party technologies, systems, networks, operating systems, and standards, including iOS and Android; the availability of our mobile apps in app stores and in “super-app” environments; and the creation, maintenance, and development of relationships with key participants in related industries, some of which may also be our competitors. In addition, if accessibility of various apps is limited by executive order or other government actions, the full functionality of devices may not be available to our customers. Moreover, third-party platforms, services, and offerings are constantly evolving, and we may not be able to modify our platform to assure its compatibility with those of third parties. If we lose such interoperability, we experience difficulties or increased costs in integrating our offerings into alternative devices or systems, or manufacturers or operating systems elect not to include our offerings, make changes that degrade the functionality of our offerings, or give preferential treatment to competitive products, the growth of our business, results of operations, and financial condition could be materially adversely affected. This risk may be exacerbated by the frequency with which consumers change or upgrade their devices. In the event consumers choose devices that do not already include or support our platform or do not install our mobile apps when they change or upgrade their devices, our customer engagement may be harmed.

We may become subject to enforcement actions or litigation as a result of our or our members’ failure to comply with laws and regulations relating to communications, even though noncompliance was inadvertent or unintentional.

We maintain systems and procedures designed to ensure that our telephonic communications and telephonic communications made by members and others using our platform comply with applicable laws and regulations; however, some legal/regulatory frameworks provide for the imposition of fines or penalties for noncompliance even though the noncompliance was inadvertent or unintentional and even though there were systems and procedures designed to ensure compliance in place at the time.

For example, members use our platform to engage in telephone, text message, and facsimile communications with patients and other doctors and healthcare professionals. There are a number of federal and state laws and regulations potentially applicable to such communications, including the federal Telephone Consumer Protection Act, or TCPA, and those laws and regulations are continuously evolving. A determination by a court or regulatory agency that any of these laws and regulations are applicable to or operate to prohibit or limit telephone, text message, and facsimile communications made by members or others using our platform could invalidate all or some portions of our customer contracts, could require us to change or terminate some portions of our business, could require us to refund portions of our service fees, and could have an adverse

effect on our business. In addition, if a court or regulatory agency determines that communications made by members or others using our platform violate any of these laws or regulations and that we are responsible for the violation, we may be subject to substantial damages, substantial civil penalties, and adverse publicity that could have a material adverse effect on our business and financial condition. For violations of the TCPA, the law provides for a private right of action under which a plaintiff may recover statutory damages of \$500 for each call, text message, or facsimile made in violation of the statute's prohibitions. A court also may treble the amount of damages upon a finding of a "willful or knowing" violation of the statute. There is no statutory cap on maximum aggregate exposure. In addition, the Federal Communications Commission, or FCC, which implements and enforces the TCPA, a state attorney general or other federal and state regulators may seek civil penalties in an enforcement action for violations of the TCPA or other laws and regulations potentially applicable to telephone, text message, and facsimile communications made by members or others using our platform.

We may incur liability as a result of information retrieved from or transmitted over the Internet or published using our platform and legislation regulating content on our platform may require us to change our solutions or business practices and may adversely affect our business and financial results.

Because our platform allows for the exchange of news, information, and other content, we may face claims relating to the content that is published or made available on our platform. In particular, the nature of our business exposes us to claims related to defamation, dissemination of misinformation, discrimination, harassment, intellectual property rights, rights of publicity and privacy, personal injury torts, laws regulating hate speech or other types of content, and breach of contract, among others.

In the United States, the Communications Decency Act, or CDA, provides statutory protections to online service providers like us who distribute third-party content. However, in the United States, government authorities, elected officials, and political candidates have called for amendments to Section 230 of the CDA that would purport to limit or remove protections afforded interactive computer service providers and our current protections from liability for third-party content in the United States could decrease or change. We could incur significant costs investigating and defending such claims and, if we are found liable, significant damages. We could also face fines, orders restricting or blocking our services in particular geographies, or other government-imposed remedies as a result of content hosted on our platform.

Content-related legislation may require us to change our solutions or business practices, increase our compliance costs, or otherwise impact our operations or our ability to provide services in certain geographies. In addition, we could incur significant costs investigating and defending claims for violating such requirements and, if we are found liable, significant damages.

We may experience fluctuations in our tax obligations and effective tax rate, which could materially and adversely affect our results of operations.

We are subject to U.S. federal and state income taxes. Tax laws, regulations, and administrative practices in various jurisdictions may be subject to significant change, with or without advance notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating our provision and accruals for these taxes. There are many transactions that occur during the ordinary course of business for which the ultimate tax determination is uncertain. Our effective tax rates could be affected by numerous factors, such as changes in tax, accounting, and other laws, regulations, administrative practices, principles, and interpretations, the mix and level of earnings in a given taxing jurisdiction, or our ownership or capital structures.

Our ability to utilize our net operating loss carryforwards and certain other tax attributes may be limited.

As of March 31, 2022, we accumulated \$124.1 million and \$97.1 million of federal and state net operating loss carryforwards, or NOLs to reduce future taxable income, portions of which will begin to expire in 2027. Under Section 382 and Section 383 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change NOLs and other tax attributes, including R&D tax credits, to offset its post-change income or taxes may be limited. In general, an "ownership change" will occur if there is a cumulative change in our ownership by "5 percent stockholders" that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. Based on an assessment of our historical ownership changes through March 31, 2022, we do not anticipate a current limitation on the tax attributes. Our ability to use NOLs and other tax attributes to reduce future taxable income and liabilities may be subject to limitations as a result of ownership changes that may occur in the future.

Under current law, U.S. federal net operating losses incurred in taxable years beginning after December 31, 2017 may be carried forward indefinitely. Such U.S. federal net operating losses generally may not be carried back to prior taxable years, except that net operating losses generated in 2018, 2019, and 2020 may be carried back to each of the five tax years preceding the tax years of such losses. Additionally, for tax years beginning after December 31, 2020, the deductibility of U.S. federal net operating losses incurred in taxable years beginning after December 31, 2017, is limited to 80% of taxable income. Our net

operating losses may also be impaired or restricted under state law. At the state level there may be periods during which the use of net operating losses is suspended or otherwise limited, which could increase or permanently accelerate state taxes owed. For example, California imposed limits on the usability of California state net operating losses to offset taxable income in tax years beginning after 2019 and before 2022.

We depend on our talent to grow and operate our business, and if we are unable to hire, integrate, develop, motivate, and retain our personnel, we may not be able to grow effectively.

Our ability to maintain our competitive position is largely dependent on the services of our senior management and other key personnel. In addition, our future success depends on our continuing ability to attract, develop, motivate, and retain highly qualified and skilled employees. The market for such positions is competitive, especially in the San Francisco Bay Area. Qualified individuals are in high demand and we may incur significant costs to attract them. In addition, the loss of any of our senior management or other key employees, in particular our Chief Executive Officer, or our inability to recruit and develop mid-level managers could materially and adversely affect our ability to execute our business plan and we may be unable to find adequate replacements. Competition for qualified employees is intense in our industry, and the loss of even a few qualified employees, or an inability to attract, retain, and motivate additional highly skilled employees required for the planned expansion of our business could harm our operating results and impair our ability to grow. To attract and retain key personnel, we use various measures, including an equity incentive program for key executive officers and other employees. These measures may not be enough to attract and retain the personnel we require to operate our business effectively. All of our employees are at-will employees, meaning that they may terminate their employment relationship with us at any time, and their knowledge of our business and industry would be extremely difficult to replace. If we fail to retain talented senior management and other key personnel, or if we do not succeed in attracting well-qualified employees or retaining and motivating existing employees, our business, financial condition, and results of operations may be materially adversely affected.

We may become subject to litigation, which could have a material adverse effect on our business, financial condition, and results of operations.

We have been subject to litigation in the past, and may become subject to litigation in the future. Some of these claims may result in significant defense costs and potentially significant judgments against us, some of which we are not, or cannot be, insured against. We generally intend to defend ourselves vigorously; however, we cannot be certain of the ultimate outcomes of any claims that may arise in the future. Resolution of these types of matters against us may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if the fines, judgments, and settlements exceed insured levels, could adversely impact our earnings and cash flows, thereby having a material adverse effect on our business, financial condition, results of operations, cash flow, and per share trading price of our Class A common stock. 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.

We may require additional capital to support business growth, and this capital might not be available on acceptable terms, if at all.

We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges, including the need to develop new features and tools or enhance our existing solutions, improve our operating infrastructure, or acquire complementary businesses and technologies. Accordingly, we have engaged and may continue to engage in equity or debt financings to secure additional funds. If we raise additional funds through future 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 Class A common stock. Any debt financing we secure in the future could involve 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. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be harmed.

We may seek to grow our business through acquisitions of, or investments in, new or complementary businesses, technologies, tools, or solutions, or through strategic alliances, and the failure to manage these acquisitions, investments or alliances, or to integrate them with our existing business, could have a material adverse effect on us.

In fiscal 2021, we completed an acquisition of Curative Talent and on April 1, 2022 we completed the acquisition of the AMiON business, and we may in the future consider opportunities to acquire or make additional investments in new or

complementary businesses, technologies, offerings, tools, or solutions, or enter into strategic alliances, that may enhance our capabilities and platform in general, complement our current offerings, or expand the breadth of our markets. Our ability to successfully grow through these types of strategic transactions depends upon our ability to identify, negotiate, complete, and integrate suitable target businesses, technologies, tools, and solutions and to obtain any necessary financing, and is subject to numerous risks, including:

- failure to identify acquisition, investment, or other strategic alliance opportunities that we deem suitable or available on favorable terms;
- problems integrating the acquired business, technologies, tools, or solutions, including issues maintaining uniform standards, procedures, controls, and policies;
- integrating personnel from the acquired company;
- unanticipated costs associated with acquisitions, investments, or strategic alliances;
- adverse impacts on our overall margins;
- diversion of management's attention from our existing business;
- risks associated with entering new markets in which we may have limited or no experience;
- potential loss of key employees of acquired businesses; and
- increased legal and accounting compliance costs.

In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets. In the future, if our acquisitions do not yield expected returns, we may be required to take impairment charges to our results of operations based on our impairment assessment process, which could harm our results of operations.

We may experience challenges with managing our growth related to our recent acquisition of AMiON or other future acquisitions. The operation and integration of the acquired technologies and business operations may require substantial financial costs and management attention. If we fail to manage such integration processes in a timely and effective manner, our business and financial results may suffer. If we are unable to identify suitable acquisitions or strategic relationships, or if we are unable to integrate any acquired businesses, technologies, tools, and solutions effectively, our business, financial condition, and results of operations could be materially and adversely affected. Also, while we employ several different methodologies to assess potential business opportunities, the new businesses may not meet or exceed our expectations.

We may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, or partnerships with third-parties that may not result in the development of commercially viable solutions or the generation of significant future revenue.

In the ordinary course of our business, we may enter into collaborations, in-licensing arrangements, joint ventures, strategic alliances, or technology partnerships to develop proposed solutions and to pursue new markets, such as our agreement with U.S. News & World Report to offer a direct-to-patient scheduling tool for health systems. Proposing, negotiating, and implementing collaborations, in-licensing arrangements, joint ventures, strategic alliances, or partnerships may be a lengthy and complex process. Other companies, including those with substantially greater financial, marketing, sales, technology, or other business resources, may compete with us for these opportunities or arrangements. We may not identify, secure, or complete any such transactions or arrangements in a timely manner, on a cost-effective basis, on acceptable terms, or at all. We have limited institutional knowledge and experience with respect to these business development activities, and we may also not realize the anticipated benefits of any such transaction or arrangement. In particular, these collaborations may not result in the development of solutions that achieve commercial success or result in significant revenue and could be terminated prior to developing any solutions.

Additionally, we may not be in a position to exercise sole decision making authority regarding the transaction or arrangement, which could create the potential risk of creating impasses on decisions, and our collaborators may have economic or business interests or goals that are, or that may become, inconsistent with our business interests or goals. It is possible that conflicts may arise with our collaborators, such as conflicts concerning the achievement of performance milestones, or the interpretation of significant terms under any agreement, such as those related to financial obligations or the ownership or control of intellectual property developed during the collaboration. If any conflicts arise with our current or future collaborators, they may act in their self-interest, which may be adverse to our best interest, and they may breach their obligations to us. In addition, we have limited control over the amount and timing of resources that our current collaborators or any future

collaborators devote to our collaborators' or our future solutions. Disputes between us and our collaborators may result in litigation or arbitration which would increase our expenses and divert the attention of our management. Further, these transactions and arrangements are contractual in nature and may be terminated or dissolved under the terms of the applicable agreements and, in such event, we may not continue to have rights to the products relating to such transaction or arrangement or may need to purchase such rights at a premium.

We may be unable to successfully execute on our growth initiatives, business strategies, or operating plans.

We are continually executing on growth initiatives, strategies, and operating plans designed to enhance our business and extend our solutions. The anticipated benefits from these efforts are based on several assumptions that may prove to be inaccurate. Moreover, we may not be able to successfully complete these growth initiatives, strategies, and operating plans and realize all of the benefits, including growth targets and cost savings, that we expect to achieve or it may be more costly to do so than we anticipate. A variety of risks could cause us not to realize some or all of the expected benefits. These risks include, among others, delays in the anticipated timing of activities related to such growth initiatives, strategies, and operating plans, increased difficulty and cost in implementing these efforts, including difficulties in complying with new regulatory requirements and the incurrence of other unexpected costs associated with operating our business. Moreover, our continued implementation of these programs may disrupt our operations and performance. As a result, we cannot assure you that we will realize these benefits. If for any reason the benefits we realize are less than our estimates, or the implementation of these growth initiatives, strategies, and operating plans adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our business, financial condition, and results of operations may be materially adversely affected.

We employ third-party licensed software and software components for use in or with our solutions, and the inability to maintain these licenses or the presence of errors or security vulnerabilities in the software we license could limit the functionality of our solutions and result in increased costs or reduced service levels, which could adversely affect our business.

Our network incorporates or utilizes certain third-party software and software components obtained under licenses from other companies. We anticipate that we will continue to rely on such third-party software and development tools from third parties in the future. Although we believe that there are commercially reasonable alternatives to the third-party software we currently license, this may not always be the case, or it may be difficult or costly to replace. Our use of additional or alternative third-party software would require us to enter into license agreements with third parties. In addition, if the third-party software we utilize has errors, security vulnerabilities, or otherwise malfunctions, the functionality of our solutions may be negatively impacted and our business may suffer.

We rely on software-as-a-service, or SaaS, technologies from third parties.

We rely on SaaS technologies from third parties in order to operate critical functions of our business, including financial management services, relationship management services, marketing services, and data storage services. For example, we rely on Amazon Web Services for a substantial portion of our computing and storage capacity, and rely on Google for storage capacity and collaboration tools. We are also highly dependent on our technology integration with products offered by certain third parties. Amazon Web Services provides us with computing and storage capacity pursuant to an agreement that continues until terminated by either party. Similarly, Google provides us with storage capacity and certain collaboration tools, and also may non-renew its agreement by providing 15 days notice prior to the end of the then-current term. Some of our other vendor agreements may be unilaterally terminated by the counterparty for convenience. If these services become unavailable due to contract cancellations, extended outages or interruptions, because they are no longer available on commercially reasonable terms or prices, or for any other reason, our expenses could increase, our ability to manage our finances could be interrupted, our processes for managing our offerings and supporting our consumers and partners could be impaired, and our ability to access or save data stored to the cloud may be impaired until equivalent services, if available, are identified, obtained, and implemented, all of which could harm our business, financial condition, and results of operations.

Our growth depends in part on the success of our strategic relationships with third parties.

We anticipate that we will continue to depend on relationships with various third parties, including access to platforms and content providers and distributors to grow our business, authors who provide content (including learning and development material), and channel partners. Identifying, negotiating, and maintaining relationships with third parties require significant time and resources, as does integrating third-party content and technology. Our agreements with technology and content providers and similar third parties are typically non-exclusive and do not prohibit them from working with our competitors or from offering competing services. In some cases, in particular with respect to content providers, these relationships are undocumented, or, if there are agreements in place, they may be easily terminable. Our competitors may be effective in

providing incentives to these parties to favor their solutions or may prevent us from developing strategic relationships with these parties. These third parties may decide that working with us is not in their interest. In addition, these third parties may not perform as expected under our agreements with them, and we have had, and may in the future have, disagreements or disputes with these parties, which could negatively affect our brand and reputation. It is possible that these third parties may not be able to devote the resources we expect to the relationship or they may terminate their relationships with us. Further, as members increasingly access our services through mobile devices, we are becoming more dependent on the distribution of our mobile applications through third parties, and we may not be able to access their application program interfaces or be able to distribute our applications or provide ease of integration, and this may also impact our ability to monetize our mobile solutions. If we are unsuccessful in establishing or maintaining our relationships with third parties, our ability to compete in the marketplace or to grow our business could be impaired, and our operating results could suffer. Even if we are successful, these relationships may not result in improved operating results.

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

We depend upon licenses from third parties for some of the technology and data used in our applications, and for some of the technology platforms upon which these applications are built and operate. We expect that we may need to obtain additional licenses from third parties in the future in connection with the development of our solutions and services. In addition, we obtain a portion of the data that we use from government entities, public records, and our partners for specific partner engagements. We believe that we have all rights necessary to use the data that is incorporated into our solutions and services. However, we cannot assure you that our licenses for information will allow us to use that information for all potential or contemplated applications and solutions.

In the future, data providers could withdraw their data from us or restrict our usage for any reason, including if there is a competitive reason to do so, if legislation is passed restricting the use of the data, or if judicial interpretations are issued restricting use of the data that we currently use in our solutions and services. In addition, data providers could fail to adhere to our quality control standards in the future, causing us to incur additional expense to appropriately utilize the data. If a substantial number of data providers were to withdraw or restrict their data, or if they fail to adhere to our quality control standards, and if we are unable to identify and contract with suitable alternative data suppliers and integrate these data sources into our service offerings, our ability to provide solutions and services to our partners would be materially adversely impacted, which could have a material adverse effect on our business, financial condition, and results of operations.

We also 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. Our use of third-party technologies 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.

Changes in accounting rules, assumptions, and/or judgments could materially and adversely affect us.

Accounting rules and interpretations for certain aspects of our operations are highly complex and involve significant assumptions and judgment. These complexities could lead to a delay in the preparation and dissemination of our financial statements. Furthermore, changes in accounting rules and interpretations or in our accounting assumptions and/or judgments could significantly impact our financial statements. In some cases, we could be required to apply a new or revised standard retroactively, resulting in restating prior period financial statements. Any of these circumstances could have a material adverse effect on our business, prospects, liquidity, financial condition, and results of operations.

Changes in tax laws or regulations that are applied adversely to us or our customers may have a material adverse effect on our business, cash flow, and financial condition or result of operations.

We are subject to income taxes in the United States and our tax provision could also be impacted by changes in accounting principles and changes in U.S. federal and state tax laws applicable to corporations. For example, legislation enacted in 2017, informally titled the Tax Cuts and Jobs Act, or Tax Act, and the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, significantly changed how the U.S. Department of Treasury imposes income taxes on U.S. corporations. We made significant judgments and assumptions in the interpretation of these laws and in our calculations reflected in our financial statements. The U.S. Department of Treasury, the Internal Revenue Service, or the IRS, and other standard-setting bodies may issue additional guidance on how the provisions of the Tax Act and CARES Act will be applied or otherwise administered, and additional accounting guidance or interpretations may be issued in the future that is different from our current interpretation. As another example, the U.S. Supreme Court's decision in *South Dakota v. Wayfair, Inc.*, increasing states' ability to assert taxing jurisdiction on out-of-state retailers could result in certain additional jurisdictions asserting that sales and use and other taxes are applicable, which could result in tax assessments, penalties, and interest, and we may be required to collect such taxes in the future. After the U.S. Supreme Court's decision in *South Dakota v. Wayfair, Inc.*, several U.S. states imposed an economic presence standard with respect to the imposition of taxes. These new rules often have uncertainty with respect to the level of activity necessary to cause a taxable presence for taxpayers within the state. Accordingly, additional jurisdictions may assert sales and use and other taxes, which could result in tax assessments, penalties, and interest, and we may be required to collect and remit/pay such taxes in the future. The U.S. Supreme Court's decision in *South Dakota v. Wayfair, Inc.* increasing states' ability to assert taxing jurisdiction on out-of-state retailers could result in certain additional jurisdictions asserting that sales and use and other taxes are applicable, which could result in tax assessments, penalties, and interest, and we may be required to collect such taxes in the future.

Our ability to limit our liabilities by contract or through insurance may be ineffective or insufficient to cover our future liabilities.

We attempt to limit, by contract, our liability for damages arising from our negligence, errors, mistakes, or security breaches. Contractual limitations on liability, however, may not be enforceable or may otherwise not provide sufficient protection to us from liability for damages and we are not always able to negotiate meaningful limitations. We maintain liability insurance coverage, including coverage for cybersecurity and errors and omissions. It is possible, however, that claims could exceed the amount of our applicable insurance coverage, if any, or that this coverage may not continue to be available on acceptable terms or in sufficient amounts. Even if these claims do not result in liability to us, investigating and defending against them could be expensive and time-consuming and could divert management's attention away from our operations. In addition, negative publicity caused by these events may delay market acceptance of our solutions and services, any of which could materially and adversely affect our reputation and our business.

Our business could be disrupted by catastrophic events such as power disruptions, data security breaches, and terrorism.

Natural disasters or other catastrophic events may cause damage or disruption to our operations, commerce, and the global economy, and thus could harm our business. In the event of a major earthquake, hurricane, fire, cyber-attack, war (including the recent conflict in Ukraine), terrorist attack, disease (including the COVID-19 pandemic), power loss, telecommunications failure, or other catastrophic events, we may be unable to continue our operations, in part or in whole, and may endure reputational harm, breaches of data security, and loss of critical data, all of which could harm our business, results of operations, and financial condition. Our insurance coverage may not compensate us for losses that may occur in the event of an earthquake or other significant natural disaster, such as fires, floods, severe weather, droughts, and travel-related health concerns including pandemics and epidemics. In addition, acts of terrorism, including malicious internet-based activity, could cause disruptions to the internet or the economy as a whole. Even with our disaster recovery arrangements, access to our platform could be interrupted. If our systems were to fail or be negatively impacted as a result of a natural disaster or other event, our ability to deliver our platform and solution to our customers and members would be impaired or we could lose critical data. If we are unable to develop adequate plans to ensure that our business functions continue to operate during and after a disaster, and successfully execute on those plans in the event of a disaster or emergency, our business, financial condition, and results of operations would be harmed.

We have implemented a disaster recovery program that allows us to move website traffic to a backup data center in the event of a catastrophe. This allows us the ability to move traffic in the event of a problem, and the ability to recover in a short period of time. However, to the extent our disaster recovery program does not effectively support the movement of traffic in a timely or complete manner in the event of a catastrophe, our business and results of operations may be harmed.

We do not carry business interruption insurance sufficient to compensate us for the potentially significant losses, including the potential harm to our business, financial condition, and results of operations that may result from interruptions in access to our platform as a result of system failures.

As we grow our business, the need for business continuity planning and disaster recovery plans will grow in significance. If we are unable to develop adequate plans to ensure that our business functions continue to operate during and after a disaster, and successfully execute on those plans in the event of a disaster or emergency, our business and reputation would be harmed.

Our risk management policies and procedures may not be fully effective in mitigating our risk exposure in all market environments or against all types of risk.

We operate in a rapidly changing industry. Accordingly, our risk management policies and procedures may not be fully effective to identify, monitor, and manage all the risks our business encounters. If our policies and procedures are not fully effective or we are not successful in identifying and mitigating all risks to which we are or may be exposed, we may suffer uninsured liability, harm to our reputation, or be subject to litigation or regulatory actions that could adversely affect our business, financial condition, or results of operations.

We may incur significant additional costs and expenses, including costs and expenses associated with obligations relating to being a public company, which will require significant resources and management attention and may divert focus from our business operations, and we may generate losses in the future.

We incur significant expenses in developing our technology, marketing and providing the tools and solutions we offer, and acquiring customers. Our costs may increase due to our continued new product development and general administrative expenses, such as legal and accounting expenses related to becoming and being a public company. As a public company, we will incur significant legal, accounting, insurance, and other expenses. Compliance with these reporting requirements and other rules of the SEC and the rules of the New York Stock Exchange will increase our legal and financial compliance costs and make some activities more time-consuming and costly. Furthermore, the need to establish the corporate infrastructure demanded of a public company may divert management's attention from implementing our growth strategy, which could prevent us from successfully implementing our strategic initiatives and improving our business, operating results, financial condition, and prospects. If we fail to manage these additional costs or increase our revenue, we may incur losses in the future.

We are an "emerging growth company" and our compliance with the reduced reporting and disclosure requirements applicable to "emerging growth companies" may make our Class A common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we have elected to take advantage of certain exemptions and relief from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." These provisions include, but are not limited to: being permitted to have only two years of audited financial statements and only two years of related management's discussion and analysis of financial condition and results of operations disclosures; being exempt from compliance with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act; being subject to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and not being required to hold nonbinding advisory votes on executive compensation or on any golden parachute payments not previously approved.

In addition, while we are an "emerging growth company," we will not be required to comply with any new financial accounting standard until such standard is generally applicable to private companies. As a result, our financial statements may not be comparable to companies that are not "emerging growth companies" or elect not to avail themselves of this provision.

We may remain an "emerging growth company" until as late as March 31, 2027, the fiscal year-end following the fifth anniversary of the completion of our initial public offering, though we may cease to be an "emerging growth company" earlier under certain circumstances, including if (i) we have more than \$1.07 billion in annual revenue in any fiscal year, (ii) we become a "large accelerated filer," with at least \$700 million of equity securities held by non-affiliates as of the end of the second quarter of that fiscal year, or (iii) we issue more than \$1.0 billion of non-convertible debt over a three-year period.

The exact implications of the JOBS Act are still subject to interpretations and guidance by the SEC and other regulatory agencies, and we cannot assure you that we will be able to take advantage of all of the benefits of the JOBS Act. In addition, investors may find our Class A common stock less attractive to the extent we rely on the exemptions and relief granted by the JOBS Act. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may decline or become more volatile.

If we are unable to implement and maintain effective internal controls over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports.

As a public company, we are required to maintain internal controls over financial reporting and to report any material weaknesses in such internal controls. We will be required to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act at the time of our second annual report on Form 10-K. However, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until the later of the year following our first annual report required to be filed with the SEC or the date we are no longer an “emerging growth company” as defined in the JOBS Act. Accordingly, you will not be able to depend on any attestation concerning our internal control over financial reporting from our independent registered public accounting firm for the foreseeable future.

The process of designing and implementing internal controls over financial reporting is time consuming, costly, and complicated. If during the evaluation and testing process, we identify one or more material weaknesses in our internal control over financial reporting or determine that existing material weaknesses have not been remediated, our management will be unable to assert that our internal control over financial reporting is effective. Even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm may conclude that there are material weaknesses with respect to our internal controls or the level at which our internal controls are documented, designed, implemented, or reviewed. If we are unable to assert that our internal control over financial reporting is effective, or when required in the future, if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the valuation of our common stock could be adversely affected.

Risks Related to Intellectual Property

We may not be able to halt the operations of entities that copy our intellectual property or that aggregate our data as well as data from other companies, including social networks, or copycat online services that may misappropriate our data. These activities could harm our brand and our business.

From time to time, third parties may try to access content or data from our networks through scraping, robots, or other means and use this content and data or combine this content and data with other content and data as part of their services. These activities could degrade our brand, negatively impact our website performance, and harm our business. We have employed contractual, technological, or legal measures in an attempt to halt unauthorized activities, but these measures may not be successful. In addition, if our members and customers do not comply with our terms of service, they also may be able to abuse our tools, solutions, and services and provide access to our solutions and content to unauthorized users. We may not be able to detect any or all of these types of activities in a timely manner and, even if we could, technological and legal measures may be insufficient to stop these actions. In some cases, particularly in the case of online services operating from outside of the United States, our available legal remedies may not be adequate to protect our business against such activities. Regardless of whether we can successfully enforce our rights against these parties, any measures that we may take could require us to expend significant financial or other resources.

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. 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 material claims from third parties asserting infringement of their intellectual property rights.

Intellectual property disputes can be costly to defend and may cause our business, operating results, and financial condition to suffer. Whether merited or not, we have in the past and may in the future 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. 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 Class A 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.

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. In some cases, rather than licensing third party content, we rely on the doctrine of fair use as we incorporate excerpts of third party content in a curated content feed for our users, and we may face allegations that such use of third party content does not qualify to be treated as a fair use. 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 solutions 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 solutions 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 solutions and services. We may also have to redesign our solutions 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 solutions 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.

In addition, because patent applications can take years to issue and are often afforded confidentiality for some period of time there may currently be pending applications, unknown to us, that later result in issued patents that could cover one or more of our solutions.

Failure to maintain, protect, or enforce our intellectual property rights could harm our business and results of operations.

We pursue the registration of our domain names, trademarks, and service marks in the United States. We also strive to protect our intellectual property rights by relying on federal, state, and common law rights, as well as contractual restrictions. We typically enter into confidentiality and invention assignment agreements with our employees and contractors, and confidentiality agreements with parties with whom we conduct business in order to limit access to, and disclosure and use of, our proprietary information. However, we may not be successful in executing these agreements with every party who has access to our confidential information or contributes to the development of our technology or intellectual property rights. Those agreements that we do execute may be breached, and we may not have adequate remedies for any such breach. These contractual arrangements and the other steps we have taken to protect our intellectual property rights may not prevent the misappropriation or disclosure of our proprietary information nor deter independent development of similar technology or intellectual property by others.

Effective trade secret, patent, copyright, trademark, and domain name protection is expensive to obtain, develop, and maintain, both in terms of initial and ongoing registration or prosecution requirements and expenses and the costs of defending our rights. We have invested in and may, over time, increase our investment in protecting our intellectual property through patent filings that could be expensive and time-consuming. Our trademarks and other intellectual property rights may be challenged by others or invalidated through administrative process or litigation. We have not yet obtained any issued patents that provide protection for our technology or products, and we cannot guarantee that any of our pending patent applications will result in any issued patents. Moreover, any issued patents we obtain may not provide us with a competitive advantage and, as with any technology, competitors may be able to develop similar or superior technologies to our own, now or in the future. In addition, due to a recent U.S. Supreme Court case, it has become increasingly difficult to obtain and assert patents relating to software or business methods, as many such patents have been invalidated for being too abstract to constitute patent-eligible subject matter. We do not know whether this will affect our ability to obtain patents on our innovations, or successfully assert any patents we may pursue in litigation or pre-litigation campaigns.

Monitoring unauthorized use of the content on our apps and websites, and our other intellectual property and technology, is difficult and costly. Our efforts to protect our proprietary rights and intellectual property may not have been and may not be adequate to prevent their misappropriation or misuse. Third parties, including our competitors, could be infringing, misappropriating, or otherwise violating our intellectual property rights. We may not be successful in stopping unauthorized use

of our content or other intellectual property or technology. Further, we may not have been and may not be able to detect unauthorized use of our technology or intellectual property, or to take appropriate steps to enforce our intellectual property rights. Any inability to meaningfully enforce our intellectual property rights could harm our ability to compete and could reduce demand for our solutions and services. Our competitors may also independently develop similar technology. Effective patent, trademark, copyright, and trade secret protection may not be available to us in every jurisdiction in which our solutions or technology are hosted or available. Further, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain. The laws in the United States and elsewhere change rapidly, and any future changes could adversely affect us and our intellectual property. Our failure to meaningfully protect our intellectual property rights could result in competitors offering solutions that incorporate our most technologically advanced features, which could reduce demand for our solutions.

We may find it necessary or appropriate to initiate claims or litigation to enforce our intellectual property rights, protect our trade secrets, or determine the validity and scope of intellectual property rights claimed by others. In any lawsuit we bring to enforce our intellectual property rights, a court may refuse to stop the other party from using the technology at issue on grounds that our intellectual property rights do not cover the use or technology in question. Further, in such proceedings, the defendant could counterclaim that our intellectual property is invalid or unenforceable and the court may agree, in which case we could lose valuable intellectual property rights. Litigation is inherently uncertain and any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business and results of operations. If we fail to maintain, protect, and enforce our intellectual property, our business and results of operations may be harmed.

The laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the United States. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, particularly developing countries, do not favor the enforcement of intellectual property protection. This could make it difficult for us to stop the infringement or misappropriation of our intellectual property rights. Proceedings to enforce our intellectual property in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business. In addition, changes in the law and legal decisions by courts in the United States and foreign countries may affect our ability to obtain adequate protection for our technology and the enforcement of intellectual property.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

We believe that our brand is critical to the success of our business, and we utilize trademark registration and other means to protect it. Our business would be harmed if we were unable to protect our brand against infringement and its value was to decrease as a result.

The registered or unregistered trademarks or trade names that we own or license may be challenged, infringed, circumvented, declared generic, lapsed, or determined to be infringing on or dilutive of other marks. We may not be able to protect our rights in these trademarks and trade names, which we need in order to build name recognition with potential partners. In addition, third parties may in the future file for registration of trademarks similar or identical to our trademarks. If they succeed in registering or developing common law rights in such trademarks, and if we are not successful in challenging such third-party rights, we may not be able to use these trademarks to commercialize our technologies or solutions in certain relevant countries. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position could be harmed.

We rely heavily on trade secrets and confidentiality agreements to protect our unpatented know-how, technology, and other proprietary information, including our technology platform, and to maintain our competitive position. With respect to our technology platform, we consider trade secrets and know-how to be one of our primary sources of intellectual property. However, trade secrets and know-how can be difficult to protect. We seek to protect these trade secrets and other proprietary technology in part by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside contractors, consultants, advisors, and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. The confidentiality agreements are designed to protect our proprietary information and, in the case of agreements or clauses containing invention assignment, to grant us ownership of technologies that are developed through a relationship with employees or third parties. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary information, including our technology and processes. Despite these efforts, no assurance can be given that the confidentiality agreements we enter into will be effective in controlling access to such proprietary information and trade

secrets. The confidentiality agreements on which we rely to protect certain technologies may be breached, may not be adequate to protect our confidential information, trade secrets, and proprietary technologies and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information, trade secrets, or proprietary technology. Further, these agreements do not prevent our competitors or others from independently developing the same or similar technologies and processes, which may allow them to provide a service similar or superior to ours, which could harm our competitive position.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive, and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor or other third party, it could harm our competitive position, business, financial condition, results of operations, and prospects.

Our solutions utilize open source software, and any failure to comply with the terms of one or more of these open source licenses could adversely affect our business.

Our solutions include software covered by open source licenses. The terms of various open source licenses have not been interpreted by U.S. courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market our solutions. By the terms of certain open source licenses, we could be required to release the source code of our proprietary software, and to make our proprietary software available under open source licenses, if we combine our proprietary software with open source software in a certain manner. In the event that portions of our proprietary software are determined to be subject to an open source license, we could be required to publicly release the affected portions of our source code, re-engineer all or a portion of our solutions, or otherwise be limited in the licensing of our solutions, each of which could reduce or eliminate the value of our solutions and services. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide non-infringement warranties or warranties related to the performance or suitability of the software. Many of the risks associated with usage of open source software cannot be eliminated and could adversely affect our business.

If we fail to comply with our obligations under license or technology agreements with third parties, we may be required to pay damages and we could lose license rights that are critical to our business.

We license certain intellectual property, including technologies and software from third parties, that is important to our business, and in the future we may enter into additional agreements that provide us with licenses to valuable intellectual property or technology. If we fail to comply with any of the obligations under our license agreements, we may be required to pay damages and the licensor may have the right to terminate the license. Termination by the licensor would cause us to lose valuable rights, and could prevent us from selling our solutions and services, or adversely impact our ability to commercialize future solutions and services. Our business would suffer if any current or future licenses terminate, if the licensors fail to abide by the terms of the license, if the licensors fail to enforce licensed patents against infringing third parties, if the licensed intellectual property are found to be invalid or unenforceable, or if we are unable to enter into necessary licenses on acceptable terms. In addition, our rights to certain technologies are licensed to us on a non-exclusive basis. The owners of these non-exclusively licensed technologies are therefore free to license them to third parties, including our competitors, on terms that may be superior to those offered to us, which could place us at a competitive disadvantage. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor's rights. In addition, the agreements under which we license intellectual property or technology from third parties are generally complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement. Any of the foregoing could harm our competitive position, business, financial condition, results of operations, and prospects.

If we cannot license rights to use technologies on reasonable terms, we may not be able to commercialize new solutions or services in the future.

In the future, we may identify additional third-party intellectual property we may need to license in order to engage in our business, including to develop or commercialize new solutions or services. However, such licenses may not be available on acceptable terms or at all. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources, and greater development or commercialization capabilities. In addition, companies that perceive us to be a

competitor may be unwilling to assign or license rights to us. Even if such licenses are available, we may be required to pay the licensor substantial royalties based on sales of our solutions and services. Such royalties are a component of the cost of our solutions or services and may affect the margins on our solutions and services. In addition, such licenses may be non-exclusive, which could give our competitors access to the same intellectual property licensed to us. If we are unable to enter into the necessary licenses on acceptable terms or at all, if any necessary licenses are subsequently terminated, if our licensors fail to abide by the terms of the licenses, if our licensors fail to prevent infringement by third parties, or if the licensed intellectual property rights are found to be invalid or unenforceable, our business, financial condition, results of operations, and prospects could be affected. If licenses to third-party intellectual property rights are, or become required for us, to engage in our business, the rights may be non-exclusive, which could give our competitors access to the same technology or intellectual property rights licensed to us. Moreover, we could encounter delays and other obstacles in our attempt to develop alternatives. Defense of any lawsuit or failure to obtain any of these licenses on favorable terms could prevent us from commercializing solutions and services, which could harm our competitive position, business, financial condition, results of operations, and prospects.

We rely on third-party platforms, such as the Apple App Store and Google Play App Store, to distribute our platform and offerings.

Our apps are accessed and operate through third-party platforms or marketplaces, including the Apple App Store and Google Play App Store, which also serve as significant online distribution platforms for our apps. As a result, the expansion and prospects of our business and our apps depend on our continued relationships with these providers and any other emerging platform providers that are widely adopted by consumers. We are subject to the standard terms and conditions that these providers have for application developers, which govern the content, promotion, distribution, and operation of apps on their platforms or marketplaces, and which the providers can change unilaterally on short or no notice. Our business would be harmed if the providers discontinue or limit our access to their platforms or marketplaces; the platforms or marketplaces decline in popularity; the platforms modify their algorithms, communication channels available to developers, respective terms of service or other policies, including fees; the providers adopt changes or updates to their technology that impede integration with other software systems or otherwise require us to modify our technology or update our apps in order to ensure that consumers can continue to access and use our platform.

If alternative providers increase in popularity, we could be adversely impacted if we fail to create compatible versions of our apps in a timely manner, or if we fail to establish a relationship with such alternative providers. Likewise, if our current providers alter their operating platforms, we could be adversely impacted as our offerings may not be compatible with the altered platforms or may require significant and costly modifications in order to become compatible. If our providers do not perform their obligations in accordance with our platform agreements, we could be adversely impacted.

In the past, some of these platforms or marketplaces have been unavailable for short periods of time. If this or a similar event were to occur on a short- or long-term basis, or if these platforms or marketplaces otherwise experience issues that impact the ability of consumers to download or access our apps and other information, it could have a material adverse effect on our brand and reputation, as well as our business, financial condition, and operating results.

Risks Related to the Healthcare Industry

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. On March 9, 2020, the U.S. Department of Health and Human Services or HHS, Office of the National Coordinator for Health Information Technology, or ONC, and CMS promulgated final rules aimed at supporting seamless and secure access, exchange, and use of electronic health information, or EHI, by increasing innovation and competition by giving patients and their healthcare providers secure access to health information and new tools, allowing for more choice in care and treatment. The final rules are intended to clarify and operationalize provisions of the 21st Century Cures Act, or CURES Act, regarding interoperability and “information blocking,” and create significant new requirements for healthcare 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. The new rules create significant new requirements for healthcare industry participants, and require certain electronic health record technology to incorporate standardized application programming interfaces, or APIs, to allow individuals to securely and easily access structured EHI using smartphone applications. The ONC will also implement provisions of the Cures Act requiring that patients can electronically access all of their EHI (structured and/or unstructured) at no cost. Finally, to further support access and exchange of EHI, the final ONC rule implements the information blocking provisions of the Cures Act and identified eight “reasonable and necessary activities” as exceptions to information blocking activities, as long as specific conditions are met. Pursuant to the final rule, health IT developers will be subject to requirements

such as prohibitions on participating in any action that constitutes information blocking, providing certification to the Secretary of HHS that they will not take actions that constitute information blocking, and other requirements regarding information blocking six months from when the final rule is published in the Federal Register. Certified API Developers must comply with new administrative requirements within six months of when the rule is published in the Federal Register and must provide all certified API technology within twenty-four months after publication of the rule in the Federal Register

In light of the COVID-19 public health emergency, on October 29, 2020, HHS published an interim final rule delaying the effective date of compliance with the final information blocking and Conditions and Maintenance of Certification portions of the rule beyond the enforcement discretion period that was initially announced. Pursuant to the interim final rule, health IT developers will be subject to requirements such as prohibitions on participating in any action that constitutes information blocking, providing certification to the Secretary of HHS that they will not take actions that constitute information blocking, and other requirements regarding information blocking. Certified API Developers must provide all certified API technology by December 31, 2022.

The final CMS rule focuses on patients enrolled in Medicare Advantage plans, Medicaid and Children's Health Insurance Program, or CHIP, fee-for-service programs, Medicaid managed care plans, CHIP managed care entities, and qualified health plans on the federally-facilitated exchanges, and enacts measures to enable patients to have both their clinical and administrative information travel with them. Payors must make patient data dating back to January 1, 2016 available through an API.

These rules constitute a significant departure from previous regulations regarding patient data. These rules may benefit us in that certain electronic health record, or EHR, vendors will no longer be permitted to interfere with our attempts at integration, but the rules may also make it easier for other similar companies to enter the market, creating increased competition and reducing our market share. It is unclear at this time what the costs of compliance with the final rules will be, and what additional risks there may be to our business.

In addition to the implementation of the Cures Act, certain regulatory changes that have occurred in response to the COVID-19 pandemic, have created opportunities for us. For example, many states have expanded Medicare and commercial reimbursement for telehealth, in many cases at parity with brick and mortar services and with \$0 co-pay. However, if states do not maintain this reimbursement parity after the pandemic, this could lower usage of our network. In addition, OCR has announced that they will not impose penalties for noncompliance with the regulatory requirements under the HIPAA Rules for covered healthcare providers in connection with good faith provision of telehealth during the COVID-19 nationwide public health emergency. However, if this enforcement discretion is rescinded and if other changes are rolled back after the pandemic, such changes could negatively impact usage on our network.

Consolidation in the healthcare industry could have a material adverse effect on our business, financial condition, and results of operations.

Many healthcare industry participants are consolidating to create larger and more integrated healthcare delivery systems with greater market power. We expect regulatory and economic conditions to result in additional consolidation in the healthcare industry in the future. As consolidation accelerates, the economies of scale of our customers' organizations may grow. If a customer experiences sizable growth following consolidation, it may determine that it no longer needs to rely on us and may reduce its demand for our solutions and services. In addition, as healthcare providers and life sciences companies consolidate to create larger and more integrated healthcare delivery systems with greater market power, these providers may try to use their market power to negotiate fee reductions for our solutions and services. Finally, consolidation may also result in the acquisition or future development by our healthcare provider and life sciences customers of solutions and services that compete with our solutions and services. Any of these potential results of consolidation could have a material adverse effect on our business, financial condition, and results of operations.

If we or our customers fail to comply with federal and state healthcare laws, including those governing fee splitting, our business, and financial relationships, we or our customers may be subject to significant administrative, civil, and criminal penalties.

As a participant in the healthcare industry, our operations and relationships, and those of our customers, are regulated by a number of federal, state, and local governmental entities. The impact of these regulations can adversely affect us even though we may not be directly regulated by certain specific healthcare laws and regulations. We must ensure that our solutions and services can be used by our customers in a manner that complies with those laws and regulations. Inability of our customers to do so could affect the marketability of our solutions and services or our compliance with our customer contracts, or even expose us to direct liability under the theory that we had assisted our customers in a violation of healthcare laws or regulations.

For example, many states limit the scope of business relationships between business entities and medical professionals, particularly with respect to fee splitting. While many states' fee-splitting laws only prohibit a physician from sharing medical fees with a referral source, some states have interpreted certain management agreements between business entities and physicians as unlawful fee-splitting. Statutes and regulations relating to the practice of medicine, fee-splitting, and similar issues vary widely from state to state. Because these laws are often vague, their application is frequently dependent on court rulings and attorney general opinions. Some of these requirements may apply to us even if we do not have a physical presence in the state, based solely on our agreements with providers licensed in the state. However, regulatory authorities or other parties, including our providers, may assert that we are engaged in the corporate practice of medicine or that our contractual arrangements with our provider customers constitute unlawful fee splitting. These laws generally prohibit us from exercising control over the medical judgments or decisions of physicians and non-physician healthcare providers and from engaging in certain financial arrangements, such as splitting professional fees with healthcare providers. In this event, failure to comply could lead to adverse judicial or administrative action against us and/or our provider customers, civil or criminal penalties, receipt of cease and desist orders from state regulators, loss of provider licenses, the need to make changes to the terms of engagement of our provider customers that interfere with our business and other materially adverse consequences. Further, certain laws may apply to us indirectly through our relationships with healthcare professionals. For example, certain federal and state anti-kickback and false claims laws may apply to us indirectly through our arrangements with healthcare professionals and entities.

These laws and regulations may change rapidly, and it is frequently unclear how they apply to our business. Any failure of our solutions or services to comply with these laws and regulations could result in substantial administrative, civil, or criminal liability and could, among other things, adversely affect demand for our services, force us to expend significant capital, research and development, and other resources to address the failure, invalidate all or portions of some of our contracts with our customers, require us to change or terminate some portions of our business, require us to refund portions of our revenue, cause us to be disqualified from serving customers doing business with government payors, and give our customers the right to terminate our contracts with them, any one of which could have an adverse effect on our business. Even an unsuccessful challenge by regulatory authorities of our activities could result in adverse publicity and could require a costly response from us.

Our solutions address heavily regulated functions within the life sciences industry, and failure to comply with applicable laws and regulations could lessen the demand for our solutions or subject us to significant claims and losses.

Our customers use our solutions for business activities that are subject to a complex regime of laws and regulations, including requirements regarding processing of health data (as set forth in 45 CFR Part 164 of HIPAA), and other state, local, and federal laws and regulations. Our solutions are expected to be capable of use by our customers in compliance with such laws and regulations. Our efforts to provide solutions that comply with such laws and regulations are time-consuming and costly and include validation procedures that may delay the release of new versions of our solutions. As these laws and regulations change over time, we may find it difficult to adjust our solutions to comply with such changes.

As we increase the number of solutions we offer, the complexity of adjusting our solutions to comply with legal and regulatory changes will increase. If we are unable to effectively manage this increase or if we are not able to provide solutions that can be used in compliance with applicable laws and regulations, customers may be unwilling to use our solutions and any such non-compliance could result in the termination of our customer agreements or claims arising from such agreements with our customers.

Additionally, any failure of our customers to comply with laws and regulations applicable to the functions for which our solutions are used could result in fines, penalties, or claims for substantial damages against our customers that may harm our business or reputation. If such failure were allegedly caused by our solutions or services, our customers may make a claim for damages against us, regardless of our responsibility for the failure. We may be subject to lawsuits that, even if unsuccessful, could divert our resources and our management's attention and adversely affect our business and customer relationships, and our insurance coverage may not be sufficient to cover such claims against us.

Evolving government regulations may require increased costs or adversely affect our results of operations.

In a regulatory climate that is uncertain, our operations may be subject to direct and indirect adoption, expansion, or reinterpretation of various laws and regulations. There could be laws and regulations applicable to our business that we have not identified or that, if changed, may be costly to us, and we cannot predict all the ways in which implementation of such laws and regulations may affect us.

Further, we cannot predict the likelihood, nature, or extent of health reform initiatives that may arise from future legislation or administrative action, particularly as a result of the new Presidential administration. The introduction of new solutions may

require us to comply with additional, yet undetermined, laws and regulations. In addition, it is possible that additional governmental action is taken in response to the COVID-19 pandemic.

In the event that we must modify our operations to comply with future laws, such modifications may undermine our existing and future offerings' attractiveness to customers, and our revenue may decline and our business, financial condition, and results of operations could be adversely affected.

Risks Related to Ownership of Our Class A Common Stock

Our stock price may be volatile or may decline regardless of our operating performance, resulting in substantial losses for investors of our Class A common stock.

The market price of our Class A common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our financial conditions and results of operations;
- the financial projections we may provide to the public, any changes in these projections, or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of our company, changes in financial estimates or ratings by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- announcements by us or our competitors of significant technical innovations, acquisitions, strategic partnerships, joint ventures, results of operations, or capital commitments;
- changes in stock market valuations and operating performance of other healthcare and technology companies generally, or those in our industry in particular;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- changes in our board of directors or management;
- sales of large blocks of our Class A common stock, including sales by certain affiliates of Jeff Tangney, Emergence Capital Partners II, L.P., or Emergence Capital Partners, InterWest X, L.P. or InterWest Partners, or our executive officers and directors;
- lawsuits threatened or filed against us;
- anticipated or actual changes in laws, regulations, or government policies applicable to our business;
- changes in our capital structure, such as future issuances of debt or equity securities;
- short sales, hedging, and other derivative transactions involving our capital stock;
- general economic conditions in the United States;
- “flash crashes,” “freeze flashes,” or other glitches that disrupt trading on the securities exchange on which we are listed;
- other events or factors, including those resulting from war (including the recent conflict in Ukraine), pandemics (including the COVID-19 pandemic), incidents of terrorism, or responses to these events; and
- the other factors described in the sections of this Annual Report on Form 10-K titled “Risk Factors” and “Special Note Regarding Forward-Looking Statements.”

The stock market has recently experienced extreme price and volume fluctuations. The market prices of securities of companies have experienced fluctuations that often have been unrelated or disproportionate to their results of operations. Market fluctuations could result in extreme volatility in the price of shares of our Class A common stock, which could cause a decline in the value of your investment. Price volatility may be greater if the public float and trading volume of shares of our Class A common stock is low. Furthermore, in the past, stockholders have sometimes instituted securities class action litigation against companies following periods of volatility in the market price of their securities. Any similar litigation against us could

result in substantial costs, divert management's attention and resources, and harm our business, financial condition, and results of operations.

The dual class structure of our common stock has the effect of concentrating voting control with our executive officers (including our Chief Executive Officer) and directors and their affiliates; this will limit or preclude your ability to influence corporate matters.

Our Class B common stock has ten votes per share, and our Class A common stock, has one vote per share. Stockholders who hold shares of Class B common stock, including our executive officers and directors and their affiliates, together hold approximately 88% of the voting power of our outstanding capital stock as of March 31, 2022. Because of the ten-to-one voting ratio between our Class B common stock and Class A common stock, the holders of our Class B common stock collectively will continue to control a substantial majority of the combined voting power of our common stock and therefore, assuming no material sales of such shares, will be able to control all matters submitted to our stockholders for approval until ten-years from the date of the Final Prospectus, filed on Form 424(B)(4) June 25, 2021, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction. This concentrated control will limit or preclude your ability to influence corporate matters for the foreseeable future. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders. Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as certain transfers effected for estate planning purposes. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. If, for example, our executive officers (including our Chief Executive Officer), employees, directors and their affiliates retain a significant portion of their holdings of Class B common stock for an extended period of time, they could, in the future, continue to control a majority of the combined voting power of our Class A common stock and Class B common stock.

Future sales and issuances of our Class A common stock or rights to purchase Class A common stock, including pursuant to our equity incentive plans, could result in additional dilution of the percentage ownership of our stockholders and could cause the stock price of our Class A common stock to decline.

In the future, we may sell Class A common stock, convertible securities, or other equity securities in one or more transactions at prices and in a manner we determine from time to time. We expect to issue securities to employees and directors pursuant to our equity incentive plans. If we sell common stock, convertible securities, or other equity securities in subsequent transactions, or common stock is issued pursuant to equity incentive plans, our investors may be materially diluted. New investors in such subsequent transactions could gain rights, preferences, and privileges senior to those of holders of our common stock, including our Class A common.

If a substantial number of shares become available for sale and are sold in a short period of time, the market price of our Class A common stock could decline.

If our existing stockholders sell substantial amounts of our Class A common stock in the public market in a short period of time, the market price of our Class A common stock could decrease significantly. The perception in the public market that our existing stockholders might sell shares of Class A common stock could also depress our market price. Our executive officers and directors and certain of our stockholders are subject to the Rule 144 holding period requirements. After the holding periods have elapsed and, in the case of restricted stock, the shares have vested, additional shares will be eligible for sale in the public market. The market price of shares of our Class A common stock may drop significantly when the restrictions on resale by our existing stockholders lapse. A decline in the price of shares of our Class A common stock might impede our ability to raise capital through the issuance of additional shares of our Class A common stock or other equity securities.

In addition, certain stockholders have rights, under our investors' rights agreement, to require us to register shares owned by them for public sale in the United States. We also have certain holders of outstanding options that, if fully exercised, would result in the issuance of shares of Class A common stock. All of the shares of Class A common stock issuable upon the exercise of stock options and the shares reserved for future issuance under our equity compensation plans have been registered for public resale under the Securities Act of 1933, as amended, or Securities Act. As a result, subject to the satisfaction of applicable exercise periods, the shares issued upon exercise of outstanding stock options will be available for immediate resale in the United States in the open market. Sales of our Class A common stock as restrictions end or pursuant to registration rights may make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales could also cause the trading price of our Class A common stock to fall and make it more difficult for you to sell shares of our Class A common stock.

Additionally, certain of our employees, executive officers, and directors have entered into, and may further enter into, Rule 10b5-1 trading plans providing for sales of shares of our Class A common stock from time to time. Under a Rule 10b5-1 trading plan, a broker executes trades pursuant to parameters established by the employee, director, or officer when entering into the plan, without further direction from the employee, officer, or director. Our employees, executive officers, and directors also may buy or sell additional shares outside of a Rule 10b5-1 trading plan when they are not in possession of material, nonpublic information, subject to the Rule 144 requirements referred to above.

If securities or industry analysts do not publish or cease publishing research or reports about our business, or they publish negative reports about our business, our share price and trading volume could decline.

The trading market for our Class A common stock depends in part on the research and reports that securities or industry analysts publish about us or our business, our market, and our competitors. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our shares or publish negative views on us or our shares, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make a merger, tender offer, or proxy contest more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our Class A common stock.

Certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult, including the following:

- amendments to certain provisions of our amended and restated certificate of incorporation or amendments to our amended and restated bylaws generally require the approval of at least 66 2/3% of the voting power of our outstanding capital stock;
- our dual class common stock structure, which provides certain affiliates of Jeff Tangney, Emergence Capital Partners, InterWest X, L.P. or InterWest Partners, individually or together, with the ability to significantly influence the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the shares of our outstanding Class A common stock and Class B common stock;
- our staggered board of directors;
- at any time when the holders of our Class B common stock no longer beneficially own, in the aggregate, at least the majority of the voting power of our outstanding capital stock, our stockholders will only be able to take action at a meeting of stockholders and will not be able to take action by written consent for any matter;
- our amended and restated certificate of incorporation does not provide for cumulative voting;
- vacancies on our board of directors are able to be filled only by our board of directors and not by stockholders, subject to the rights granted pursuant to the stockholders agreement;
- a special meeting of our stockholders may only be called by the chairperson of our board of directors or our Chief Executive Officer, as applicable, or a majority of our board of directors;
- restrict the forum for certain litigation against us to Delaware or the federal courts, as applicable;
- our amended and restated certificate of incorporation authorizes undesignated preferred stock, the terms of which may be established and shares of which may be issued without further action by our stockholders; and
- advance notice procedures apply for stockholders (other than the parties to our stockholders agreement) to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders.

Moreover, Section 203 of the Delaware General Corporation Law may discourage, delay or prevent a change in control of our company. Section 203 imposes certain restrictions on mergers, business combinations and other transactions between us and holders of 15% or more of our common stock.

These provisions, alone or together, could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and to cause us to take other corporate actions they desire, any of which, under certain circumstances, could

limit the opportunity for our stockholders to receive a premium for their shares of our Class A common stock, and could also affect the price that some investors are willing to pay for our Class A common stock.

Our amended and restated bylaws designate specific state or federal courts located as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit stockholders' ability to obtain a favorable judicial forum for disputes with us.

Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware is the sole and exclusive forum for any state law claims for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders;
- any action asserting a claim arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; or
- any action asserting a claim that is governed by the internal affairs doctrine, or Delaware Forum Provision.

The Delaware Forum Provision does not apply to any causes of action arising under the Securities Act or the Exchange Act. Further, our amended and restated bylaws 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, or the Federal Forum Provision. In addition, our amended and restated 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 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 U.S. federal securities laws and the rules and regulations thereunder.

The Delaware Forum Provision and the Federal Forum Provision in our amended and restated bylaws may impose additional litigation costs on stockholders in pursuing any such claims. Additionally, these forum selection clauses may limit our stockholders' ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or 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 ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are "facially valid" under Delaware law, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware and 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.

We do not intend to pay dividends for the foreseeable future.

We currently intend to retain any future earnings to finance the operation and expansion of our business and we do not expect to declare or pay any dividends in the foreseeable future. In addition, Delaware law may impose requirements that may restrict our ability to pay dividends to holders of our common stock. As a result, stockholders must rely on sales of their Class A common stock after price appreciation as the only way to realize any future gains on their investment.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. If we face such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on our business, financial condition or results of operations.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

Our corporate headquarters is located in San Francisco, California and consists of approximately 9,197 square feet of space under a lease that expires on December 31, 2023. We also lease additional facilities in Dallas, Texas. We lease all of our facilities and do not own any real property. We believe that our facilities are sufficient to meet our needs for the immediate future, and that, should it be needed, suitable additional space will be available to accommodate expansion of our operations.

Item 3. Legal Proceedings

For discussion around our legal proceedings, please refer to Note 13—Commitments and Contingencies included in Part II, Item 8 of this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures

None.

PART II

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

Market Information

Our Class A common stock is listed on the New York Stock Exchange, or NYSE, under the symbol "DOCS" and began trading on June 24, 2021. Prior to that date, there was no public trading market for our Class A common stock. There is no established public trading market for our Class B common stock.

Holders of Record

As of May 20, 2022, there were 314 stockholders of record of our Class A common stock and 86 stockholders of record for our Class B common stock. Because many of our shares of Class A common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders.

Dividend Policy

We have never declared or paid any cash dividend on our capital stock. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions, and other factors that our board of directors may deem relevant.

Securities Authorized for Issuance under Equity Compensation Plans

Refer to "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters" included in Part III, Item 12 of this Annual Report on Form 10-K for more information regarding securities authorized for issuance.

Recent Sales of Unregistered Equity Securities

There were no unregistered sales of equity securities which have not been previously disclosed in a quarterly report on Form 10-Q and there have been no unregistered sales of equity securities since the filing of our last quarterly report on Form 10-Q filed with the SEC, February 9, 2022.

Use of Proceeds

On June 28, 2021, we closed our IPO of 22,505,750 shares of our Class A common stock sold by us, including 3,495,000 shares pursuant to the exercise of the underwriters' option to purchase additional shares of our Class A common stock, and 4,289,250 shares of Class A common stock sold by an existing stockholder, at an offering price of \$26.00 per share, resulting in proceeds to us of \$548.5 million after deducting underwriting discounts and commissions as well as deferred offering costs. All of the shares issued and sold in our IPO were registered under the Securities Act pursuant to a registration statement on Form S-1 (File No. 333-256584), which was declared effective by the SEC on June 23, 2021. Morgan Stanley & Co. LLC, Goldman Sachs & Co. LLC, J.P. Morgan Securities LLC, Piper Sandler & Co., William Blair & Company, L.L.C., Canaccord Genuity LLC, Needham & Company, LLC, Raymond James & Associates, Inc., and SVB Leerink LLC acted as underwriters for the offering. We incurred offering expenses of approximately \$5.5 million. No payments for such expenses were made to our directors or officers or their associates, holders of 10% or more of any class of our equity securities, or to our affiliates. Upon completion of the sale of the shares of our Class A common stock referenced in the preceding sentences, the IPO terminated. There has been no material change in the planned use of proceeds from our IPO from those disclosed in the Final Prospectus.

Issuer Purchases of Equity Securities

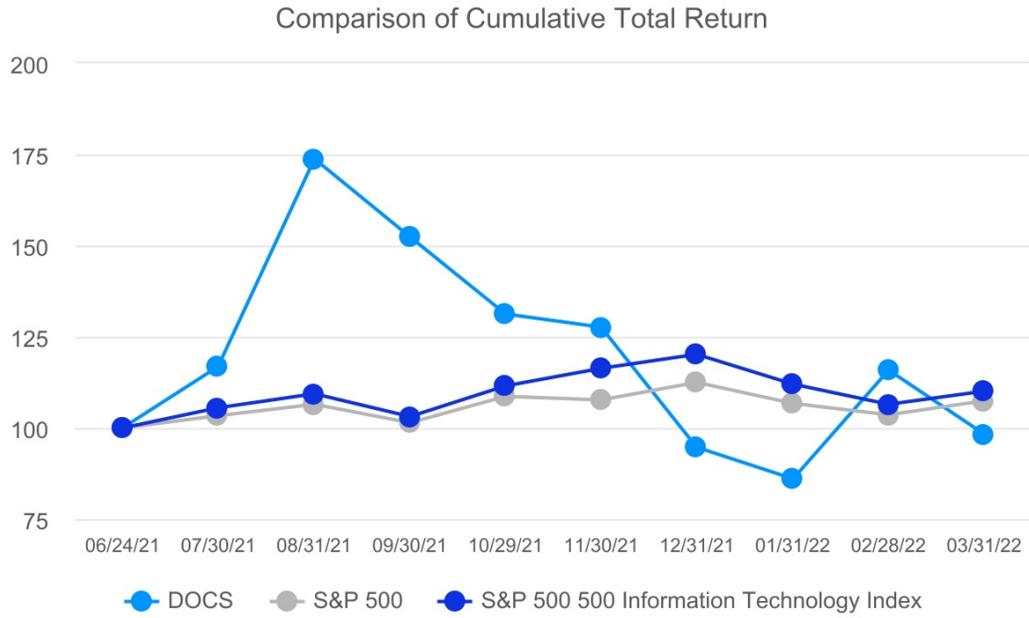
None.

Stock Performance Graph

This performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC, for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act.

The graph below shows the cumulative total return to our stockholders between June 24, 2021 (the date that our Class A common stock commenced trading on the NYSE) through March 31, 2022 in comparison to the S&P 500 Index and the S&P

500 Information Technology Index. The graph assumes (i) that \$100 was invested in each of our Class A common stock, the S&P 500 Index, and the S&P 500 Information Technology Index at their respective closing prices on June 24, 2021 and (ii) reinvestment of gross dividends. The stock price performance shown in the graph represents past performance and should not be considered an indication of future stock price performance.



Item 6. [Reserved]

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 accompanying notes that are included elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties, as described under the heading "Special Note About Forward-Looking Statements" in this Annual Report on Form 10-K. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the section titled "Risk Factors" or in other parts of this Annual Report on Form 10-K. Our historical results are not necessarily indicative of the results that may be expected for any period in the future.

A discussion regarding our financial condition and results of operations for the fiscal year ended March 31, 2022 compared to the fiscal year ended March 31, 2021 is presented below. A discussion regarding our financial condition and results of operations for the fiscal year ended March 31, 2021 compared to the fiscal year ended March 31, 2020 can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Final Prospectus dated June 23, 2021, filed with the SEC pursuant to Rule 424(b) under the Securities Act on June 25, 2021.

Overview

We are the leading digital platform for U.S. medical professionals, as measured by the number of U.S. physician members. Our members include more than 80% of physicians across all 50 states and every medical specialty.

Our mission is to help every physician be more productive and provide better care for their patients. We are physicians-first, putting technology to work for doctors instead of the other way around. That guiding principle has enabled Doximity to become an essential and trusted professional platform for physicians. Our cloud-based platform provides our members with tools specifically built for medical professionals, enabling them to collaborate with their colleagues, securely coordinate patient care, conduct virtual patient visits, stay up-to-date with the latest medical news and research, and manage their careers. Doximity membership is free for physicians. Our revenue-generating customers, primarily pharmaceutical manufacturers and healthcare systems, have access to a suite of commercial solutions that benefit from broad physician usage.

At the core of our platform is the largest medical professional network in the nation, which creates proximity within our community of doctors and hundreds of thousands of other medical professionals. Verified members can search and connect with colleagues and specialists, which allows them to better coordinate patient care and streamline referrals. Our newsfeed addresses the ever increasing sub-specialization of medical expertise and volume of medical research by delivering news and information that is relevant to each physician's clinical practice. We also support physicians in their day-to-day practice of medicine with mobile-friendly and easy-to-use clinical workflow tools such as voice and video dialer, secure messaging, and digital faxing.

Our business model has delivered high revenue growth at scale, while increasing profitability. For the fiscal years ended March 31, 2022, 2021 and 2020, we recognized revenue of \$343.5 million, \$206.9 million, and \$116.4 million, respectively, representing year-over-year growth rates of 66% and 78%, respectively. Our net income was \$154.8 million, \$50.2 million, and \$29.7 million for the fiscal years ended March 31, 2022, 2021, and 2020, respectively. For the fiscal years ended March 31, 2022, 2021 and 2020, we generated adjusted EBITDA of \$150.3 million, \$64.8 million, and \$26.6 million, respectively. We have accomplished this while focusing on our core mission to help every physician be more productive and provide better care for their patients.

Impact of COVID-19

The COVID-19 pandemic has had, and continues to have, a significant impact on the U.S. economy and the markets in which we operate. Doximity has been privileged to play an important role in supporting physicians, medical professionals, and health systems nationwide during this time. Our business has performed strongly, demonstrating the value and effectiveness of our platform to both our members and customers. While certain of the COVID-19 pandemic-related trends underlying our positive performance may not continue after the pandemic eases, we believe that certain key underlying trends have been accelerated and will persist long after the pandemic ends.

We continue to closely monitor the impact of the COVID-19 pandemic on all aspects of our business. While the COVID-19 pandemic has not had a material adverse impact on our financial condition and results of operations to date, the extent to which the outbreak of the COVID-19 pandemic or any other pandemic, epidemic, or infectious diseases will impact our business, results of operations and financial condition in the future is still unknown and will depend on future developments, which are highly uncertain and cannot be predicted.

For additional information, see “Risk Factors—Risks Related to Our Business—The COVID-19 pandemic and any other future pandemic, epidemic, or outbreak of an infectious disease may adversely affect our business, financial condition, and results of operations.”

Key Business and Financial Metrics

We monitor a number of key business and financial metrics to assess the health and success of our business, including:

Customers with Trailing 12-Month Subscription Revenue Greater than \$100,000. The number of customers with trailing 12-month, or TTM, product revenue greater than \$100,000 is calculated by counting the number of customers that contributed more than \$100,000 in subscription revenue in the TTM period. The number of customers with TTM subscription-based revenue of at least \$100,000 is a key indicator of the scale of our business. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity.

The number of customers with at least \$100,000 of revenue has grown steadily in recent years as we have engaged new customers and expanded within existing ones. This cohort of customers accounted for approximately 88% of our revenue in fiscal 2022.

	March 31,		
	2022	2021	2020
Number of customers with at least \$100,000 of revenue	265	200	141

Net Revenue Retention Rate. Net revenue retention rate is calculated by taking the TTM subscription-based revenue from our customers that had revenue in the prior TTM period and dividing that by the total subscription-based revenue for the prior TTM period. Our net revenue retention rate compares our subscription revenue from the same set of customers across comparable periods and reflects customer renewals, expansion, contraction, and churn.

	March 31,		
	2022	2021	2020
Net revenue retention rate	157 %	153 %	130 %

Non-GAAP Financial Measures

We use adjusted EBITDA and free cash flow to measure our performance and identify trends, to formulate financial projections, and to make strategic decisions.

Adjusted EBITDA

We define adjusted EBITDA as net income before interest, income taxes, depreciation and amortization, and as further adjusted for acquisition and other related expenses, stock-based compensation expense, and other income, net. Net income margin represents net income as a percentage of revenue and adjusted EBITDA margin represents adjusted EBITDA as a percentage of revenue.

Adjusted EBITDA is a key measure we use to assess our financial performance and is also used for internal planning and forecasting purposes. We believe adjusted EBITDA is helpful to investors, analysts, and other interested parties because it can assist in providing a more consistent and comparable overview of our operations across our historical financial periods.

Adjusted EBITDA and adjusted EBITDA margin are non-GAAP measures and are presented for supplemental informational purposes only and should not be considered as alternatives or substitutes to the financial information presented in accordance with GAAP. These measures have certain limitations in that they do not include the impact of certain expenses that are reflected in our consolidated statement of operations that are necessary to run our business. Other companies, including other companies in our industry, may not use these measures or may calculate these measures differently than as presented in this Annual Report on Form 10-K, limiting their usefulness as comparative measures.

Adjusted EBITDA and adjusted EBITDA margin increased year-over-year primarily due to higher net income as a result of increased subscription revenue.

A reconciliation of net income to adjusted EBITDA and adjusted EBITDA margin is set forth below along with net income margin:

	Fiscal Year Ended March 31,		
	2022	2021	2020
	(unaudited)		
	(in thousands, except percentages)		
Net income	\$ 154,783	\$ 50,210	\$ 29,737
Adjusted to exclude the following:			
Acquisition and other related expenses	254	496	1,158
Stock-based compensation	31,442	7,252	2,353
Depreciation and amortization	5,040	3,702	900
Provision for (benefit from) income taxes	(40,778)	7,559	(6,223)
Other income, net	(469)	(4,466)	(1,351)
Adjusted EBITDA	\$ 150,272	\$ 64,753	\$ 26,574
Revenue	\$ 343,548	\$ 206,897	\$ 116,388
Net income margin	45 %	24 %	26 %
Adjusted EBITDA margin	44 %	31 %	23 %

Free Cash Flow

Free cash flow is a key performance measure that our management uses to assess our overall performance. 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 acquisitions, and strengthening our financial position.

We calculate free cash flow as cash flow from operating activities less purchases of property and equipment and internal-use software development costs.

The following table presents a reconciliation of our free cash flow to the most comparable GAAP measure, net cash provided by operating activities, for each of the periods indicated:

	Fiscal Year Ended March 31,		
	2022	2021	2020
	(in thousands)		
Net cash provided by operating activities	\$ 126,575	\$ 82,973	\$ 26,199
Purchases of property and equipment	(1,912)	(245)	(285)
Internal-use software development costs	(3,785)	(4,365)	(3,959)
Free cash flow	\$ 120,878	\$ 78,363	\$ 21,955
Other cash flow components:			
Net cash used in investing activities	\$ (640,574)	\$ (70,417)	\$ (13,095)
Net cash provided by financing activities	\$ 560,415	\$ 5,407	\$ 1,719

Although we believe free cash flow is a useful indicator of business performance, free cash flow is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. Free cash flow has limitations as an analytical tool, and it should not be considered in isolation or as a substitute for analysis of other GAAP financial measures, such as cash provided by operating activities. Some of the limitations of free cash flow are that it may not properly reflect capital commitments to creators that need to be paid in the future or future contractual commitments that have not been realized in the current period. Our free cash flow may not be comparable to similarly titled measures of other companies because they may not calculate free cash flow in the same manner as we calculate the measure, limiting its usefulness as a comparative measure.

Components of Results of Operations

Revenue

Marketing Solutions. Our customers purchase a subscription to Marketing Solutions, either directly or through marketing agencies, for the ability to share tailored content on the Doximity platform via a variety of modules for defined time

periods. We generally bill customers a portion of the contract upon contract execution and then bill throughout the remainder of the contract based on various time-based milestones. Generally, we bill in advance of revenue recognition and record unbilled revenue on the consolidated balance sheets within prepaid expenses and other current assets when revenue is recognized in advance of billings. Subscriptions to Marketing Solutions include the following contractual arrangements:

- Subscriptions for specific modules delivered on a monthly basis to a consistent number of targeted Doximity members during the subscription period. Pricing is based on the number and composition of the targeted Doximity members and on the specific modules purchased.
- Integrated subscriptions for a fixed subscription fee that are not tied to a single module, allowing customers to utilize any combination of modules during the subscription period.

For these subscription-based contractual arrangements, we recognize revenue over time as control of the service is transferred to the customer.

Hiring Solutions. We provide customers access to our platform which enables them to post job openings or deliver a fixed number of monthly messages to our network of medical professionals. We bill annually or quarterly ahead of the service period, or at the beginning of each month of service, and recognize revenue ratably over the contractual term.

Through our acquisition of Curative Talent, completed in fiscal 2021, we also generate revenue from temporary and permanent medical recruiting services which we charge on an hourly-fee and placement-fee basis, respectively. Revenue for temporary placement services is recognized net of third-party contractor fees. For the fiscal year ended March 31, 2022, the revenue from temporary and permanent medical recruiting services was not significant to our total revenue.

Cost of Revenue

Cost of revenue is primarily comprised of expenses related to cloud hosting, personnel-related expenses for our customer success team, costs for third-party platform access, software services and contractors, and other services used in connection with the delivery and support of our platform. Our cost of revenue also includes the amortization of internal-use software development costs and deferred contract costs, editorial and other content-related expenses, and allocated overhead. Cost of revenue is also driven by the growth of our member network and utilization of our telehealth tools. We intend to continue to invest additional resources in our cloud infrastructure and our customer support organizations to support the growth of our business and expect these expenses to increase on an absolute dollar basis.

Gross Profit and Gross Margin

Gross profit is total revenue less total cost of revenue. Gross margin is gross profit expressed as a percentage of total revenue. Gross profit and gross margin has been and will continue to be affected by a number of factors, including the timing of our acquisition of new customers and sales of additional solutions to our existing customers, the timing and extent of our investments in our operations, cloud hosting costs, growth in our customer success team, and the timing of amortization of internal-use software development costs. We expect our gross margin to remain relatively steady over the near term, although our quarterly gross margin is expected to fluctuate from period to period depending on the interplay of these and other factors.

Operating Expenses

Our operating expenses consist of sales and marketing, research and development, and general and administrative expenses.

Research and Development

Research and development expense is primarily comprised of personnel-related expenses associated with our engineering and product teams who are responsible for building new products and improving existing products. Research and development expense also includes costs for third-party services and contractors, information technology and software-related costs, and allocated overhead. Other than internal-use software development costs that qualify for capitalization, research and development costs are expensed as incurred. We expect research and development expenses will increase on an absolute dollar basis as we continue to grow our platform and product offerings.

Sales and Marketing

Sales and marketing expense is primarily comprised of personnel-related expenses, sales commissions, travel, and other event expenses. Sales and marketing expense also includes costs for third-party services and contractors, information technology and software-related costs, and allocated overhead. We capitalize the sales commissions that are considered to be

incremental and recoverable costs of obtaining a contract with a customer. These sales commissions are amortized over the period of benefit. We expect sales and marketing expense to increase and to be our largest expense on an absolute basis.

General and Administrative

General and administrative expense is primarily comprised of personnel-related expenses associated with our executive, finance, legal, human resources, information technology, and facilities employees. General and administrative expense includes fees for third-party legal and accounting services, recruitment fees, information technology and software-related costs, and allocated overhead. We expect that general and administrative expense will increase on an absolute dollar basis as we incur compliance costs associated with being a publicly-traded company, including legal, audit, and consulting fees.

Other Income, Net

Other income, net consists primarily of administrative fees and penalties and interest income earned on our cash equivalents and marketable securities.

Provision for (Benefit from) Income Taxes

Provision for (benefit from) income taxes consists primarily of income taxes in U.S federal, state, and local jurisdictions in which we conduct business. We continue to maintain a valuation allowance related to specific net deferred tax assets where it is not more likely than not that the deferred tax assets will be realized, which includes California research and development credits and capital loss carryforwards.

Results of Operations

The following tables set forth our consolidated results of operations data and such data as a percentage of revenue for the periods presented.

	Fiscal Year Ended March 31,		
	2022	2021	2020
	(in thousands)		
Revenue	\$ 343,548	\$ 206,897	\$ 116,388
Cost of revenue ⁽¹⁾	39,787	31,196	14,900
Gross profit	303,761	175,701	101,488
Operating expenses:			
Research and development ⁽¹⁾	62,350	43,873	32,435
Sales and marketing ⁽¹⁾	92,129	62,033	39,448
General and administrative ⁽¹⁾	35,746	16,492	7,442
Total operating expenses	190,225	122,398	79,325
Income from operations	113,536	53,303	22,163
Other income, net	469	4,466	1,351
Income before income taxes	114,005	57,769	23,514
Provision for (benefit from) income taxes	(40,778)	7,559	(6,223)
Net income	\$ 154,783	\$ 50,210	\$ 29,737

(1) Costs and expenses include stock-based compensation expenses as follows:

	Fiscal Year Ended March 31,		
	2022	2021	2020
	(in thousands)		
Cost of revenue	\$ 4,979	\$ 600	\$ 173
Research and development	7,065	1,975	710
Sales and marketing	8,108	1,998	847
General and administrative	11,290	2,679	623
Total stock-based compensation expense	\$ 31,442	\$ 7,252	\$ 2,353

	Fiscal Year Ended March 31,		
	2022	2021	2020
	(percentage of revenue)		
Revenue	100 %	100 %	100 %
Cost of revenue	12	15	13
Gross profit	88	85	87
Operating expenses:			
Research and development	18	21	28
Sales and marketing	27	30	34
General and administrative	10	8	6
Total operating expenses	55	59	68
Income from operations	33	26	19
Other income, net	—	2	1
Income before income taxes	33	28	20
Provision for (benefit from) income taxes	(12)	4	(6)
Net income	45 %	24 %	26 %

Comparison of the Years Ended March 31, 2022 and 2021

Revenue

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
Revenue	\$ 343,548	\$ 206,897	\$ 136,651	66 %

Revenue for the fiscal year ended March 31, 2022 increased \$136.7 million as compared to the fiscal year ended 2021. The increase was primarily driven by a \$127.0 million increase in subscription revenue. Of the increase in subscription revenue, \$16.8 million was driven by the addition of new subscription customers¹ and \$109.0 million was due to the expansion of existing customers. The expansion of existing customers was primarily driven by average revenue per existing Marketing Solutions customer increasing by 60% as a result of adding new brands and service lines, growing existing brands and service lines, and upselling additional modules. The remaining change in subscription revenue was generated from Dialer Pro subscriptions for individuals and small practices and other non-recurring items. Approximately 93% of our revenue for the fiscal year ended March 31, 2022 was derived from subscription customers. The remaining increase in revenue was driven by an increase in medical recruiting services.

Cost of revenue, gross profit and gross margin

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
Cost of revenue	\$ 39,787	\$ 31,196	\$ 8,591	28 %
Gross profit	\$ 303,761	\$ 175,701	\$ 128,060	73 %
Gross margin	88 %	85 %		

Cost of revenue for the fiscal year ended March 31, 2022 increased \$8.6 million as compared to the fiscal year ended 2021. The increase in cost of revenue was primarily driven by a \$4.2 million increase in personnel-related costs as a result of headcount growth of 36%, \$2.6 million increase in expense from the U.S. News warrant granted in October 2021, and a \$1.8 million increase in stock-based compensation expense due to headcount growth and an increase in the weighted-average grant date fair values of our equity grants. In addition, there was a \$1.2 million increase in consulting services and a \$1.3 million increase in amortization of internal-use software development costs. These increases were partially offset by a \$3.0 million decrease in third-party software as a result of renegotiating pricing terms with vendors combined with a lower volume of virtual visits as compared to the prior period, when our Dialer tool was available to all members for free.

Gross margin increased due to our revenue growth and continued efficiency as we scale.

¹ We define new subscription customers as revenue generating subscription customers in the current fiscal period who did not contribute any revenue for the same period in the prior fiscal year.

Operating Expenses

Research and development

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
Research and development	\$ 62,350	\$ 43,873	\$ 18,477	42 %

Research and development expense for the fiscal year ended March 31, 2022 increased \$18.5 million as compared to the fiscal year ended 2021. The increase in research and development expense was primarily driven by a \$9.8 million increase in personnel-related costs as a result of headcount growth of approximately 26%. The increase was also driven by a \$5.1 million increase in stock-based compensation primarily attributable to headcount growth and an increase in the weighted-average grant date fair values of our equity grants. The increase was also due to a \$2.3 million increase in third-party software subscription and license costs as a result of headcount growth as well as a \$1.1 million increase in employee events and travel-related expenses as we resumed certain in-person events.

Sales and marketing

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
Sales and marketing	\$ 92,129	\$ 62,033	\$ 30,096	49 %

Sales and marketing expense for the fiscal year ended March 31, 2022 increased \$30.1 million as compared to the fiscal year ended 2021. The overall increase in sales and marketing expense was due to the growth in our business, specifically driven by a \$10.7 million increase in personnel-related costs due to headcount growth of 23% as well as a \$5.4 million increase in incentive compensation due to increased sales activity. The increase was also driven by a \$6.1 million increase in stock-based compensation mainly due to headcount growth and an increase in the weighted-average grant date fair values of our equity grants. Additionally, there was a \$2.5 million increase in deferred contract costs amortization due to higher sales volume, a \$2.2 million increase for in-person trade shows and conferences, advertising and other marketing expenses, and a \$1.4 million increase in employee events and travel-related expenses as we resumed certain in-person events.

General and administrative

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
General and administrative	\$ 35,746	\$ 16,492	\$ 19,254	117 %

General and administrative expense for the fiscal year ended March 31, 2022 increased \$19.3 million as compared to the fiscal year ended 2021. The increase in general and administrative expense was primarily driven by an \$8.6 million increase in stock-based compensation, of which \$5.3 million related to the increase in headcount and the weighted-average grant date fair values of our equity awards and \$3.3 million was due to performance grants where the performance conditions were met or became probable of achievement during fiscal 2022. In addition, there was a \$2.8 million increase in personnel-related costs due to headcount growth of approximately 48%, a \$3.1 million increase in insurance expense, and a \$3.1 million increase in accounting, legal, and other services as we incurred additional expenses as a result of becoming a public company.

Other income, net

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
Other income, net	\$ 469	\$ 4,466	\$ (3,997)	(89)%

Other income, net for the fiscal year ended March 31, 2022 decreased \$4.0 million compared to the fiscal year ended 2021. The decrease was primarily driven by a \$4.7 million non-recurring gain that was recognized in October 2020 upon the sale of a portion of the Curative Talent business, offset by a \$0.6 million increase in interest income due to our increased investment in marketable securities.

Provision for (benefit from) income taxes

	Fiscal Year Ended March 31,		Change	
	2022	2021	\$	%
	(in thousands, except percentages)			
Provision for (benefit from) income taxes	\$ (40,778)	\$ 7,559	\$ (48,337)	NM

For the fiscal year ended March 31, 2022, we had an income tax benefit of \$40.8 million compared to a provision of \$7.6 million for the fiscal year ended 2021. This change was primarily driven by excess tax benefit on stock option exercise and disqualifying disposition activities following our initial public offering in June 2021.

NM: Percentage not meaningful.

Liquidity and Capital Resources

Since inception, we have financed operations primarily through proceeds received from sales of equity securities and payments received from our customers. As of March 31, 2022, our principal sources of liquidity were cash and cash equivalents and marketable securities of \$798.1 million. Our marketable securities consist of U.S. government and agency securities, corporate notes and bonds, commercial paper, asset-backed securities, and sovereign bonds.

In June 2021, we completed our IPO, in which we issued and sold 22,505,750 shares of our Class A common stock at \$26.00 per share, including 3,495,000 shares issued upon the exercise of the underwriters' option to purchase additional shares. We received proceeds of \$548.5 million after deducting underwriting discounts and commissions as well as deferred offering costs.

We believe that our existing cash and cash equivalents and marketable securities will be sufficient to support working capital and capital expenditure requirements for at least the next 12 months.

Our future capital requirements will depend on many factors, including our revenue growth rate, the timing and the amount of cash received from customers, the expansion of sales and marketing activities, and the timing and extent of spending to support research and development efforts. Further, we may in the future enter into arrangements to acquire or invest in businesses and technologies. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital when desired, our business, financial condition, and results of operations could be adversely affected.

For further details regarding our cash requirements from noncancelable operating lease obligations and other contractual commitments, see Note 13—Commitments and Contingencies included in Part II, Item 8 of this Annual Report on Form 10-K.

Cash Flows

	Fiscal Year Ended March 31,	
	2022	2021
	(in thousands)	
Net cash provided by operating activities	\$ 126,575	\$ 82,973
Net cash used in investing activities	\$ (640,574)	\$ (70,417)
Net cash provided by financing activities	\$ 560,415	\$ 5,407

Net cash provided by operating activities

Cash provided by operating activities was \$126.6 million for the fiscal year ended March 31, 2022. This consisted of net income of \$154.8 million, adjusted for non-cash items of \$12.1 million and a net decrease in operating assets and liabilities of \$40.3 million. Non-cash items primarily consisted of stock-based compensation expense of \$31.4 million, amortization of deferred contract costs of \$9.8 million, depreciation and amortization expense of \$5.0 million, amortization of the premium on marketable securities of \$4.3 million, offset by a negative non-cash adjustment for deferred tax benefit of \$41.2 million. The net decrease in operating assets and liabilities was driven by a \$31.0 million increase in accounts receivable due to the growth of our business and the timing of collections, a \$9.6 million increase in deferred contract costs due to increased sales activity, and a \$9.1 million increase in prepaid expenses and other assets. These decreases were partially offset by an increase of \$8.7 million in accounts payable, accrued expenses and other liabilities, which was primarily a result of increased accrued payroll, bonus,

and related expenses due to increased headcount and timing of payments and increased rebate liabilities due to higher sales combined with the timing of payments.

Cash provided by operating activities was \$83.0 million for the fiscal year ended March 31, 2021. This consisted of net income of \$50.2 million, adjusted for non-cash items of \$21.2 million and a net increase in operating assets and liabilities of \$11.6 million. Non-cash items primarily consisted of stock-based compensation expense of \$7.3 million, amortization of deferred contract costs of \$6.9 million, deferred income tax expense of \$5.0 million, and depreciation and amortization expense of \$3.7 million, partially offset by a \$4.7 million gain due to the sale of a portion of the Curative Talent business. The net increase in operating assets and liabilities was primarily driven by an increase of \$38.6 million in deferred revenue due to the addition of new customers and expansion from existing customers combined with the timing of customer billings and an increase of \$7.3 million in accounts payable, accrued expenses and other liabilities, which was primarily a result of increased accrued incentive compensation due to higher sales and timing of payments and increased accrued payroll, bonus, and related expenses due to increased headcount and timing of payments. These increases were partially offset by an increase of \$20.5 million in accounts receivable due to the growth of our business and the timing of collections and an increase of \$9.4 million in deferred contract costs due to increased sales activity.

Net cash used in investing activities

Cash used in investing activities was \$640.6 million for the fiscal year ended March 31, 2022, which primarily consisted of purchases of marketable securities of \$1.3 billion, partially offset by proceeds from the sale of marketable securities of \$633.8 million, proceeds from the maturities of marketable securities of \$47.9 million, and capitalization of internal-use software development costs of \$3.8 million.

Cash used in investing activities was \$70.4 million for the fiscal year ended March 31, 2021, which primarily consisted of purchases of marketable securities of \$78.9 million and cash paid for the acquisition of Curative Talent of \$31.7 million, partially offset by proceeds from the maturities of marketable securities of \$40.5 million.

Net cash provided by financing activities

Cash provided by financing activities was \$560.4 million for the fiscal year ended March 31, 2022, which primarily consisted of \$553.9 million of proceeds from the issuance of common stock upon our initial public offering after deducting underwriting fees and commissions, \$12.6 million of net proceeds from the exercise of stock options, and \$1.4 million of proceeds from the issuance of common stock in connection with the employee stock purchase plan. These proceeds were partially offset by \$4.0 million in payments for deferred offering costs and \$2.7 million in payments from the repurchase and retirement of common stock.

Cash provided by financing activities was \$5.4 million for the fiscal year ended March 31, 2021, which primarily consisted of \$8.9 million of net proceeds from the exercise of stock options, partially offset by \$1.5 million in payments for deferred offering costs and \$2.0 million from the repurchase and retirement of common stock.

Off Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Critical Accounting Policies and Estimates

Our consolidated financial statements and the related notes thereto included elsewhere in this Annual Report on Form 10-K are prepared in accordance with GAAP. The preparation of our financial statements also requires us to make estimates and assumptions that affect the amounts stated in the consolidated financial statements and accompanying notes. We base our estimates and judgments on historical experience and on various other assumptions that we believe are reasonable under the circumstances. Actual results could differ significantly from the estimates made by management. 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 of our significant accounting policies, which are described in Note 2—Summary of Significant Accounting Policies included in Part II, Item 8 of this Annual Report on Form 10-K, the following accounting policies involve a greater degree of judgment and complexity. Accordingly, we believe the below policies are the most critical to aid in fully understanding and evaluating our consolidated financial statements.

Revenue Recognition

Marketing Solutions customers may purchase a subscription for a specific module to be used over a defined period of time. These customers may purchase more than one module with either the same or different subscription periods. Each module targets a consistent number of Doximity members per month for the duration of the subscription period. The Company treats each subscription to a specific module as a distinct performance obligation because each module is capable of being distinct as the customer can benefit from the subscription to each module on their own and each subscription can be sold standalone. The subscription to each module is treated as a series of distinct performance obligations because it is distinct and substantially the same, satisfied over time, and has the same measure of progress. The total transaction price is allocated to the individual module subscriptions, which represent separate performance obligations, based on the relative standalone selling price. We commence revenue recognition when the first content for the specific module is launched on the platform for the initial monthly period and revenue is recognized over time as each subsequent content period is delivered.

Marketing Solutions customers may also purchase integrated subscriptions for a fixed subscription fee that are not tied to a single module but allow customers to utilize any combination of modules during the subscription period subject to limits on the total number of modules launched in a given period of time, active at any given time, and members targeted. These represent stand-ready obligations in that the delivery of the underlying sponsored content is within the control of the customer and the extent of use in any given period does not diminish the remaining services. For these integrated campaign subscriptions, we record revenue ratably over the subscription period commencing with the beginning of the subscription term.

Stock-Based Compensation

We account for stock-based compensation in accordance with the authoritative guidance on stock compensation. Under the fair value recognition provisions of this guidance, stock-based compensation is measured at the grant date based on the fair value of the award and is recognized as expense, net of estimated forfeitures, in the statement of operations over the requisite service period, which is generally the vesting period of the respective award. Forfeitures are estimated based upon our historical experience and we revise the estimates, if necessary, in subsequent periods if actual forfeitures differ from initial estimates.

Determining the grant-date fair value of stock options requires judgment. We estimate the fair value of restricted stock units, or RSUs, at our stock price on the grant date. We use the Black-Scholes option-pricing model to determine the fair value of stock options, warrants, purchase rights under the employee stock purchase plan, or ESPP. The determination of the grant-date fair value using the Black-Scholes model is affected by the fair value of our common stock and assumptions regarding a number of other complex and subjective variables. These assumptions include the expected term of the award, the expected stock price volatility over the expected term of the award, the risk-free interest rate for the expected term of the award, and expected dividends.

Prior to the IPO, when there was no public market for our common stock, significant judgment was involved in determining the fair value of our common stock and the expected stock price volatility. Our board of directors considered numerous objective and subjective factors to determine the fair value of our common stock at each meeting during which awards were approved. These factors included, but were not limited to (i) contemporaneous third-party valuations of common stock; (ii) the rights and preferences of our preferred stock relative to common stock; (iii) the lack of marketability of common stock; (iv) developments in the business; and (v) the likelihood of achieving a liquidity event, such as an IPO or sale of the Company, given prevailing market conditions. The expected volatility was determined using the historical volatilities of several publicly listed peer companies over a period equivalent to the expected term of the awards. We have not granted stock options to employees subsequent to the IPO.

Business Combinations

We allocate the purchase price of acquired companies to tangible and intangible assets acquired and liabilities assumed based upon their estimated fair values at the acquisition date. The purchase price allocation process requires management to make significant estimates and assumptions with respect to the valuation of intangible assets. Examples of critical estimates in valuing certain of the intangible assets we have acquired or may acquire in the future include but are not limited to future expected cash flows, future revenue growth, margins, customer retention rates, technology life, royalty rates, expected use of acquired assets, and discount rates. These factors are also considered in determining the useful life of the acquired intangible assets. These estimates are based in part on historical experience, market conditions and information obtained from management of the acquired companies and are inherently uncertain. Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recorded.

Recent Accounting Pronouncements

Refer to Note 2—Summary of Significant Accounting Policies included in Part II, Item 8 of this Annual Report on Form 10-K for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted.

Jumpstart Our Business Startups Act of 2012

We are an emerging growth company, as defined in the JOBS Act. The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period under the JOBS Act for the adoption of certain accounting standards until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

Substantially all of our operations are within the United States and we do not have any foreign currency exposure. We are exposed to market risks in the ordinary course of our business, including the effects of interest rate changes and inflation.

Interest Rate Risk

Our cash and cash equivalents and marketable securities primarily consist of cash on hand and highly liquid investments in money market funds, corporate notes and bonds, asset-backed securities, commercial paper, U.S. government and agency securities, and sovereign bonds. As of March 31, 2022 and 2021, we had cash and cash equivalents of \$112.8 million and \$66.4 million and marketable securities of \$685.3 million and \$76.1 million, respectively. We do not enter into investments for trading or speculative purposes. Our investments are exposed to market risk due to fluctuations in interest rates, which may affect our interest income and the fair value of our investments. Fixed rate securities may have their market value adversely affected due to a rise in interest rates, while floating rate securities may produce less income than expected if interest rates fall. Due in part to these factors, our future investment income may fall short of expectation due to changes in interest rates or we may suffer losses in principal if we are forced to sell securities that decline in market value due to changes in interest rates.

A hypothetical 100 basis point increase in interest rates would have resulted in a decrease of \$10.6 million in the market value of our cash equivalents and marketable securities as of March 31, 2022. A hypothetical 100 basis point increase in interest rates did not have a material impact on the market value of our cash equivalents and marketable securities as of March 31, 2021. Fluctuations in the value of our investments caused by a change in interest rates are recorded in other comprehensive income and are realized only if we sell the underlying securities.

Impact of Inflation

We do not believe that inflation has had a material effect on our business, results of operations, or financial condition. Nonetheless, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs. Our inability or failure to do so could harm our business, financial condition, and results of operations.

DOXIMITY, INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Item 8. Financial Statements and Supplementary Data

	Page(s)
<u>Report of Independent Registered Public Accounting Firm (PCAOB ID 34)</u>	<u>59</u>
<u>Consolidated Balance Sheets</u>	<u>60</u>
<u>Consolidated Statements of Operations</u>	<u>61</u>
<u>Consolidated Statements of Comprehensive Income</u>	<u>62</u>
<u>Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)</u>	<u>63</u>
<u>Consolidated Statements of Cash Flows</u>	<u>65</u>
<u>Notes to Consolidated Financial Statements</u>	<u>67</u>

To the Stockholders and the Board of Directors of Doximity, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Doximity, Inc. and subsidiaries (the "Company") as of March 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income, redeemable convertible preferred stock and stockholders' equity (deficit), and cash flows, for each of the three years in the period ended March 31, 2022, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2022, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (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 financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Deloitte & Touche LLP

San Francisco, California

May 27, 2022

We have served as the Company's auditor since 2015.

DOXIMITY, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)

	As of March 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 112,809	\$ 66,393
Marketable securities	685,304	76,141
Accounts receivable, net of allowance for doubtful accounts of \$359 and \$955 as of March 31, 2022 and 2021, respectively	81,073	50,319
Prepaid expenses and other current assets	19,439	10,692
Deferred contract costs, current	5,512	5,856
Total current assets	904,137	209,401
Property and equipment, net	8,488	7,598
Deferred income tax assets	48,558	2,112
Operating lease right-of-use assets	1,087	1,339
Intangible assets, net	7,909	9,596
Goodwill	18,915	18,915
Other assets	2,263	2,758
Total assets	<u>\$ 991,357</u>	<u>\$ 251,719</u>
Liabilities, Redeemable Convertible Preferred Stock, and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 463	\$ 1,515
Accrued expenses and other current liabilities	25,270	16,285
Deferred revenue, current	84,907	83,272
Operating lease liabilities, current	642	970
Total current liabilities	111,282	102,042
Deferred revenue, non-current	78	220
Operating lease liabilities, non-current	447	284
Other liabilities, non-current	956	972
Total liabilities	<u>112,763</u>	<u>103,518</u>
Commitments and contingencies (Note 13)		
Redeemable Convertible Preferred Stock		
Redeemable convertible preferred stock, \$0.001 par value; zero and 76,350 shares authorized as of March 31, 2022 and 2021, respectively; zero and 76,287 shares issued and outstanding as of March 31, 2022 and 2021, respectively; liquidation preference of zero and \$81,672 as of March 31, 2022 and 2021, respectively	—	81,458
Stockholders' Equity		
Preferred stock, \$0.001 par value; 100,000 and zero shares authorized as of March 31, 2022 and 2021, respectively; zero shares issued and outstanding as of March 31, 2022 and 2021, respectively	—	—
Class A and Class B common stock, \$0.001 par value; 1,500,000 and 198,000 shares authorized as of March 31, 2022 and 2021, respectively; 192,398 and 82,910 shares issued and outstanding as of March 31, 2022 and 2021, respectively	192	83
Additional paid-in capital	702,589	30,357
Accumulated other comprehensive loss	(15,294)	(21)
Retained earnings	191,107	36,324
Total stockholders' equity	878,594	66,743
Total liabilities, redeemable convertible preferred stock, and stockholders' equity	<u>\$ 991,357</u>	<u>\$ 251,719</u>

The accompanying notes are an integral part of these consolidated financial statements.

DOXIMITY, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Fiscal Year Ended March 31,		
	2022	2021	2020
Revenue	\$ 343,548	\$ 206,897	\$ 116,388
Cost of revenue	39,787	31,196	14,900
Gross profit	303,761	175,701	101,488
Operating expenses:			
Research and development	62,350	43,873	32,435
Sales and marketing	92,129	62,033	39,448
General and administrative	35,746	16,492	7,442
Total operating expenses	190,225	122,398	79,325
Income from operations	113,536	53,303	22,163
Other income, net	469	4,466	1,351
Income before income taxes	114,005	57,769	23,514
Provision for (benefit from) income taxes	(40,778)	7,559	(6,223)
Net income	\$ 154,783	\$ 50,210	\$ 29,737
Undistributed earnings attributable to participating securities	(21,526)	(28,654)	(18,908)
Net income attributable to Class A and Class B common stockholders, basic and diluted	\$ 133,257	\$ 21,556	\$ 10,829
Net income per share attributable to Class A and Class B common stockholders:			
Basic	\$ 0.82	\$ 0.29	\$ 0.16
Diluted	\$ 0.70	\$ 0.23	\$ 0.13
Weighted-average shares used in computing net income per share attributable to Class A and Class B common stockholders:			
Basic	163,484	74,342	66,758
Diluted	191,017	95,134	81,710

The accompanying notes are an integral part of these consolidated financial statements.

DOXIMITY, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)

	Fiscal Year Ended March 31,		
	2022	2021	2020
Net income	\$ 154,783	\$ 50,210	\$ 29,737
Other comprehensive loss			
Change in unrealized loss on available-for-sale-securities, net of tax of \$5,199, \$0, and \$0, respectively	(15,273)	(21)	—
Total other comprehensive loss	(15,273)	(21)	—
Comprehensive income	\$ 139,510	\$ 50,189	\$ 29,737

The accompanying notes are an integral part of these consolidated financial statements.

DOXIMITY, INC.
CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)
(in thousands)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance as of March 31, 2019	76,249	\$ 81,433	65,526	\$ 65	\$ 10,623	\$ —	\$ (43,623)	\$ (32,935)
Stock-based compensation	—	—	—	—	2,537	—	—	2,537
Exercise of stock options	—	—	3,040	3	1,691	—	—	1,694
Common stock warrant expense	—	—	—	—	57	—	—	57
Exercise of Series B redeemable convertible preferred stock warrants	38	25	—	—	46	—	—	46
Net income	—	—	—	—	—	—	29,737	29,737
Balance as of March 31, 2020	76,287	\$ 81,458	68,566	\$ 68	\$ 14,954	\$ —	\$ (13,886)	\$ 1,136
Stock-based compensation	—	—	—	—	7,398	—	—	7,398
Exercise of stock options	—	—	13,890	14	8,883	—	—	8,897
Issuance of common stock in exchange for services	—	—	22	—	34	—	—	34
Repurchase and retirement of common stock	—	—	(258)	—	(2,022)	—	—	(2,022)
Common stock warrant expense	—	—	—	—	49	—	—	49
Other comprehensive loss	—	—	—	—	—	(21)	—	(21)
Issuance of common stock in connection with an acquisition	—	—	690	1	1,061	—	—	1,062
Net income	—	—	—	—	—	—	50,210	50,210
Balance as of March 31, 2021	76,287	\$ 81,458	82,910	\$ 83	\$ 30,357	\$ (21)	\$ 36,324	\$ 66,743

DOXIMITY, INC.
CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY (DEFICIT)
(Continued)
(in thousands)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount				
Balance as of March 31, 2021	76,287	\$ 81,458	82,910	\$ 83	\$ 30,357	\$ (21)	\$ 36,324	\$ 66,743
Stock-based compensation	—	—	—	—	29,341	—	—	29,341
Exercise of stock options	—	—	10,823	11	12,601	—	—	12,612
Vesting of restricted stock units	—	—	24	—	—	—	—	—
Tax withholding on shares under stock-based compensation awards	—	—	—	—	(817)	—	—	(817)
Repurchase and retirement of common stock	—	—	(181)	—	(2,698)	—	—	(2,698)
Common stock warrant expense	—	—	—	—	2,598	—	—	2,598
Other comprehensive loss	—	—	—	—	—	(15,273)	—	(15,273)
Conversion of redeemable convertible preferred stock upon initial public offering	(76,287)	(81,458)	76,287	76	81,382	—	—	81,458
Issuance of common stock upon initial public offering, net of underwriting discounts and commissions and deferred offering costs	—	—	22,506	22	548,430	—	—	548,452
Issuance of common stock in connection with the employee stock purchase plan	—	—	29	—	1,395	—	—	1,395
Net income	—	—	—	—	—	—	154,783	154,783
Balance as of March 31, 2022	—	\$ —	192,398	\$ 192	\$ 702,589	\$ (15,294)	\$ 191,107	\$ 878,594

The accompanying notes are an integral part of these consolidated financial statements.

DOXIMITY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Fiscal Year Ended March 31,		
	2022	2021	2020
Cash flows from operating activities			
Net income	\$ 154,783	\$ 50,210	\$ 29,737
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	5,040	3,702	900
Deferred income taxes	(41,247)	4,987	(7,099)
Stock-based compensation, net of amounts capitalized	31,442	7,252	2,353
Non-cash lease expense	1,159	2,433	2,000
Amortization of premium (accretion of discount) on marketable securities, net	4,332	197	(441)
Loss on sale of marketable securities	1,231	—	—
Amortization of deferred contract costs	9,755	6,883	5,070
Gain on sale of business	—	(4,698)	—
Other	410	403	(52)
Changes in operating assets and liabilities, net of effect of acquisition:			
Accounts receivable	(31,017)	(20,452)	(12,036)
Prepaid expenses and other assets	(9,089)	(1,833)	(3,040)
Deferred contract costs	(9,609)	(9,384)	(5,674)
Accounts payable, accrued expenses and other liabilities	8,664	7,285	5,056
Deferred revenue	1,828	38,571	13,318
Operating lease liabilities	(1,107)	(2,583)	(3,893)
Net cash provided by operating activities	<u>126,575</u>	<u>82,973</u>	<u>26,199</u>
Cash flows from investing activities			
Purchases of property and equipment	(1,912)	(245)	(285)
Internal-use software development costs	(3,785)	(4,365)	(3,959)
Purchases of marketable securities	(1,317,193)	(78,880)	(79,107)
Maturities of marketable securities	47,919	40,537	70,256
Sales of marketable securities	633,802	—	—
Cash paid for acquisition, net of cash acquired	—	(31,682)	—
Proceeds from sale of business	—	4,230	—
Other	595	(12)	—
Net cash used in investing activities	<u>(640,574)</u>	<u>(70,417)</u>	<u>(13,095)</u>
Cash flows from financing activities			
Proceeds from issuance of common stock upon initial public offering after deducting underwriting discounts and commissions	553,905	—	—
Proceeds from issuance of common stock upon exercise of stock options	12,612	8,897	1,694
Proceeds from issuance of common stock in connection with the employee stock purchase plan	1,395	—	—
Taxes paid related to net share settlement of equity awards	(817)	—	—
Repurchase of common stock	(2,698)	(2,022)	—
Payments for deferred offering costs	(3,982)	(1,468)	—
Proceeds from exercise of redeemable convertible preferred stock warrants	—	—	25
Net cash provided by financing activities	<u>560,415</u>	<u>5,407</u>	<u>1,719</u>
Net increase in cash and cash equivalents	46,416	17,963	14,823
Cash and cash equivalents, beginning of period	66,393	48,430	33,607
Cash and cash equivalents, end of period	<u>\$ 112,809</u>	<u>\$ 66,393</u>	<u>\$ 48,430</u>

DOXIMITY, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(in thousands)

Supplemental disclosures of cash flow information			
Cash paid for taxes	\$ 206	\$ 5,972	\$ 1,237
Non-cash financing and investing activities			
Conversion of redeemable convertible preferred stock to common stock	\$ 81,458	\$ —	\$ —
Unpaid deferred offering costs	\$ —	\$ 782	\$ —
Common stock issued in acquisition	\$ —	\$ 1,062	\$ —
Capitalized stock-based compensation for internal-use software development costs	\$ 497	\$ 195	\$ 184
Amounts held in escrow related to sale of business	\$ —	\$ 470	\$ —
Operating lease right-of-use assets obtained in exchange for modified operating lease liabilities	\$ 1,151	\$ —	\$ —

The accompanying notes are an integral part of these consolidated financial statements.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS

Description of Business

Doximity, Inc. (the “Company”) was incorporated in the state of Delaware in April 2010 as 3MD Communications, Inc. and is headquartered in San Francisco, California. The Company subsequently changed its name to Doximity, Inc. in June 2010. The Company provides an online platform, which enables physicians and other healthcare professionals to collaborate with their colleagues, securely coordinate patient care, stay up to date with the latest medical news and research, and manage their careers. The Company’s customers primarily include pharmaceutical companies and health systems that connect with healthcare professionals through the Company’s digital Marketing and Hiring Solutions. Marketing Solutions provide customers with the ability to share tailored content on the network. Hiring Solutions enable customers to identify, connect with, and hire from the network of both active and passive potential physician candidates.

Initial Public Offering

In June 2021, the Company completed its initial public offering, or IPO, in which the Company issued and sold 22,505,750 shares of its Class A common stock at \$26.00 per share, including 3,495,000 shares issued upon the exercise of the underwriters’ option to purchase additional shares. The Company received proceeds of \$548.5 million after deducting underwriting discounts and commissions as well as deferred offering costs. In connection with the IPO, all 76,286,618 shares of the Company’s outstanding redeemable convertible preferred stock automatically converted into an equivalent number of shares of Class B common stock on a one-to-one basis.

Deferred offering costs, which consist of direct incremental legal, consulting, banking, and accounting fees relating to the Company’s planned initial public offering, were capitalized. Upon the consummation of the IPO, the \$5.5 million of deferred offering costs were offset against proceeds.

Stock Split

On June 8, 2021, the Company’s board of directors and stockholders approved an amendment to the Company’s amended and restated certificate of incorporation effecting a 2-for-1 forward split of the Company’s issued and outstanding stock, including outstanding stock-based instruments and redeemable convertible preferred stock. The par value of the common and redeemable convertible preferred stock was not adjusted as a result of the stock split. As such, the Company has reclassified amounts from additional paid-in capital to common stock. All issued and outstanding shares of common stock, stock-based instruments, redeemable convertible preferred stock, and per-share amounts included in the accompanying consolidated financial statements have been adjusted to reflect this stock split for all periods presented.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, or U.S. GAAP.

The accompanying consolidated financial statements include the accounts of the Company and its consolidated subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. Certain prior year amounts were reclassified, as applicable, to conform to the current year presentation.

Fiscal Year

The Company’s fiscal year ends on March 31st. Unless otherwise noted, all references to a particular year shall mean the Company’s fiscal year.

Use of Estimates

The preparation of the Company’s consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts stated in the consolidated financial statements and accompanying notes. These judgments, estimates, and assumptions are used for, but not limited to, revenue recognition, the fair values of acquired intangible assets and goodwill, the useful lives of long-lived assets, the valuation of the Company’s common stock and stock-based awards, and deferred income taxes. The Company bases its estimates on historical experience and also on assumptions that management considers reasonable. The Company assesses these estimates on a regular basis; however, actual

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

results could differ from these estimates due to risks and uncertainties, including uncertainty in the current economic environment due to the potential long-term impact and duration of the ongoing COVID-19 pandemic.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, marketable securities, and accounts receivable. The primary focus of the Company's investment strategy is to preserve capital and meet liquidity requirements. The Company's investment policy addresses the level of credit exposure by limiting the concentration in any one corporate issuer or sector and establishing a minimum allowable credit rating. To manage risk exposure, the Company invests cash equivalents and marketable securities in a variety of fixed income securities, including government and investment-grade debt securities and money market funds. The Company places its cash primarily in checking and money market accounts with reputable financial institutions. Deposits held with these financial institutions may exceed the amount of insurance provided on such deposits, if any.

Concentrations of credit risk with respect to accounts receivable are primarily limited to certain customers to which the Company makes substantial sales. The Company's significant customers that represented 10% or more of revenue or accounts receivable, net for the periods presented were as follows:

	Revenue			Accounts Receivable, Net	
	Fiscal Year Ended March 31,			As of March 31,	
	2022	2021	2020	2022	2021
Customer A	*	12 %	12 %	21 %	25 %

* Less than 10%

For the purpose of assessing concentration of credit risk for significant customers, the Company defines a customer as an entity that purchases the Company's services directly or indirectly through marketing agencies. The majority of marketing agencies have a pass-through arrangement for collection purposes, except one marketing agency which accounted for 17% and 18% of accounts receivable, net as of March 31, 2022 and 2021, respectively.

Revenue Recognition

The Company's revenue is primarily derived from the sale of subscriptions for the following solutions:

- *Marketing Solutions:* Hosting of customer-sponsored content on the Doximity platform and providing access to the Company's professional database of healthcare professionals for referral or marketing purposes during the subscription period.
- *Hiring Solutions:* Providing customers access to the Company's professional tools where recruiters can access the Company's database of healthcare professionals, allowing customers to send messages for talent sourcing and to share job postings during the subscription period.

The Company determines revenue recognition in accordance with ASC 606, *Revenue from Contracts with Customers*, through the following five steps:

1) Identify the contract with a customer

The Company considers the terms and conditions of its contracts and the Company's customary business practices in identifying its contracts under ASC 606. The Company determines it has a contract with a customer when the contract has been approved by both parties, it can identify each party's rights regarding the services to be transferred and the payment terms for the services, it has determined the customer to have the ability and intent to pay, and the contract has commercial substance. At contract inception, the Company evaluates whether two or more contracts should be combined and accounted for as a single contract. The Company applies judgment in determining the customer's ability and intent to pay, which is based on a variety of factors, including the customer's payment history or, in the case of a new customer, credit and financial information pertaining to the customer.

Contractual terms for Marketing Solutions contracts are generally 12 months or less. The contractual term for Hiring Solutions contracts is typically 12 months. Customers are generally billed for a portion of the contract upon contract execution and then billed throughout the remainder of the contract based on various time-based milestones. Certain Marketing Solutions

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

contracts are cancellable with a 30-day notice period. The Company is not required to refund any prepayment fees invoiced and customers are responsible for prorated amounts to cover services that were provided but payment was not made. Contracts related to Hiring Solutions are noncancellable and customers are billed in annual, quarterly, or monthly installments in advance of the service period.

2) Identify the performance obligations in the contract

Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract.

Marketing Solutions customers may purchase a subscription for a specific module to be used over a defined period of time. These customers may purchase more than one module with either the same or different subscription periods. Modules are the core building blocks of the Company's customers' marketing plan and can be broadly categorized as Awareness, Interactivity, and Peer. As an example, the Company's Awareness modules may include:

- A sponsored article, including a headline that appears in the targeted member's newsfeed.
- Short, animated videos that are presented in targeted members' newsfeeds.
- Short-form content that is presented within the targeted members' newsfeeds.

Each module targets a consistent number of Doximity members per month for the duration of the subscription period. The Company treats each subscription to a specific module as a distinct performance obligation because each module is capable of being distinct as the customer can benefit from the subscription to each module on their own and each subscription can be sold standalone. Furthermore, the subscriptions to individual modules are distinct in the context of the contract as (1) the Company is not integrating the services with other services promised in the contract into a bundle of services that represent a combined output, (2) the subscriptions to specific modules do not significantly modify or customize the subscription to another module, and (3) the specific modules are not highly interdependent or highly interrelated. The subscription to each module is treated as a series of distinct performance obligations because it is distinct and substantially the same, satisfied over time, and has the same measure of progress.

Marketing Solutions customers may also purchase integrated subscriptions for a fixed subscription fee that are not tied to a single module but allow customers to utilize any combination of modules during the subscription period subject to limits on the total number of modules launched in a given period of time, active at any given time, and members targeted. These represent stand-ready obligations in that the delivery of the underlying sponsored content is within the control of the customer and the extent of use in any given period does not diminish the remaining services.

Some customers have negotiated to receive credits to purchase additional services at no extra cost if certain metrics have not been achieved. These credits are accounted for as material rights.

Subscriptions to Hiring Solutions provide customers access to the platform to place targeted job postings and send a fixed number of monthly messages. Each subscription is treated as a series of distinct performance obligations that are satisfied over time.

3) Determine the transaction price

The transaction price is determined based on the consideration the Company expects to be entitled to in exchange for transferring services to the customer. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue recognized under the contract will not occur.

The Company may generate sales through the use of third-party media agencies that are authorized to enter into contracts on behalf of an end customer. The Company acts as the principal in these transactions since it maintains control prior to transferring the service to the customer and is primarily responsible for the fulfillment that occurs through the Company's platform. The Company records revenue for the amount to which it is entitled from the third-party media agencies as the Company does not know and expects not to know the price charged by the third-party media agencies to its customers.

Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental entities.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

4) *Allocate the transaction price to performance obligations in the contract*

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative stand-alone selling price, or SSP. The determination of a SSP for each distinct performance obligation requires judgment. The Company determines SSP for performance obligations based on overall pricing objectives, which take into consideration market conditions and customer-specific factors, including a review of internal discounting tables, the type of services being sold, and other factors. The estimate of standalone selling price is based on historical sales of standalone services. The Company estimates standalone selling price for arrangements where standalone sales do not provide sufficient evidence of standalone selling price. The Company believes the use of its estimation approach and allocation of the transaction price on a relative SSP basis to each performance obligation results in revenue recognition in a manner consistent with the underlying economics of the transaction and the allocation principle included in ASC 606.

5) *Recognize revenue when or as the Company satisfies a performance obligation*

Revenue is recognized when or as control of the promised goods or service is transferred to the customer, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. Subscriptions represent a series of distinct goods or services because the performance obligations are satisfied over time as customers simultaneously receive and consume the benefits related to the services as the Company performs. In the case of module specific subscriptions, a consistent level of service is provided during each monthly period the sponsored content is available on the Company's platform. The Company commences revenue recognition when the first content is launched on the platform for the initial monthly period and revenue is recognized over time as each subsequent content period is delivered. The Company's obligation for its integrated subscriptions is to stand-ready throughout the subscription period; therefore, the Company considers an output method of time to measure progress towards satisfaction of its obligations with revenue commencing upon the beginning of the subscription period.

The Company treats Hiring Solutions subscriptions as a single performance obligation that represents a series of distinct performance obligations that is satisfied over time. Revenue recognition commences when the customer receives access to the services.

Other revenue consists of fees earned from the temporary staffing and permanent placement of healthcare professionals. Revenue is recognized when control of these services is transferred to the Company's customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services.

Contract Balances

Timing of revenue recognition may differ from the timing of invoicing to customers. A majority of customers are invoiced throughout the contract while others are billed upfront. Marketing Solutions customers are generally billed for a portion of the contract upon contract execution and then billed throughout the remainder of the contract based on various time-based milestones, starting when the tailored content is first shared on the Doximity platform. The Company's contracts do not contain significant financing components.

The Company records unbilled revenue when revenue is recognized in amounts for which it is contractually entitled but exceeds the amounts the Company has a right to bill as of the end of the period. The Company records unbilled revenue on the consolidated balance sheets within prepaid expenses and other current assets.

Deferred revenue consists of noncancelable customer billings or payments received in advance of revenue recognition. Deferred revenue balances are generally expected to be recognized within 12 months. Since the majority of the Company's contracts have a duration of one year or less, the Company has elected not to disclose remaining performance obligations in accordance with the optional exemption in ASC 606. Remaining performance obligations for contracts with an original duration greater than one year are not material.

Deferred Contract Costs

The Company capitalizes sales commissions that are considered to be incremental and recoverable costs of obtaining a contract with a customer.

Sales compensation earned for the renewal of Marketing Solutions contracts are commensurate with commissions earned for a new or expansion Marketing Solutions contract, whereas commissions for the renewal of Hiring Solutions subscription contracts are earned at a lower rate than for new and expansion Hiring Solutions subscription contracts.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Deferred compensation for Marketing Solutions contracts and Hiring Solutions renewal contracts is amortized over the weighted-average contractual term, ranging from 7 months to 13 months. Deferred compensation tied to new and expansion contracts for Hiring Solutions is amortized on a straight-line basis over the expected period of benefit of 4 years, which is determined by the nature of the Company's technology and services, the rate at which the Company continually enhances and updates its technology, and its historical customer retention. Deferred compensation is recorded as deferred contract costs on the consolidated balance sheets. Amortized costs are included in cost of revenues and sales and marketing expense in the consolidated statements of operations. Amounts expected to be recognized within one year of the balance sheet date are recorded as deferred contract costs, current, and the remaining portion is recorded as other assets on the consolidated balance sheets. Certain sales commissions that are not considered incremental costs are expensed in the same period as they are earned.

Fair Value of Financial Instruments

Available-for-sale debt securities are recorded at fair value on the consolidated balance sheets. The carrying value of cash equivalents, accounts receivable, accounts payable, and accrued expenses and other current liabilities approximate their respective fair values due to their short maturities.

Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The Company uses a three-tier hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1—Inputs that are unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2—Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities and which reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Cash and Cash Equivalents and Marketable Securities

The Company considers all highly liquid investments with maturities of three months or less at the time of acquisition to be cash equivalents.

The Company's marketable securities portfolio includes only debt securities. Marketable debt securities that the Company may sell prior to maturity in response to changes in the Company's investment strategy, liquidity needs, or for other reasons are classified as available-for-sale. The Company's portfolio as of March 31, 2022 and 2021 includes only available-for-sale securities. Available-for-sale securities are stated at fair value as of each balance sheet date. Unrealized gains and losses for available-for-sale securities are included in accumulated other comprehensive income, a component of stockholders' equity on the consolidated balance sheets. The Company's marketable securities are available for use in current operations, even if the security matures beyond 12 months. The Company classifies its marketable securities as current assets on the consolidated balance sheets.

Periodically, the Company assesses the available-for-sale securities for impairment. An investment is impaired if the fair value of the investment is less than its amortized cost basis. The amortized cost of an investment will be written down to the fair value when the Company determines (i) it is more likely than not that management will be required to sell the impaired security before recovery of its amortized basis or (ii) management has the intention to sell the security. If neither of these conditions are met, the Company must determine whether the impairment is due to credit losses. A credit loss exists if the amortized cost basis of the security exceeds the present value of cash flows expected to be collected. All credit losses are recorded to other income, net and any remaining unrealized losses are recorded to other comprehensive loss. If the Company has the intent to sell an available-for-sale security in an unrealized loss position or it is more likely than not that it will be required to sell the security prior to recovery of its amortized cost basis, any previously recorded allowance is reversed and the entire difference between the amortized cost basis of the security and its fair value is recognized in other income, net in the consolidated statements of operations.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company determines any realized gains or losses on the sale of marketable securities on a specific identification method and records them to other income, net. Amortization of premiums and accretion of discounts are recorded to other income, net.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded and carried at the original invoiced amount less an allowance for any potential uncollectible amounts. The Company estimates its allowance for doubtful accounts by evaluating the Company's ability to collect outstanding receivable balances. The Company considers various factors, including the age of the balance, the creditworthiness of the customer, which is assessed based on ongoing credit evaluations and payment history, and the customer's current financial condition. The Company had no material bad debt write offs for the years ending March 31, 2022, 2021, and 2020.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation and amortization expense is recorded on a straight-line basis over the estimated useful lives of the assets. The estimated useful life of each asset category is as follows:

Furniture and equipment	3-5 years
Computers and software	3 years
Internal-use software development costs	3 years
Leasehold improvements	Shorter of useful life or remaining lease term

When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are written off, and any resulting gain or loss is recorded in the consolidated statement of operations in the period realized. Maintenance and repairs are expensed as incurred.

Internal-Use Software Development Costs

The Company capitalizes certain costs to develop its website, mobile applications and internal-use software when preliminary planning efforts are successfully completed, management has committed project resourcing, and it is probable that the project will be completed. Costs incurred prior to meeting these criteria, as well as costs incurred for training, maintenance, and minor modifications or enhancements, are expensed as incurred. Capitalized costs include personnel and related expenses for employees and costs of third-party contractors who are directly associated with and who devote time to internal-use software projects. Capitalization of these costs ceases once the project is substantially complete and the software is ready for its intended use.

Capitalized costs are included in property and equipment, net on the consolidated balance sheets and are amortized to cost of revenue over their estimated useful life.

Business Combinations

To determine whether a transaction is accounted for as an asset acquisition or business combination, the Company applies a screen test to evaluate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. When the Company acquires a business, the purchase consideration is allocated to the tangible and intangible assets acquired and liabilities assumed at their estimated fair values on the acquisition date. The excess of the fair value of purchase consideration over the values of these identifiable assets and liabilities is recorded as goodwill. When determining the fair value of assets acquired and liabilities assumed, management makes significant estimates and assumptions, particularly with respect to the valuation of intangible assets. Acquisition costs, such as legal and consulting fees, are expensed as incurred.

Goodwill, Intangible Assets, and Long-Lived Assets

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired in a business combination. Goodwill is not amortized, but is tested for impairment at least annually or more frequently if events or changes in circumstances indicate that the asset may be impaired. The Company has one reporting unit and evaluates goodwill for impairment at the entity level. If the carrying value of the reporting unit exceeds its fair value, an impairment charge is

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

recognized for the excess of the carrying value of the reporting unit over its fair value, limited to the amount of goodwill allocated to the reporting unit. The Company performs its annual impairment test of goodwill in its fourth fiscal quarter and whenever events or circumstances indicate that the asset might be impaired.

The intangible assets are stated at cost less accumulated amortization and are amortized on a straight-line basis over their estimated remaining economic lives. Amortization expense related to intangible assets is included in sales and marketing expense.

Management evaluates the recoverability of the Company's property and equipment and intangible assets when events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets held and used is measured by comparison of the carrying amount of an asset or an asset group to the estimated undiscounted future net cash flows expected to be generated by the asset or asset group. If the carrying value exceeds the estimated undiscounted future cash flows, an impairment loss is recognized for the amount by which the carrying amount exceeds the fair value for the asset or asset group.

Stock-Based Compensation

The Company measures compensation expense for all stock-based awards based on the estimated fair value of the awards on the date of grant. Stock-based awards include stock options with service-based, performance-based and market-based vesting conditions, restricted stock units, or RSUs, performance-based restricted stock units, or PSUs, and warrants granted to employees, directors, and non-employees, as well as stock purchase rights granted to employees under the 2021 Employee Stock Purchase Plan, or ESPP. For awards that vest based on continued service, stock-based compensation, net of estimated forfeitures, is recognized on a straight-line basis over the requisite service period. For awards with performance-based vesting conditions, stock-based compensation expense, net of estimated forfeitures, is recognized using an accelerated attribution method from the time it is deemed probable that the vesting condition will be met through the time the service-based vesting condition has been achieved. The Company reassesses the probability of achieving the performance condition at each reporting date. For awards with market-based vesting conditions, stock-based compensation expense, net of estimated forfeitures, is recognized on an accelerated attribution basis over the requisite service period, even if the market condition is not satisfied. Forfeitures are estimated based upon the Company's historical experience and the Company revises its estimates, if necessary, in subsequent periods if actual forfeitures differ from initial estimates.

The fair value of each RSU and PSU is based on the fair value of the Company's common stock on the date of grant.

The grant-date fair value of warrants, stock purchase rights granted to employees under the ESPP, and stock options with service-based or performance-based vesting conditions is estimated using the Black-Scholes pricing model. The grant-date fair value of stock options with market-based vesting conditions is estimated using the Monte Carlo simulation model. The determination of the grant-date fair value using an option-pricing model is affected by the fair value of the Company's common stock and assumptions regarding a number of other complex and subjective variables. These assumptions include the expected term of the award, the expected stock price volatility over the expected term of the award, the risk-free interest rate for the expected term of the award, and expected dividends. The assumptions used in the Black-Scholes models are determined as follows:

Risk-Free Interest Rate—The risk-free interest rate is based on the implied yield available on U.S. Treasury zero-coupon issues with an equivalent expected term of the options for each option group.

Expected Volatility—Prior to the IPO when there was no public market for the Company's common stock, the expected volatility was determined using the historical volatilities of several publicly listed peer companies over a period equivalent to the expected term of the awards. The Company has not issued any stock options subsequent to the IPO. After the IPO, for the Company's ESPP, the expected volatility was determined using the historical stock volatilities of the common stock of the Company over a period equivalent to the duration of the offering period.

Expected Term—The expected term represents the period that the Company's stock-based awards are expected to be outstanding. For stock options granted to employees prior to the completion of the IPO, the Company estimated the expected term using the simplified method as the Company's historical share option exercise experience did not provide a reasonable basis upon which to estimate the expected term. The simplified method uses the average of the vesting period and contractual term. For stock options granted to non-employees prior to the completion of the IPO, the Company used the contractual term as the expected term. The Company has not issued any stock options subsequent to the IPO. For stock purchase rights granted to employees under the ESPP, the expected term is equivalent to the offering period.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Expected Dividend Yield—The Company has not historically issued dividends and does not currently expect to issue a dividend in the future.

Fair Value Per Share of the Company's Common Stock—Because the Company's common stock was not publicly traded until the completion of the IPO, the Company's board of directors considered numerous objective and subjective factors to determine the fair value of the Company's common stock at each meeting during which awards were approved. These factors included, but were not limited to (i) contemporaneous third-party valuations of common stock; (ii) the rights and preferences of the Company's preferred stock relative to common stock; (iii) the lack of marketability of common stock; (iv) developments in the business; and (v) the likelihood of achieving a liquidity event, such as an IPO or sale of the Company, given prevailing market conditions.

Leases

The Company determines if a contract is or contains a lease at inception. All of the Company's leases are operating leases. Operating lease right-of-use assets and lease liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term, discounted using the Company's incremental borrowing rate. As none of the Company's leases provide an implicit rate, the incremental borrowing rate used is estimated based on what the Company would be required to pay for a collateralized loan over a similar term as the lease. The Company amortizes the present value of each right-of-use asset on a straight-line basis over its remaining lease term. Leases are included in operating lease right-of-use assets, operating lease liabilities, current, and operating lease liabilities, non-current on the consolidated balance sheets.

Options to extend or terminate a lease are included in the lease term when it is reasonably certain that such options will be exercised.

Our lease agreements may contain variable costs such as common area maintenance, insurance, property tax, and other operating costs. Variable lease costs are expensed as incurred in the consolidated statements of operations. The Company does not separate non-lease components from lease components for its facility asset portfolio.

The Company does not recognize right-of-use assets and lease liabilities for short-term leases, which have a lease term of 12 months or less. Lease cost for short-term leases is recognized on a straight-line basis over the lease term.

Net Income Per Share Attributable to Common Stockholders

Basic and diluted net income per share attributable to common stockholders is presented in conformity with the two-class method required for participating securities. Holders of redeemable convertible preferred stock are each entitled to receive noncumulative dividends out of any funds legally available, when and if declared by the Company's board of directors, payable prior and in preference to any dividends on any shares of common stock based on the proportion of common stock that would be held if all shares of redeemable convertible preferred stock were converted at the then-effective conversion rate.

Redeemable convertible preferred stock is therefore considered a participating security and is included in the computation of earnings per share under the two-class method. Holders of redeemable convertible preferred stock do not have a contractual obligation to share in the Company's losses.

Under the two-class method, net income attributable to common stockholders is determined by allocating undistributed earnings, calculated as net income, less (i) current period redeemable convertible preferred stock noncumulative dividends and (ii) earnings attributable to participating securities.

Basic net income per share attributable to common stockholders is computed by dividing the net income attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period.

Diluted net income per share attributable to common stockholders is computed by dividing net income attributable to common stockholders by the weighted-average number of common shares outstanding and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities include stock options, RSUs, PSUs, ESPP, redeemable convertible preferred stock, redeemable convertible preferred stock warrants, and common stock warrants.

The rights, including the liquidation and dividend rights, of the holders of Class A and Class B common stock are identical, except with respect to voting, converting, and transfer rights. As the liquidation and dividend rights are identical, the undistributed earnings are allocated on a proportionate basis to each class of common stock and the resulting basic and diluted

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

net loss per share attributable to common stockholders are, therefore, the same for both Class A and Class B common stock on both an individual and combined basis.

Income Taxes

Deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred income tax assets and liabilities are measured using enacted tax rates for the year in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the consolidated statements of operations in the period that includes the enactment date. A valuation allowance is recorded when it is more likely than not that some of the deferred tax assets will not be realized.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized. The Company's policy is to classify interest and penalties associated with uncertain tax positions, if any, as a component of its provision for (benefit from) income taxes.

Legal Contingencies

The Company may be subject to claims and other legal matters from time to time. The Company records a liability when it believes that it is both probable that a loss has been incurred and the amount can be reasonably estimated. When the Company believes that a loss is reasonably possible, it will disclose an estimate of the possible loss or range of loss. The Company expects to periodically evaluate developments in the legal matters that could affect the amount of liability that the Company accrues, if any, and adjust as appropriate. Until the final resolution of any such matter for which the Company may record a liability, there may be a loss exposure in excess of the liability recorded and such amount could be significant. Legal fees are expensed as incurred, other than amounts capitalized as deferred offering costs, as discussed above.

Cost of Revenue

Cost of revenue consists primarily of expenses related to cloud hosting, personnel-related expenses for the Company's customer success team, costs for third-party platform access, software services and contractors, and other services used in connection with delivery and support of the Company's platform. Cost of revenue also includes the amortization of internal-use software development costs, editorial and other content-related expenses, and allocated overhead.

Research and Development

Research and development expense is primarily comprised of personnel-related expenses associated with the Company's engineering and product teams who are responsible for building new products and improving existing products. Research and development expense also includes costs for third-party services and contractors, information technology and software-related costs, and allocated overhead. Other than internal-use software development costs that qualify for capitalization, research and development costs are expensed as incurred.

Advertising Expenses

Advertising costs are expensed as incurred and are included in sales and marketing expense in the consolidated statements of operations. Advertising expense was \$2.8 million, \$2.6 million, and \$2.0 million for the years ended March 31, 2022, 2021, and 2020, respectively.

Accounting Pronouncements Recently Adopted

In January 2017, the FASB issued ASU 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment*, to simplify how entities assess goodwill for impairment by eliminating Step 2 from the goodwill impairment test. As amended, the goodwill impairment test consists of one step comparing the fair value of a reporting unit with its carrying amount. An entity should recognize a goodwill impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value. This guidance is effective for the Company for its interim and annual period beginning April 1, 2023, and early adoption is permitted. The Company early adopted this new guidance effective April 1, 2021, using a prospective approach. The Company performed its annual impairment assessment in the fourth quarter of fiscal

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2022 under this new guidance. The adoption of this guidance did not have a material impact on the consolidated financial statements.

Accounting Pronouncements Not Yet Adopted

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, that simplifies the accounting for income taxes by removing certain exceptions to the general principles in such areas as intraperiod tax allocation, year-to-date losses in interim periods, and deferred tax liabilities related to outside basis differences. Amendments also include simplifications in other areas such as franchise taxes, step-up in tax basis goodwill, separate entity financial statements, and interim recognition of enactment of tax laws or rate changes. This guidance is effective for the Company for its fiscal year beginning April 1, 2022 and interim periods within its fiscal year beginning April 1, 2023. The Company expects the impact on the consolidated financial statements from the adoption of this standard to be immaterial.

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customer*, which requires contract assets and contract liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Topic 606, *Revenue from Contracts with Customers*, as if it had originated the contracts. Under the current business combinations guidance, such assets and liabilities are recognized by the acquirer at fair value on the acquisition date, which has historically resulted in a reduction to unearned revenue on the balance sheet on acquisition date, and therefore, a reduction to revenues subsequently recognized than otherwise would have been recorded as an independent entity. Adoption of this guidance will result in higher unearned revenue on the balance sheet on acquisition date and higher revenues subsequently recognized. This guidance is effective for the Company for its fiscal year beginning April 1, 2023 and interim periods within that fiscal year, and early adoption is permitted. The Company expects to adopt this guidance in the first quarter of fiscal 2023 and expects the adoption to impact the accounting of business combinations subsequent to the adoption date.

3. Revenue Recognition

Revenue Disaggregation

Revenue consisted of the following (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Subscription	\$ 319,298	\$ 192,256	\$ 116,388
Other	24,250	14,641	—
Total revenue	<u>\$ 343,548</u>	<u>\$ 206,897</u>	<u>\$ 116,388</u>

Contract Balances

Changes in the Company's deferred revenue balances were as follows (in thousands):

	As of March 31,	
	2022	2021
Beginning balance	\$ 83,492	\$ 44,586
Additions, net, during the period	345,041	245,803
Revenue recognized from the beginning balance	(82,534)	(43,054)
Revenue recognized from contracts invoiced during the period	(261,014)	(163,843)
Ending balance	<u>\$ 84,985</u>	<u>\$ 83,492</u>

The Company's unbilled revenue balances were \$1.4 million, \$0.7 million, and \$0.2 million as of March 31, 2022, 2021 and 2020, respectively.

Deferred Contract Costs

The Company capitalized \$9.6 million, \$9.4 million, and \$5.7 million of contract acquisition costs for the fiscal years ended March 31, 2022, 2021, and 2020, respectively. Amortization of deferred contract costs was \$9.8 million, \$6.9 million, and \$5.1 million for the fiscal years ended March 31, 2022, 2021, and 2020, respectively. Deferred contract costs are

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

periodically analyzed for impairment. There were no impairment losses relating to deferred contract costs during the fiscal years ended March 31, 2022, 2021, and 2020.

4. Investments

The cost, gross unrealized gains and losses, and fair value of investments are as follows (in thousands):

	As of March 31, 2022			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash equivalents:				
Commercial paper	\$ 2,686	\$ —	\$ —	\$ 2,686
Money market funds	20,072	—	—	20,072
Total cash equivalents	22,758	—	—	22,758
Marketable securities:				
Asset-backed securities	7,791	—	(51)	7,740
Commercial paper	9,436	—	(53)	9,383
Corporate notes and bonds	129,900	—	(1,796)	128,104
Sovereign bonds	8,770	—	(334)	8,436
U.S. government and agency securities	549,901	—	(18,260)	531,641
Total marketable securities	705,798	—	(20,494)	685,304
Total cash equivalents and marketable securities	\$ 728,556	\$ —	\$ (20,494)	\$ 708,062

As of March 31, 2022, the contractual maturities of the Company's available-for-sale debt securities were as follows (in thousands):

	Fair Value
Due within one year	\$ 157,948
Due in one year to three years	530,042
Total	\$ 687,990

The cost, gross unrealized gains and losses, and fair value of investments were as follows (in thousands):

	As of March 31, 2021			
	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash equivalents:				
Commercial paper	\$ 2,290	\$ —	\$ —	\$ 2,290
Corporate notes and bonds	3,517	—	(1)	3,516
Money market funds	9,838	—	—	9,838
Certificates of deposit	1,301	—	—	1,301
Total cash equivalents	16,946	—	(1)	16,945
Marketable securities:				
Asset-backed securities	3,264	—	(1)	3,263
Certificates of deposit	4,867	1	—	4,868
Commercial paper	16,411	1	—	16,412
Corporate notes and bonds	46,662	3	(24)	46,641
Sovereign bonds	1,100	—	(1)	1,099
U.S. government and agency securities	3,857	1	—	3,858
Total marketable securities	76,161	6	(26)	76,141
Total cash equivalents and marketable securities	\$ 93,107	\$ 6	\$ (27)	\$ 93,086

As of March 31, 2022 and 2021, the Company has recognized accrued interest of \$2.1 million and \$0.3 million, respectively, which is included in prepaid expenses and other current assets in the consolidated balance sheets.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The unrealized losses associated with the Company's debt securities were \$20.5 million as of March 31, 2022. As the Company does not intend to sell these securities and it is more likely than not that the Company will hold these securities until maturity or until the cost basis is recovered, the Company did not recognize any impairment on these securities as of March 31, 2022. The Company did not recognize any credit losses related to the Company's debt securities during the fiscal year ended March 31, 2022. The fair value related to the debt securities with unrealized loss for which no credit losses were recognized was \$684.7 million as of March 31, 2022.

The unrealized losses associated with the Company's debt securities were not material as of March 31, 2021. The Company did not recognize any credit losses related to the Company's debt securities during the fiscal year ended March 31, 2021.

5. Fair Value Measurements

The following tables present the fair value hierarchy for the Company's assets measured at fair value on a recurring basis (in thousands):

	As of March 31, 2022			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Commercial paper	\$ —	\$ 2,686	\$ —	\$ 2,686
Money market funds	20,072	—	—	20,072
Total cash equivalents	20,072	2,686	—	22,758
Marketable securities:				
Asset-backed securities	—	7,740	—	7,740
Commercial paper	—	9,383	—	9,383
Corporate notes and bonds	—	128,104	—	128,104
Sovereign bonds	—	8,436	—	8,436
U.S. government and agency securities	530,174	1,467	—	531,641
Total marketable securities	530,174	155,130	—	685,304
Total cash equivalents and marketable securities	\$ 550,246	\$ 157,816	\$ —	\$ 708,062

	As of March 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Commercial paper	\$ —	\$ 2,290	\$ —	\$ 2,290
Corporate notes and bonds	—	3,516	—	3,516
Money market funds	9,838	—	—	9,838
Certificates of deposit	—	1,301	—	1,301
Total cash equivalents	9,838	7,107	—	16,945
Marketable securities:				
Asset-backed securities	—	3,263	—	3,263
Certificates of deposit	—	4,868	—	4,868
Commercial paper	—	16,412	—	16,412
Corporate notes and bonds	—	46,641	—	46,641
Sovereign bonds	—	1,099	—	1,099
U.S. government and agency securities	3,858	—	—	3,858
Total marketable securities	3,858	72,283	—	76,141
Total cash equivalents and marketable securities	\$ 13,696	\$ 79,390	\$ —	\$ 93,086

During the fiscal years ended March 31, 2022 and 2021, the Company had no transfers between levels of the fair value hierarchy.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6. Property and Equipment, Net

Property and equipment, net consisted of the following (in thousands):

	As of March 31,	
	2022	2021
Furniture and equipment	\$ 336	\$ 299
Computers and software	769	704
Leasehold improvements	796	549
Internal-use software development costs	15,057	10,908
Total property and equipment	16,958	12,460
Less: accumulated depreciation and amortization	(8,470)	(4,862)
Total property and equipment, net	\$ 8,488	\$ 7,598

Depreciation and amortization expense on property and equipment for the fiscal years ended March 31, 2022, 2021, and 2020 was \$4.0 million, \$2.6 million and \$0.9 million, respectively. Included in these amounts was amortization expense for internal-use software development costs of \$3.5 million, \$2.2 million and \$0.7 million for the fiscal years ended March 31, 2022, 2021, and 2020, respectively. The amortization of the internal-use software development costs is included in cost of revenue in the consolidated statements of operations.

During the years ended March 31, 2022, 2021, and 2020, the Company capitalized \$4.3 million, \$4.6 million, and \$4.1 million, respectively, of internal-use software development costs, which are included in property and equipment, net on the consolidated balance sheets.

No impairment was recognized on property and equipment during the years ended March 31, 2022, 2021, and 2020.

7. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following (in thousands):

	As of March 31,	
	2022	2021
Accrued commissions	\$ 6,653	\$ 5,864
Accrued payroll, bonus, and related expenses	8,015	5,006
Employee contributions under employee stock purchase plan	621	—
Rebate liabilities	4,933	1,458
Sales and other tax liabilities	785	410
Other	4,263	3,547
Total accrued expenses and other current liabilities	\$ 25,270	\$ 16,285

8. Business Combinations, Intangible Assets, and Goodwill

Curative Talent Acquisition

On April 1, 2020, the Company completed the acquisition of THMED, LLC (subsequently renamed Curative Talent, LLC, “Curative”), which was accounted for as a business combination. Curative provides temporary and permanent healthcare staffing services to hospitals, medical groups, and other healthcare facilities across the United States. The acquisition-date fair value of the consideration transferred was \$34.7 million, consisting of \$33.6 million in cash and 689,656 shares of common stock valued at \$1.1 million. The purchase consideration was allocated to the tangible and intangible assets acquired and liabilities assumed based on their estimated fair values as of the acquisition date, with the excess recorded to goodwill as shown below. The purchase consideration allocation was as follows (in thousands):

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Assets acquired:	
Cash and cash equivalents	\$ 1,972
Accounts receivable	4,075
Other assets	1,503
Customer relationships	10,280
Total assets acquired	<u>\$ 17,830</u>
Liabilities assumed:	
Accounts payable and accrued liabilities	\$ 2,030
Net assets acquired, excluding goodwill	15,800
Goodwill	\$ 18,915
Total purchase consideration	<u>\$ 34,715</u>

Goodwill represents the future benefits as a result of the acquisition that will enhance the Company's product available to both new and existing customers and increase the Company's competitive position. Goodwill is deductible for income tax purposes.

The Company's acquisition-related costs were \$1.2 million and were recorded as general and administrative expense in the Company's consolidated statements of operations during the fiscal year ended March 31, 2020.

Intangible assets acquired are comprised of customer relationships with an estimated useful life of 10 years. The fair value assigned to the customer relationship was determined primarily using the multiple period excess earnings method cost approach, which estimates the direct cash flows expected to be generated from the existing customers acquired. The results of operations of this business combination have been included in the Company's consolidated financial statements from the acquisition date.

In October 2020, the Company sold a portion of Curative Talent's business for total consideration of \$4.7 million, of which \$4.2 million has been received in cash and the remaining \$0.5 million was held in escrow, subject to standard representations and warranties. The net assets of this business were not material. The Company recognized a gain on sale for the total consideration during the fiscal year ended March 31, 2021 as a result of this sale.

Intangible Assets

Intangible assets, net consisted of the following (in thousands):

	As of March 31,	
	2022	2021
Customer relationships	\$ 9,869	\$ 10,280
Domain names	11	436
Total intangible assets	9,880	10,716
Less: accumulated amortization	(1,971)	(1,120)
Total intangible assets, net	<u>\$ 7,909</u>	<u>\$ 9,596</u>

Amortization expense for intangible assets was \$1.0 million, \$1.1 million and not material for the fiscal years ended March 31, 2022, 2021, and 2020 respectively.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2022, future amortization expense is as follows (in thousands):

Years Ending March 31,	Amount
2023	\$ 990
2024	990
2025	990
2026	990
2027	988
Thereafter	2,961
Total future amortization expense	<u>\$ 7,909</u>

Goodwill

As of March 31, 2022 and March 31, 2021, goodwill was \$18.9 million. No goodwill impairment charges were recorded for each of the fiscal years ended March 31, 2022 and 2021.

9. Redeemable Convertible Preferred Stock

As of March 31, 2021, there were three outstanding series of redeemable convertible preferred stock, each with a par value of \$0.001 per share. Upon completion of the IPO in June 2021, all shares of the Company's redeemable convertible preferred stock outstanding, totaling 76,286,618, were automatically converted into an equivalent number of shares of Class B common stock on a one-to-one basis. The carrying value of redeemable convertible preferred stock of \$81.5 million was reclassified into stockholders' equity. As of March 31, 2022, there were no shares of redeemable convertible preferred stock issued or outstanding.

A summary of the redeemable convertible preferred stock outstanding as of March 31, 2021 and other related information is as follows (in thousands):

Series	Shares Authorized	Shares Issued and Outstanding	Carrying Value	Liquidation Preference
A	27,636	27,636	\$ 10,677	\$ 10,756
B	26,314	26,314	17,014	17,075
C	22,400	22,337	53,767	53,841
Total	<u>76,350</u>	<u>76,287</u>	<u>\$ 81,458</u>	<u>\$ 81,672</u>

The rights, preferences, privileges, restrictions, and other matters relating to the redeemable convertible preferred stock are summarized as follows:

Liquidation Preference—In the event of any liquidation event, either voluntary or involuntary, the holders of Series A, Series B, and Series C redeemable convertible preferred stock were entitled to receive, in priority and preference to common stockholders' liquidation preference, \$0.3892, \$0.6488925 and \$2.4104 per share, respectively.

After paying the holders of the redeemable convertible preferred stock of their full respective preferential amounts, all of the remaining assets of the Company would be distributed on a pro rata basis among the holders of common stock.

Redemption—The redeemable convertible preferred stock was classified as mezzanine equity on the consolidated balance sheets. The redeemable convertible preferred stock was not mandatorily redeemable; however, upon the event of a voluntary or involuntary liquidation, dissolution, change in control, or winding up of the Company, holders of the redeemable convertible preferred stock may have had the right to receive their liquidation preference under the terms of the preferred stockholder agreements. Accordingly, the preferred stockholders were entitled to redemption features that were not solely within the control of the Company.

Dividends—The holders of Series A, Series B, and Series C redeemable convertible preferred stock were entitled to receive noncumulative dividends at the per annum rate of \$0.03115, \$0.0519, and \$0.19285 per share, respectively, in preference and priority to any common stockholder, when and if declared by the board of directors. If, after such dividends above were paid or set apart for payment in any fiscal year, the board of directors declared additional dividends out of funds legally available, then such additional dividends would be set aside or paid among the holders of the redeemable convertible preferred stock and common stock on a pro-rata basis. No dividends on redeemable convertible preferred stock or common

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

stock were declared by the board of directors from inception through the date the redeemable convertible preferred stock was converted into Class B common stock in June 2021.

Voting—The holders of redeemable convertible preferred stock had the same voting rights as the holders of common stock. The holders of common stock and redeemable convertible preferred stock voted together as a single class. Each holder of common stock was entitled to one vote for each share of common stock held and each holder of redeemable convertible preferred stock was entitled to the number of votes equal to the number of shares of common stock into which such shares of redeemable convertible preferred stock could then be converted. So long as at least 2,000,000 shares of redeemable convertible preferred stock remained outstanding, the holders of redeemable convertible preferred stock were entitled to elect two members of the board of directors. The holders of a majority of the common stock were entitled to elect two members of the board of directors. Any additional member of the board of directors was elected by the holders of a majority of the then outstanding redeemable convertible preferred stock and common stock, each voting as separate classes (and, with respect to redeemable convertible preferred stock, on an as-converted basis).

Conversion—Each share of redeemable convertible preferred stock was convertible to common stock at the option of the holder. Such conversion was determined by dividing the original issue price by the then effective conversion price (adjusted for any stock dividends, combinations, or splits with respect to such shares).

Each share of redeemable convertible preferred stock would be automatically converted into shares of common stock at the conversion rate at the time in effect for such series of redeemable convertible preferred stock immediately upon the earlier of (i) the Company's sale of its common stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended, with a price per share of at least \$2.41 (adjusted for any stock dividends, combinations, or splits with respect to such shares) and an aggregate offering price of at least \$50 million or (ii) the date specified by written consent or agreement of the majority of the holders of redeemable convertible preferred stock, voting together as a single class on an as-converted basis.

Redeemable Convertible Preferred Stock Warrants—In August 2012, the Company issued warrants to purchase 38,322 shares of Series B redeemable convertible preferred stock at an exercise price of \$0.65 per share. The warrants were issued to investors in connection with the Series B redeemable convertible preferred stock warrants financing. The fair value of the warrants at issuance was \$14,000 based on the Black-Scholes option-pricing model using the assumptions of dividend yield of 0%, volatility of 55%, risk-free interest rate of 1.13%, and contractual life of seven years. The warrants were exercised during the fiscal year ended March 31, 2020.

10. Equity

Preferred Stock

In connection with the IPO, the Company's amended and restated certificate of incorporation became effective, which authorized the issuance of 100,000,000 shares of undesignated preferred stock with a par value of \$0.001 per share with rights and preferences, including voting rights, designated from time to time by the board of directors. As of March 31, 2022, there were no shares of preferred stock issued and outstanding.

Common Stock and Creation of Dual-Class Structure

The Company has two classes of common stock authorized: Class A common stock and Class B common stock, and are collectively referred to as common stock throughout the notes to the consolidated financial statements, unless otherwise noted. On June 8, 2021, the Company's board of directors and stockholders approved an amendment to the Company's amended and restated certificate of incorporation which authorized 1,000,000,000 shares of Class A common stock with par value of \$0.001 and one vote per share, and 500,000,000 shares of Class B common stock with par value of \$0.001 and ten votes per share. The holders of common stock are entitled to receive dividends, as may be declared by the board of directors. Each of the Company's 85,523,836 shares of existing common stock outstanding was reclassified into Class B common stock. Each outstanding share of Class B common stock may be converted at any time at the option of the holder into one share of Class A common stock. As of March 31, 2022, there were 109,322,383 shares of Class A common stock, and 83,076,040 shares of Class B common stock outstanding.

Common Stock Warrants

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In March 2017, the Company issued a warrant to purchase 250,000 shares of common stock at an exercise price of \$0.72 per share in connection with a contract signed between the Company and U.S. News & World Report, L.P., or U.S. News. The warrant vested on a monthly basis over a 5-year term starting on March 1, 2017 and expires 10 years from the date of grant. The Company recognizes the fair value of the warrants as stock-based compensation expense and additional paid-in capital over the vesting term of the warrant. As of March 31, 2022, the warrant was fully vested.

On June 14, 2021, the Company issued a warrant (the “U.S. News Warrant”) to U.S. News to purchase 1,200,000 shares of Class A common stock with an exercise price of \$12.56 per share, contingent on the execution of a commercial agreement with the U.S. News (the “Commercial Agreement”) prior to September 10, 2021, which was then extended to October 10, 2021. The first tranche of the U.S. News Warrant will vest on May 1, 2022 and the remainder will vest on a monthly basis over approximately 6 years.

On October 8, 2021, the Company signed an amended agreement to revise and extend the existing partnership with the U.S. News. The U.S. News Warrant was concurrently amended to remove the contingency related to the execution of the Commercial Agreement and the number of shares of Class A common stock issuable upon exercise of the U.S. News Warrant was revised from 1,200,000 shares to 516,000 shares. Other terms of the U.S. News Warrant remained the same. The grant-date fair value of the U.S. News Warrant was \$34.7 million, which was determined using the Black-Scholes option-pricing model on the date of grant using the following assumptions: fair value of common stock of \$76.50, volatility of 46.9%, risk-free interest rate of 1.61%, contractual term of 10 years, and an expected dividend of 0%. The fair value of the warrant will be recognized as expense in cost of revenue in the consolidated statements of operations on a straight-line basis over its vesting term of 6.48 years. The warrant expires 10 years from the date of grant. During the fiscal year ended March 31, 2022, \$2.6 million was recognized as stock-based compensation expense relating to the U.S. News Warrant. As of March 31, 2022, unamortized compensation expense, net of estimated forfeitures, related to the unvested warrants was \$32.1 million, which is expected to be recognized over the remaining vesting period of 6 years.

Equity Incentive Plans

In April 2010, the Company’s board of directors and stockholders approved the adoption of the 2010 Equity Incentive Plan (the “2010 Plan”). The 2010 Plan provides for the granting of incentive stock options, nonstatutory stock options, restricted stock units, and restricted stock awards to employees, non-employee directors, and consultants of the Company. Options may be granted at a price per share not less than 100% of the fair market value at date of grant. If the incentive stock option is granted to a 10% stockholder, then the purchase or exercise price per share shall not be less than 110% of the fair market value per share of common stock on the grant date. Options granted under the 2010 Plan continue to vest until the last day of employment and generally vest over four years and expire 10 years from the date of grant. Stock awards may also be granted for services performed by external consultants and vest according to an award-specific schedule as approved by the board of directors.

In June 2021, the Company’s board of directors approved the adoption of the 2021 Stock Option and Incentive Plan (the “2021 Plan”), which became effective upon the Company’s initial public offering. The 2021 Plan provides for the granting of incentive stock options, nonstatutory stock options, restricted stock units, and restricted stock awards to employees, non-employee directors, and consultants of the Company. A total of 22,500,000 shares of Class A common stock was initially reserved for the 2021 Plan. The number of shares reserved and available for issuance for the 2021 Plan will automatically increase each April 1, beginning on April 1, 2022, by the lesser of 5% of the outstanding number of shares of the Class A and Class B common stock on the immediately preceding March 31, or such lesser number of shares as determined by the Company’s compensation committee. Any shares of Class B common stock that would have otherwise been returned to the Company’s 2010 Plan as a result of forfeiture, expiration, cancellation, termination or net issuances of awards thereunder shall be returned to the share reserve under the 2021 Plan after being automatically converted from shares of Class B common stock to Class A common stock. The 2010 Plan and the 2021 Plan are collectively referred to as the “Plans” in the notes to the consolidated financial statements, unless otherwise noted.

The Company’s board of directors approved the adoption of the ESPP, which became effective upon the Company’s initial public offering. A total of 4,500,000 shares of Class A common stock was initially reserved for the ESPP. The number of shares reserved and available for issuance for the ESPP will automatically increase each April 1, beginning on April 1, 2022 and continuing through April 1, 2031, by the lesser of 6,750,000 shares of Class A common stock, 1% of the outstanding number of shares of the Class A and Class B common stock on the immediately preceding March 31, or such lesser number of shares as determined by the Company’s compensation committee.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The Company grants stock options under the terms of the Plans and outside of the Plans, as approved by the board of directors. The Company granted 4,682,582 options during the fiscal year ended March 31, 2018 outside of the Plans, of which 2,011,252 options were exercised as of March 31, 2022. As of March 31, 2022, 2,671,330 options issued outside of the Plans were outstanding.

The Company has shares of common stock reserved for issuance as follows (in thousands):

	March 31, 2022	March 31, 2021
Redeemable convertible preferred stock	—	76,287
Common stock warrants	766	250
2010 Plan		
Options outstanding	24,312	33,856
Shares available for future grant	—	1,550
2021 Plan		
Performance-based restricted stock units outstanding	12	—
Restricted stock units outstanding	534	—
Shares available for future grant	22,466	—
2021 ESPP	4,471	—
Options outstanding outside the Plans	2,671	2,720
Total	<u>55,232</u>	<u>114,663</u>

Stock Options

Stock option activities within the Plans as well as outside of the Plans were as follows for both service-based and performance-based options (in thousands, except per share information):

	Number of Shares	Weighted-Average Exercise Price	Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance, March 31, 2021	36,576	\$ 2.80	7.86	\$ 357,366
Options granted	1,966	12.56		
Options exercised	(10,823)	1.17		
Options forfeited or expired	(736)	3.16		
Balance, March 31, 2022	<u>26,983</u>	4.15	7.63	1,293,545
Vested and exercisable as of March 31, 2022	<u>8,113</u>	1.77	6.15	408,238
Vested and expected to vest as of March 31, 2022	<u>25,021</u>	4.02	7.55	1,202,634

The aggregate intrinsic value of options exercised during the fiscal years ended March 31, 2022, 2021, and 2020 was \$521.6 million, \$52.6 million, and \$3.0 million respectively.

The weighted-average grant-date fair value of options granted for the fiscal years ended March 31, 2022, 2021, and 2020 was \$10.73, \$3.18, and \$0.77 respectively.

As of March 31, 2022, unamortized compensation expense, net of estimated forfeitures, related to unvested stock options was \$55.2 million, which is expected to be recognized over a weighted-average period of 3.04 years.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The fair value of each option on the date of grant is determined using the Black-Scholes option-pricing model with the assumptions set forth in the following table:

	Fiscal Year Ended March 31,		
	2022	2021	2020
Fair value of common stock	\$18.41 - \$21.41	\$2.06 - \$10.51	\$1.58 - \$1.91
Volatility	46.5% - 47.0%	38.1% - 58.3%	39.2% - 46.5%
Risk-free interest rate	0.77% - 1.02%	0.26% - 1.02%	0.68% - 2.36%
Expected term (in years)	5.00 - 6.09	5.00 - 8.00	5.94 - 10.00
Expected dividend	—%	—%	—%

Performance-Based Options

In March 2018, the board of directors of the Company granted 1,792,000 options to the Chief Executive Officer with an exercise price of \$0.97 per share under the 2010 Plan (the “2018 CEO Grant”) with a liquidity-event performance-based vesting condition based on the occurrence of a qualifying liquidity event, including an IPO, as well as stock price target after the consummation of the IPO. In September 2020, the 2018 CEO Grant was modified to extend the stock price target achievement cutoff date. The fair value of the 2018 CEO Grant was determined using a Monte Carlo simulation approach on the modification date. The achievement of the qualifying event was not considered to be probable prior to the Company’s IPO. Upon the Company’s IPO, the liquidity-event performance-based condition was met. During the fiscal year ended March 31, 2022, \$1.7 million was recognized as stock-based compensation expense relating to the 2018 CEO Grant. As the grant consists of a single tranche, the Company will amortize the remaining unrecognized compensation expense of \$0.2 million on a straight-line basis over the remaining term of 0.17 years.

As of March 31, 2022, the Company has 480,000 outstanding options with performance-based and service-based vesting conditions. The performance conditions are satisfied upon meeting certain financial performance and sales targets. During the fiscal year ended March 31, 2022, \$1.7 million was recognized as stock-based compensation expense related to performance-based options whose performance condition have either been met or achievement of which is considered probable. For the options for which the achievement of the performance vesting conditions is met or is considered probable, the remaining unrecognized compensation expense is \$1.4 million, which will be amortized using accelerated attribution method over the remainder of the vesting periods. The amount to be recognized may change based upon actual performance achieved and updates to estimates of future performance. During the fiscal year ended March 31, 2021 and 2020, the stock-based compensation expense related to performance options was immaterial.

Restricted Stock Units

During the fiscal year ended March 31, 2022, the Company granted 572,904 RSUs under the 2021 Plan. The Company granted 28,250 on June 24, 2021, 50% of which vested on November 15, 2021, with the remaining 50% vested on February 15, 2022. The remaining RSUs granted during the fiscal year ended March 31, 2022 will generally vest over four years based on continued service.

The RSUs are valued using the closing stock price of the Company’s common stock, which is traded on the NYSE, on the day of grant.

The following table summarizes RSU activity during the fiscal year ended March 31, 2022 (in thousands, except per share information):

	Number of Shares	Weighted-Average Grant Date Fair Value
Unvested Balance, March 31, 2021	—	\$ —
Granted	573	67.60
Vested	(38)	59.04
Forfeited	(1)	54.59
Unvested Balance, March 31, 2022	<u>534</u>	<u>68.23</u>

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The total fair value of RSUs vested during the fiscal year ended March 31, 2022 was \$2.5 million.

As of March 31, 2022, total unrecognized stock-based compensation cost, net of estimated forfeitures, related to non-vested RSUs was \$26.3 million, and is expected to be recognized over a weighted-average period of approximately 3.51 years. As of March 31, 2021 and 2020, no RSUs were outstanding.

Performance-Based Restricted Stock Units

During the fiscal year ended March 31, 2022, the Company granted 15,239 PSUs under the 2021 Plan, which had a weighted-average grant date fair value of \$80.00. The PSUs have performance-based vesting conditions that are satisfied upon meeting certain financial performance targets. During the fiscal year ended March 31, 2022, 3,170 PSUs were forfeited. As of March 31, 2022, 12,069 PSUs were unvested. The performance conditions of these PSUs were met as of March 31, 2022. During the fiscal year ended March 31, 2022, \$0.6 million was recognized as stock-based compensation expense related to these PSUs. As of March 31, 2022, the remaining unrecognized compensation expense was \$0.3 million, which will be recognized on a straight-line basis over the remaining term of 0.38 years, as the PSUs consist of a single tranche. As of March 31, 2021 and 2020, no PSUs were outstanding.

The PSUs are valued using the closing stock price of its common stock, which is traded on the NYSE, on the day of grant.

ESPP

The Company's first offering period under the ESPP began on November 1, 2021 and ended on February 15, 2022. Subsequent offering periods will begin on the first business day occurring on or after each February 16th and August 16th, and will end on the last business day occurring on or before the following August 15th and February 15th, respectively, unless and until otherwise determined by the administrator of the ESPP. The price at which Class A common stock is purchased under the ESPP is equal to 85% of the fair market value of a share of the Company's Class A common stock on the first or last day of the offering period, whichever is lower.

The weighted-average grant-date fair value of ESPP stock purchase rights granted during the fiscal year ended March 31, 2022 was \$23.84. The fair value of the ESPP stock purchase rights on the date of grant is determined using the Black-Scholes pricing model with the assumptions set forth in the following table:

	Fiscal Year Ended March 31,
	2022
Fair value of common stock	\$57.44 - \$73.73
Volatility	86.3% - 103.6%
Risk-free interest rate	0.05% - 0.67%
Expected term (in years)	0.29 - 0.49
Expected dividend	—%

As of March 31, 2022, unamortized compensation expense, net of estimated forfeitures, related to the ESPP was \$0.9 million, which will be recognized on a straight-line basis over a weighted-average period of 0.38 years.

During the fiscal year ended March 31, 2022, 28,812 shares of Class A common stock were purchased under the ESPP at a weighted average price of \$48.40 per share.

Stock-Based Compensation Expense

Total stock-based compensation expense recognized in the consolidated statement of operations for the fiscal years ended March 31, 2022, 2021, and 2020 was as follows (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Cost of revenue	\$ 4,979	\$ 600	\$ 173
Research and development	7,065	1,975	710
Sales and marketing	8,108	1,998	847
General and administrative	11,290	2,679	623
Total stock-based compensation expense	<u>\$ 31,442</u>	<u>\$ 7,252</u>	<u>\$ 2,353</u>

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11. Net Income Per Share Attributable to Common Stockholders

The following table presents the reconciliation of the numerator and denominator for calculating basic and diluted net income per share (in thousands, except per share data):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Numerator			
Net income	\$ 154,783	\$ 50,210	\$ 29,737
Less: undistributed earnings attributable to participating securities	(21,526)	(28,654)	(18,908)
Net income attributable to Class A and Class B common stockholders, basic and diluted	\$ 133,257	\$ 21,556	\$ 10,829
Denominator			
Weighted-average shares used in computing net income per share attributable to Class A and Class B common stockholders, basic	163,484	74,342	66,758
Dilutive effect of assumed exercise of options to purchase common stock	27,290	20,612	14,892
Dilutive effect of assumed exercise of common stock warrants	234	180	60
Dilutive effect of other share-based awards	9	—	—
Weighted-average shares used in computing net income per share attributable to Class A and Class B common stockholders, diluted	191,017	95,134	81,710
Net income per share attributable to Class A and Class B common stockholders, basic	\$ 0.82	\$ 0.29	\$ 0.16
Net income per share attributable to Class A and Class B common stockholders, diluted	\$ 0.70	\$ 0.23	\$ 0.13

Certain potentially dilutive securities have been excluded from the calculation of diluted net income per share during the applicable periods because their inclusion would have been anti-dilutive (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Redeemable convertible preferred stock	—	76,287	76,287
Stock options	—	—	578
Other share-based awards	217	—	—
Common stock warrants	247	—	—
Total	464	76,287	76,865

2. Income Taxes

All of the Company's income before income taxes was generated in the United States for the fiscal year ended March 31, 2022, 2021, and 2020.

The Company's provision for (benefit from) income taxes consisted of the following (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Current provision:			
Federal	\$ 160	\$ 1,302	\$ —
State	309	1,270	876
Total	469	2,572	876
Deferred provision (benefit):			
Federal	(34,852)	4,862	(6,458)
State	(6,395)	125	(641)
Total	(41,247)	4,987	(7,099)
Total provision for (benefit from) income taxes	\$ (40,778)	\$ 7,559	\$ (6,223)

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following is a reconciliation of the income tax expense at the federal statutory tax rate to the Company's provision for (benefit from) income taxes (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Income taxes at statutory rate	\$ 23,941	\$ 12,131	\$ 4,938
State income taxes, net of federal benefit	5,503	2,532	1,561
Research and development credits	(8,332)	(1,845)	(1,842)
Stock-based compensation	(71,780)	(5,796)	310
Change in valuation allowance	1,878	171	(11,995)
Section 162(m) limitation	7,260	—	—
Other	752	366	805
Total provision for (benefit from) income taxes	<u>\$ (40,778)</u>	<u>\$ 7,559</u>	<u>\$ (6,223)</u>

Components of deferred tax assets and liabilities were as follows (in thousands):

	As of March 31,	
	2022	2021
Deferred tax assets:		
Accruals and deferred revenue	\$ 1,760	\$ 1,257
Net operating loss carryforwards	32,215	486
Research & development credit carryforwards	12,310	4,516
Operating lease liabilities	276	315
Acquisition and other related expense	255	271
Stock-based compensation expense	3,847	431
Unrealized loss	5,199	—
Gross deferred tax assets	<u>55,862</u>	<u>7,276</u>
Less: valuation allowance	(4,731)	(2,896)
Deferred tax assets, net of valuation allowance	<u>51,131</u>	<u>4,380</u>
Deferred tax liabilities:		
Property and equipment	(1,899)	(1,701)
Operating lease right-of-use assets	(276)	(336)
Intangible assets	(398)	(231)
Deferred tax liabilities	<u>(2,573)</u>	<u>(2,268)</u>
Net deferred tax assets	<u>\$ 48,558</u>	<u>\$ 2,112</u>

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act, was enacted and signed into law. The CARES Act did not have a material impact to the Company's consolidated financial statements.

The Company maintains a valuation allowance related to specific net deferred tax assets where it is not more likely than not that the deferred tax assets will be realized, which include California research and development credits and capital loss carryforwards. The Company concluded, based upon the preponderance of positive evidence (i.e., a strong earnings history exclusive of the loss that created the future deductible amount, a history of taxable income in recent periods, the taxable loss is a result of excess tax benefit on stock exercises as a result of a non-recurring event (IPO), and the current forecast of income before taxes for the United States going forward) over negative evidence and the anticipated ability to use the deferred tax assets, that it was more likely than not that the deferred tax assets could be realized. If there are unfavorable changes to actual operating results or to projections of future income, the Company may determine that it is more likely than not such deferred tax assets may not be realizable.

The valuation allowance was \$4.7 million and \$2.9 million as of March 31, 2022 and 2021, respectively, relating to the California research and development tax credits and capital loss carryforwards. The valuation allowance increased by \$1.8 million during the fiscal year ended March 31, 2022, primarily due to the increase in California research and development credits generated during the year. The change in valuation allowance during the fiscal year ended March 31, 2021 was not material.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

As of March 31, 2022, the Company had net operating loss, or NOL, carryforwards for state tax purposes of \$97.1 million and \$124.1 million for federal tax purposes. If not utilized, \$83.6 million of the state NOL carryforwards will expire at various dates beginning in the year 2027. The federal NOL carryforwards can be carried forward indefinitely. As of March 31, 2022, the Company had research and development tax credit carryforwards for federal and state tax purposes of \$11.4 million and \$8.4 million, respectively. The federal research and development tax credit carryforwards will expire at various dates beginning in the year 2040. If not utilized, \$0.2 million of the state research and development tax credit carryforwards will expire at various dates beginning in the year 2032. Based on an assessment of the Company's historical ownership changes through March 31, 2022, the Company does not anticipate a current limitation on the tax attributes.

As of March 31, 2022 and 2021, the Company had unrecognized tax benefits, or UTBs, of \$6.2 million and \$3.2 million, respectively. If realized, \$4.2 million would impact the effective tax rate while the remainder would reduce deferred tax assets subject to a full valuation allowance. The Company does not expect any material changes to its UTBs within the next 12 months.

A reconciliation of the beginning and ending balances for gross UTBs is as follows (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Beginning balance	\$ 3,162	\$ 2,475	\$ 2,900
Additions for tax positions related to the current year	2,995	687	670
Additions for tax positions related to prior years	36	—	—
Reductions for tax positions related to prior years	—	—	(1,095)
Reductions related to a lapse of statute	(5)	—	—
Ending balance	<u>\$ 6,188</u>	<u>\$ 3,162</u>	<u>\$ 2,475</u>

Interest and penalties were not material during the years ended March 31, 2022, 2021, and 2020.

The Company files income tax returns in the U.S. federal and various state jurisdictions. With limited exceptions, all tax years for which the Company has filed a tax return remain subject to examination.

13. Commitments and Contingencies

Operating Leases

In June 2021, the Company entered into an 8-year lease for office space in Irving, Texas. This lease will commence on or around June 1, 2022, with total undiscounted lease payments of \$17.9 million. In accordance with ASC 842, Leases, the classification of the lease will be determined and the lease right-of-use assets and lease liabilities will be recognized on the lease commencement date based on the present value of lease payments over the lease term, discounted using the Company's incremental borrowing rate.

Minimum Guarantees

On October 8, 2021, the Company signed an amended agreement to revise and extend the existing partnership with the U.S. News for six years. This agreement can be terminated after three years by either party. Under this amended agreement, the Company pays the U.S. News a portion of the revenue generated with the end customers, with an annual minimum guarantee amount ranging from \$2.5 million to \$6.2 million. The total minimum guarantee amount for the initial noncancelable period of three years is \$9.1 million.

AMiON Acquisition

On February 4, 2022, the Company entered into a definitive agreement to acquire the assets of the AMiON on-call scheduling and messaging application used by scheduling staff and physicians for cash consideration of \$53.5 million paid at closing and earnout consideration of up to \$24.0 million, payable over the next four years, subject to certain performance milestones. Under the definitive agreement, certain employees joining the Company as part of the acquisition are eligible for restricted stock unit awards, subject to future service-based vesting conditions. The acquisition closed and the cash consideration was paid on April 1, 2022. In May 2022, 93,458 restricted stock units with grant date fair value of \$32.99 per share were granted to the eligible employees joining the Company as part of the acquisition. The acquisition will be accounted for as a business combination in fiscal 2023.

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Other Contractual Commitments

In December 2021, the Company entered into a 3-year web hosting arrangement with an annual commitment of \$5.2 million, starting January 1, 2022.

Indemnification

The Company enters into indemnification provisions under agreements with other companies in the ordinary course of business, including, but not limited to, clients, business partners, landlords, and other parties involved in the performance of the Company's services. Pursuant to these arrangements, the Company has agreed to indemnify, hold harmless, and reimburse the indemnified party for certain losses suffered or incurred by the indemnified party as a result of the Company's activities. The terms of these indemnification agreements are generally perpetual. The maximum potential amount of future payments the Company could be required to make under these agreements is not determinable. The Company has never incurred costs to defend lawsuits or settle claims related to these indemnification agreements. The Company maintains commercial general liability insurance and product liability insurance that may offset certain of its potential liabilities under these indemnification provisions.

In addition, the Company has agreed to indemnify its officers and directors and certain key employees while they are serving in good faith in their respective capacities. To date, there have been no claims under these indemnification provisions.

Legal Matters

From time to time, the Company has become involved in claims and other legal matters arising in the ordinary course of business. The Company investigates these claims as they arise. Although claims are inherently unpredictable, the Company is currently not aware of any matters that, if determined adversely to the Company, would individually or taken together have a material effect on its results of operations, financial position, or cash flows. No loss contingencies were recorded for the fiscal years ended March 31, 2022, 2021, and 2020.

14. Leases

The Company has non-cancelable operating leases for the rental of office space, corporate housing, and laptops with various expiration dates through 2023.

The components of lease expense were as follows (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Operating lease cost	\$ 1,159	\$ 2,372	\$ 2,010
Variable lease cost	114	143	—
Total lease cost	\$ 1,273	\$ 2,515	\$ 2,010

Supplemental cash flow information related to leases was as follows (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Cash paid for amounts included in measurement of lease liabilities—Operating cash flows	\$ 1,107	\$ 2,569	\$ 2,069

Supplemental balance sheet information related to leases was as follows (in thousands):

	Fiscal Year Ended March 31,		
	2022	2021	2020
Weighted-average remaining lease term (in years)	1.64	1.37	1.15
Weighted-average discount rate	3.95 %	3.95 %	1.75 %

DOXIMITY, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Maturities of lease liabilities as of March 31, 2022 were as follows (in thousands):

	Operating Leases
2023	\$ 673
2024	455
Total future lease payments	1,128
Less: imputed interest	(39)
Present value of lease liabilities	1,089

15. Employee Benefit Plan

The Company sponsors a 401(k) savings plan. All U.S. employees are eligible to participate in the 401(k) plan after meeting certain eligibility requirements. Participants may elect to have a portion of their salary deferred and contributed to the 401(k) plan up to the limit allowed by applicable income tax regulations. The Company matched a portion of employee contributions to the 401(k) plan totaling \$2.1 million, \$1.3 million, and \$0.7 million for the fiscal years ended March 31, 2022, 2021 and 2020, respectively. Both employee contributions and the Company's matching contributions are fully vested upon contribution.

16. Segment and Geographic Information

The Company considers operating segments to be components of the Company in which separate financial information is available and is evaluated regularly by the Company's chief operating decision maker in deciding how to allocate resources and in assessing performance. The chief operating decision maker for the Company is the Chief Executive Officer. The chief operating decision maker reviews financial information on a consolidated basis to make decisions about how to allocate resources and how to measure the Company's performance. As such, the Company has determined that it has one operating and reportable segment.

Substantially all of the Company's long-lived assets were based in the United States as of March 31, 2022 and 2021. No country outside of the United States accounted for more than 10% of total revenue for the fiscal years ended March 31, 2022, 2021, and 2020. Substantially all of the Company's revenue was derived in the United States for the fiscal years ended March 31, 2022, 2021, and 2020.

17. Subsequent Events

Equity Grants

In May 2022, the Company's compensation committee granted 563,689 RSUs with an effective date of May 15, 2022 and an estimated fair value of \$18.6 million, including the RSUs granted to employees joining the Company as part of the AMiON acquisition. These RSUs will generally vest over four years based on continued service.

Stock Repurchase Program

On May 12 2022, the Company's board of directors authorized a program to repurchase up to \$70 million of the Company's Class A common stock. The repurchases may be executed from time to time over the next 12 months, subject to general business and market conditions and other investment opportunities, through open market purchases or privately negotiated transactions, including through Rule 10b5-1 plans. Immediately upon the repurchase of any shares of Class A common stock, such shares shall be retired by the Company and shall automatically return to the status of authorized but unissued shares of Class A common stock.

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

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits 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 a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of the disclosure controls and procedures are met. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended March 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Management’s Report on Internal Control over Financial Reporting

This Annual Report on Form 10-K does not include a report of management’s assessment regarding internal control over financial reporting or an attestation report of our independent registered public accounting firm due to a transition period established by the rules of the SEC for newly public companies.

Item 9B. Other Information

None.

The Company will hold its 2022 Annual Meeting of Stockholders on July 27, 2022 at 1 p.m. Pacific Time. The 2022 Annual Meeting of Stockholders will be held virtually via a live audio-only webcast accessible at <http://www.virtualshareholdermeeting.com/DOCS2022> for all stockholders of record at the close of business on June 1, 2022, the record date.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated by reference to the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after March 31, 2022.

We have adopted a Code of Conduct, which applies to all employees, including our principal executive officers, our principal financial officer, and all other executive officers. The Code of Conduct is available on our investor relations website at investors.doximity.com/governance. We plan to post any future amendments or waivers of our Code of Conduct on our website.

Item 11. Executive Compensation

The information required by this item is incorporated by reference to the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after March 31, 2022.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated by reference to the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after March 31, 2022.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated by reference to the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after March 31, 2022.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated by reference to the definitive Proxy Statement for the 2022 Annual Meeting of Stockholders, which will be filed with the SEC no later than 120 days after March 31, 2022.

PART IV

Item 15. Exhibits and Financial Statement Schedules

Exhibit Number	Exhibit Title	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation of the Registrant.	S-1/A	333-256584	3.2	June 15, 2021
3.2	Amended and Restated Bylaws of the Registrant.	S-1/A	333-256584	3.4	June 15, 2021
4.1	Form of Class A common stock certificate of the Registrant.	S-1	333-256584	4.1	May 28, 2021
4.2	Amended and Restated Investors' Rights Agreement, dated April 10, 2014, by and among the Registrant and certain of its stockholders.	S-1	333-256584	4.2	May 28, 2021
4.3	Description of Securities.	Filed herewith			
4.4	Warrant to Purchase Shares of Common Stock issued to U.S. News & World Report, L.P., dated March 10, 2017.	S-1	333-256584	4.3	May 28, 2021
4.5	Warrant to Purchase Shares of Class A Common Stock issued to U.S. News & World Report, L.P., dated June 14, 2021.	10-Q	001-40508	4.2	August 12, 2021
4.6	Amendment to Warrant to Purchase Shares of Class A Common Stock issued to U.S. News & World Report, L.P., dated September 2, 2021.	10-Q	001-40508	4.3	November 10, 2021
4.7	Second Amendment to Warrant to Purchase Shares of Class A Common Stock issued to U.S. News & World Report, L.P., dated October 8, 2021.	10-Q	001-40508	4.4	November 10, 2021
10.1	Form of Indemnification Agreement between the Registrant and each of its directors and executive officers.	S-1/A	333-256584	10.1	June 15, 2021
10.2#	2010 Equity Incentive Plan, as amended, and forms of agreements thereunder.	S-1/A	333-256584	10.2	June 15, 2021
10.3#	2021 Stock Option and Incentive Plan, and forms of agreements thereunder.	Filed herewith			
10.4#	2021 Employee Stock Purchase Plan.	S-1/A	333-256584	10.4	June 15, 2021
10.5#	Senior Executive Cash Incentive Bonus Plan.	S-1/A	333-256584	10.5	June 15, 2021
10.6#	Non-Employee Director Compensation Policy.	S-1/A	333-256584	10.6	June 15, 2021
21.1	Subsidiaries of the Registrant.	Filed herewith			
23.1	Consent of Deloitte & Touche LLP, independent registered public accounting firm.	Filed herewith			
24.1	Power of Attorney (incorporated by reference to the Signature page of this Annual Report on Form 10-K).	Filed herewith			
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith			

31.2	<u>Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>	Filed herewith
32.1*	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>	Furnished herewith
32.2*	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>	Furnished herewith
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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 Label 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

* The certifications attached as Exhibit 32.1 and 32.2 that accompany this Annual Report on Form 10-K are deemed furnished and not filed with the SEC and are not to be incorporated by reference into any filing of the Company under the Securities Act or the Exchange Act, whether made before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

Indicates management contract or compensatory plan, contract or agreement.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized, San Francisco, California, on May 27, 2022.

DOXIMITY, INC.

By: /s/ Jeffrey Tangney

Jeffrey Tangney
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Anna Bryson

Anna Bryson
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Anna Bryson and Jennifer Chaloeintiarana, and each of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place, and stead, in any and all capacities, to sign any amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite or necessary to be done in connection therewith and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their, his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Jeffrey Tangney</u> Jeffrey Tangney	Chief Executive Officer and Director <i>(Principal Executive Officer)</i>	May 27, 2022
<u>/s/ Anna Bryson</u> Anna Bryson	Chief Financial Officer <i>(Principal Financial Officer and Principal Accounting Officer)</i>	May 27, 2022
<u>/s/ Regina Benjamin</u> Regina Benjamin	Director	May 27, 2022
<u>/s/ Tim Cabral</u> Tim Cabral	Director	May 27, 2022
<u>/s/ Gilbert Kliman</u> Gilbert Kliman	Director	May 27, 2022
<u>/s/ Kevin Spain</u> Kevin Spain	Director	May 27, 2022
<u>/s/ Kira Wampler</u> Kira Wampler	Director	May 27, 2022

DESCRIPTION OF SECURITIES

The following is a summary of information concerning the capital stock of Doximity, Inc. (“us,” “our,” “we,” or the “Company”) and certain provisions of our amended and restated certificate of incorporation (“Certificate”) and amended and restated bylaws (“Bylaws”). This summary does not purport to be complete and is qualified in its entirety by the provisions of our Certificate and Bylaws, each previously filed with the Securities and Exchange Commission and incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.3 is a part, as well as the applicable provisions of the Delaware General Corporate Law (the “DGCL”). We encourage you to read our Certificate, Bylaws, and the applicable portions of the DGCL carefully.

General

Our Certificate provides for two classes of common stock: Class A common stock and Class B common stock. In addition, our Certificate authorizes shares of undesignated preferred stock, the rights, preferences, and privileges of which may be designated from time to time by our board of directors.

Our authorized capital stock consists of the following, all with a par value of \$0.001 per share, of which:

- 1,000,000,000 shares of Class A common stock;
- 500,000,000 shares of Class B common stock; and
- 100,000,000 shares of undesignated preferred stock.

Our board of directors is authorized, without stockholder approval except as required by the listing standards of the New York Stock Exchange, to issue additional shares of our capital stock.

Voting Rights

Holders of our Class A common stock are entitled to one vote for each share and holders of our Class B common stock are entitled to ten votes per share, on all matters submitted to a vote of stockholders. The holders of our Class A common stock and Class B common stock vote together as a single class on all matters submitted to a vote of our stockholders, unless otherwise required by the DGCL or our Certificate. The DGCL could require either holders of our Class A common stock or Class B common stock to vote separately as a single class in the following circumstances:

- if we were to seek to amend our Certificate to increase or decrease the par value of a class of our capital stock, then that class would be required to vote separately to approve the proposed amendment; and
- if we were to seek to amend our Certificate in a manner that alters or changes the powers, preferences or special rights of a class of our capital stock in a manner that affected its holders adversely, then that class would be required to vote separately to approve the proposed amendment.

Stockholders do not have the ability to cumulate votes for the election of directors. Our Certificate and Bylaws have established a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class will be subject to election by a plurality of the votes cast at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms.

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

Conversion

Each outstanding share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon (i) any transfer, whether or not for value, except for certain permitted transfers described in our Certificate, including transfers to family members, trusts solely for the benefit of the stockholder or their family members, and partnerships, corporations and other entities exclusively owned by the stockholder or their family members or (ii), in the case of a stockholder who is a natural person, the death or incapacity of such stockholder. Once converted into Class A common stock, the Class B common stock will not be reissued. All outstanding shares of Class A common stock and Class B common stock will convert automatically into shares of a single class of common stock on the earlier of the date that is ten years from the date of this prospectus or the date the holders of at least 66 2/3% of our Class B common stock elect to convert the Class B common stock to Class A common stock. The purpose of this provision is to ensure that following such conversion, each share of common stock will have one vote per share and the rights of the holders of all outstanding common stock will be identical. Once converted into a single class of common stock, the Class A common stock and Class B common stock may not be reissued. See the section titled “Risk Factors— Risks Related to Ownership of Our Class A Common Stock” in the Form 10-K of which this exhibit is a part, which is hereby incorporated by reference, for a description of the risks related to the dual class structure of our common stock.

No Preemptive or Similar Rights

Our Class A common stock and Class B common stock are not entitled to preemptive rights and are not subject to conversion, redemption, or sinking fund provisions.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution, or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our Class A common stock and Class B common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Fully Paid and Non-Assessable

All of the outstanding shares of our Class A and Class B common stock are fully paid and non-assessable.

Preferred Stock

Our board of directors are authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series and to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in control of our company and might adversely affect the market price of our Class A common stock and the voting and other rights of the holders of our Class A common stock and Class B common stock.

Registration Rights

We are party to an investors' rights agreement which grants certain holders of our Class B common stock to rights with respect to the registration of their shares under the Securities Act. The registration rights set forth in the investors' rights agreement will expire five years following the listing of our Class A common stock on the NYSE or, with respect to any particular stockholder, when such stockholder is able to sell all of its shares pursuant to Rule 144 of the Securities Act. We will pay the registration expenses (other than underwriting discounts, selling commissions, and stock transfer taxes) of the holders of the shares registered pursuant to the registrations described below, including the reasonable fees of one counsel for the selling holders (not to exceed \$50,000). In an underwritten offering, the underwriters have the right, subject to specified conditions, to limit the number of shares such holders may include.

Demand Registration Rights on Form S-1

The holders of a majority of our Class B common stock securities then outstanding may request that we register the offer and sale of their shares on a registration statement on Form S-1, so long as the request covers at least that number of shares (a) with an anticipated aggregate offering price of at least \$25 million and (b) that constitute at least twenty percent of the shares entitled to demand registration rights then outstanding. We are obligated to effect only two such registrations. If in good faith our board of directors determine that it would be materially detrimental to our stockholders to effect such a demand registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of not more than 90 days. Additionally, we will not be required to effect a demand registration if, within 30 days of the request for registration, we provide notice to such holders requesting registration that we intend to file a Company-initiated registration within 90 days thereof.

Demand Registration Rights on Form S-3

The holders of a majority of our Class B common stock securities then outstanding may request that we register the offer and sale of their shares on a registration statement on Form S-3 if we are eligible to file a registration statement on Form S-3 so long as the request covers at least that number of shares with an anticipated aggregate offering price of at least \$500,000. These stockholders may make an unlimited number of requests for registration on Form S-3; however, we will not be required to effect a registration on Form S-3 if we have effected two such registrations within the 12-month period preceding the date of the request. Additionally, if in good faith our board of directors determine that it would be materially detrimental to our stockholders to effect such a registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of not more than 90 days. Additionally, we will not be required to effect a demand registration if, within 30 days of the request for registration, we provide notice to such holders requesting registration that we intend to file a Company-initiated registration within 90 days thereof.

Piggyback Registration Rights

In the event we propose to register the offer and sale of our common stock under the Securities Act, in connection with the public offering of such common stock the holders of a majority of our Class B common stock securities then outstanding will be entitled to certain "piggyback" registration rights allowing the holders to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to a registration relating solely to employee benefit plans, a registration relating to the offer and sale of debt securities, a registration relating to a corporate reorganization or other transaction under Rule 145 of the Securities Act, or a registration on any registration form that does not permit secondary sales, the holders of these shares are entitled to notice of the registration and have the right, subject to certain limitations, to include their shares in the registration.

Anti-Takeover Provisions

The DGCL, our Certificate, and our Bylaws may have the effect of delaying, deferring or discouraging another person from acquiring control of our company, as summarized below. These provisions are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Law

We are governed by the provisions of Section 203 of the DGCL. In general, Section 203 prohibits a public Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A “business combination” includes mergers, asset sales, or other transactions resulting in a financial benefit to the stockholder. An “interested stockholder” is a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation’s outstanding voting stock. These provisions may have the effect of delaying, deferring or preventing a change in our control.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaw Provisions

Our Certificate and Bylaws include a number of provisions that could deter hostile takeovers or delay or prevent changes in control of our board of directors or management team, including the following:

Dual Class Stock. As described above, our Certificate provides for a dual class common stock structure, which gives our founders, current investors, executives, and employees significant influence over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or our assets.

Board of Directors Vacancies. Our Certificate and Bylaws authorize only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors will be permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions would prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. These provisions make it more difficult to change the composition of our board of directors and promote continuity of management.

Classified Board. Our Certificate and Bylaws provides that our board of directors is classified into three classes of directors. A third party may be discouraged from making a tender offer or otherwise attempting to obtain control of us as it is more difficult and time consuming for stockholders to replace a majority of the directors on a classified board of directors.

Stockholder Action; Special Meeting of Stockholders. Our Certificate provides that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. As a result, a holder controlling a majority of our capital stock would not be able to amend our Bylaws or remove directors without holding a meeting of our stockholders called in accordance with our Bylaws. Our Bylaws further provide that special meetings of our stockholders may be called only by a majority of our board of directors, the Chairperson of our board of directors, our President, or our Chief Executive Officer, thus prohibiting a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations. Our Bylaws provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. Our Bylaws also specify certain requirements regarding the form and content of a stockholder’s notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting. The DGCL provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation’s certificate of incorporation provides otherwise. Our Certificate does not provide for cumulative voting.

Directors Removed Only for Cause. Our Certificate provides that stockholders may remove directors only for cause.

Amendment of Charter Provisions. Any amendment of the above provisions in our Certificate requires approval by holders of at least two-thirds of our then outstanding common stock.

Issuance of Undesignated Preferred Stock. Our board of directors have the authority, without further action by the stockholders, to issue up to 100,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock would enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest, or other means.

Exclusive Forum. 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 shall be the sole and exclusive forum for any state law claims for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, and employees to us or our stockholders, (3) any action asserting a claim arising pursuant to the DGCL, our Certificate, or our Bylaws, or (4) any action asserting a claim that is governed by the internal affairs doctrine; provided, however, that the Delaware Forum Provision shall not apply to any causes of action arising under the Securities Act or Exchange Act. In addition, our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act; provided, however, that our stockholders cannot and will not be deemed to have waived our compliance with the U.S. federal securities laws and the rules and regulations thereunder. Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to this provision. These forum provisions may impose additional costs on stockholders, may limit our stockholders' ability to bring a claim in a forum they find favorable, and the designated courts may reach different judgments or results than other courts. In addition, there is uncertainty as to whether the Federal Forum Provision for Securities Act claims will be enforced, which may impose additional costs on us and our stockholders.

DOXIMITY, INC.**2021 STOCK OPTION AND INCENTIVE PLAN****SECTION 1. GENERAL PURPOSE OF THE PLAN; DEFINITIONS**

The name of the plan is the Doximity, Inc. 2021 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 Doximity, Inc. (the “Company”) and its Affiliates upon whose judgment, initiative and efforts the Company largely depends for the successful conduct of its business 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 Units, Restricted Stock Awards, 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*” shall mean (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 Class A Common Stock, par value \$0.001 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) or Section 6(d), to extend at any time the period in which Stock Options and Stock Appreciation Rights 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, or its delegee, 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 22,500,000 shares (the "Initial Limit"), subject to adjustment as provided in this Section 3, plus on April 1, 2022 and each April 1 thereafter, the number of shares of Stock reserved and available for issuance under the Plan shall be cumulatively increased by five percent (5%) of the number of shares of Class A and Class B common stock issued and outstanding on the immediately preceding March 31 or such lesser amount, including no increase, 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 April 1, 2022 and on each April 1 thereafter by the lesser of the Annual Increase for such year or 22,500,000 shares of Stock, subject in all cases to adjustment as provided in Section 3(b). The shares of Stock underlying any awards under the Plan and underlying any awards under the Company's 2010 Equity Incentive Plan, as amended, 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 (provided, that any such shares of Class B common stock of the Company shall first be converted to shares of Class A common stock of the Company). 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 the foregoing 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 greater 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; provided, however, that such amount shall be \$1,000,000 for the calendar year in which the applicable Non-Employee Director is initially elected or appointed to the Board. For the purpose of this limitation, 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 or Consultants of the Company and its Affiliates as are selected from time to time by the Administrator in its sole discretion.

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 grantee’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 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 electronically 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 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. Notwithstanding the foregoing, Stock Appreciation Rights 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) if the Stock Appreciation Right is otherwise compliant with Section 409A.

(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 or her 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

(a) 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

(a) 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. The Administrator may require the Company’s tax withholding obligation to be satisfied, in whole or in part, by the Company withholding 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. For purposes of share withholding, the Fair Market Value of withheld shares shall be determined in the same manner as the value of Stock includable in income of the grantees. The Administrator may also require the Company’s tax withholding obligation to be satisfied, in whole or in part, by an arrangement whereby a certain number of shares of Stock issued pursuant to an 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. The Company makes no representation that any or all of the payments or benefits described in the Plan will be exempt from or comply with Section 409A of the Code and makes no undertaking to preclude Section 409A of the Code from applying to any such payment. The grantee shall be solely responsible for the payment of any taxes and penalties incurred under 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 a 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 materially and adversely affect rights under any outstanding Award without the holder’s consent. Except as provided in Section 3(b) or 3(c), without prior stockholder approval, in no event may the Administrator exercise its discretion to reduce the exercise price of outstanding Stock Options or Stock Appreciation Rights or effect repricing through cancellation and re-grants or cancellation of Stock Options or Stock Appreciation Rights in exchange for cash or other Awards. To the extent required under the rules of any securities exchange or market system on which the Stock is listed, and 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 Company 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) No Fractional Shares. No fractional shares of Stock shall be issued or delivered pursuant to the Plan or any Award, and the Administrator shall determine whether cash, other securities or other property shall be paid or transferred in lieu of any fractional shares, or whether such fractional shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

(d) 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.

(e) 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.

(f) 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.

(g) Clawback Policy. A grantee's rights with respect to any Award hereunder shall in all events be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any right that the Company may have under any Company clawback, forfeiture or recoupment policy as in effect from time to time or other agreement or arrangement with a grantee, or (ii) applicable law.

(h) Termination of Grant. Notwithstanding anything in the foregoing, the Administrator may, in its sole discretion, terminate an Award if the grantee has not electronically accepted the Award within six months of the Date of Grant.

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 California, applied without regard to conflict of law principles.

DATE APPROVED BY BOARD OF DIRECTORS: June 7, 2021

DATE APPROVED BY STOCKHOLDERS: June 7, 2021

SUBSIDIARIES OF DOXIMITY

Name of Subsidiary	Jurisdiction of Incorporation or Organization
Curative Talent, LLC	Delaware, U.S.
Amion, LLC	Delaware, U.S.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-257332, 333-257333, and 333-258776 on Form S-8 of our report dated May 27, 2022, relating to the financial statements of Doximity, Inc. appearing in this Annual Report on Form 10-K for the year ended March 31, 2022.

/s/ Deloitte & Touche LLP

San Francisco, California

May 27, 2022

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

I, Jeffrey Tangney, certify that:

1. I have reviewed this Annual Report on Form 10-K of Doximity, Inc.;
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)) 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. 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
 - c. 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: May 27, 2022

By: /s/ Jeffrey Tangney
Chief Executive Officer
(Principal Executive Officer)

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

I, Anna Bryson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Doximity, Inc.;
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)) 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. 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
 - c. 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: May 27, 2022

By: /s/ Anna Bryson
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeffrey Tangney, Chief Executive Officer of Doximity, Inc. (the "Company"), do hereby certify, to the best of my knowledge and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Annual Report on Form 10-K of the Company for the period ended March 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 27, 2022

By: /s/ Jeffrey Tangney
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Anna Bryson, Chief Financial Officer of Doximity, Inc. (the “Company”), do hereby certify, to the best of my knowledge and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- the Annual Report on Form 10-K of the Company for the period ended March 31, 2022 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 27, 2022

By: /s/ Anna Bryson
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)