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

FORM 10-Q

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

For the Quarterly Period Ended June 30, 2026

OR

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

For the transition period from _____ to _____

HIMS & HERS HEALTH, INC.

(Exact name of registrant as specified in its charter)

Delaware	001-38986	98-1482650
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	**(I.R.S. Employer Identification No.)**

2269 Chestnut Street, #523 San Francisco California	**94123**
(Address of principal executive offices)	(ZIP Code)

(415) 851-0195

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, $0.0001 par value per share	HIMS	New York Stock Exchange

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

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

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

Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of August 7, 2026, 224,935,790 shares of Class A common stock, par value $0.0001, and 8,377,623 shares of Class V common stock, par value $0.0001, were issued and outstanding.

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q, including, without limitation, statements under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations," includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements can be identified by the use of forward-looking terminology, including without limitation the words "believe," "estimate," "anticipate," "expect," "assume," "imply," "intend," "plan," "may," "will," "potential," "project," "predict," "continue," "could," "confident," "confidence," or "should," or, in each case, their plural, their negative or other variations or comparable terminology. There can be no assurance that actual results will not materially differ from expectations. Such statements include, but are not limited to, any statements relating to our financial and business performance, including with respect to the Hims & Hers platform, our marketing campaigns, investments in innovation, the solutions accessible on our platform, the markets accessible on our platform, and our infrastructure, and the underlying assumptions with respect to the foregoing; potential strategic investments, partnerships, or collaborations, and the expected timing or outcome of any such investments, partnerships, or collaborations; statements relating to events and trends relevant to us, including with respect to our regulatory environment, financial condition, results of operations, short- and long-term business operations, objectives, and financial needs; expectations regarding our mobile applications, market acceptance, user experience, customer retention, brand development, our ability to invest and generate a return on any such investment, customer acquisition costs, operating efficiencies and leverage (including our fulfillment capabilities), the effect of any pricing decisions, changes in our product and offering mix, the timing and market acceptance of any new products or offerings, the timing and anticipated effect of any pending or recently completed acquisitions, the success and utility of our business model, our market opportunity, our ability to scale our business and expand internationally, the growth of certain of our specialties, our ability to innovate on and expand the scope of our offerings and experiences, including through the use of diagnostics, data analytics and artificial intelligence, our ability to reinvest into the customer experience, our ability to comply with the extensive, complex, and evolving legal and regulatory requirements applicable to our business, including without limitation state and federal healthcare, privacy and consumer protection laws and regulations, and the effect or outcome of litigation or governmental actions or statements in relation to any such legal and regulatory requirements. These statements are based on management's current expectations, but actual results may differ materially due to various factors.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on our current expectations and beliefs concerning future developments and their potential effects on us. Future developments affecting us may not be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control), and other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under Part II, Item 1A: "Risk Factors." Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation (and expressly disclaim any obligation) to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. These risks and others described under Part II, Item 1A: "Risk Factors" may not be exhaustive.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and developments in the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Quarterly Report on Form 10-Q. In addition, even if our results of operations, financial condition and liquidity, and developments in the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, those results or developments may not be indicative of results or developments in subsequent periods.

Part I - Financial Information

Item 1. Financial Statements

Hims & Hers Health, Inc.

Condensed Consolidated Balance Sheets
(In Thousands, Except Share and Per Share Data)

	June 30, 2026	December 31, 2025
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 609,811	$ 228,616
Short-term available-for-sale investments	231,237	348,876
Receivables, net	375,291	32,149
Inventory	87,781	80,128
Prepaid expenses and other current assets	80,493	77,869
Total current assets	1,384,613	767,638
Long-term available-for-sale investments	—	351,263
Goodwill	1,101,720	278,325
Property, equipment, and software, net	364,215	311,930
Intangible assets, net	422,809	196,116
Operating lease right-of-use assets	165,565	137,046
Deferred tax assets, net	111,578	82,707
Other long-term assets	78,314	29,680
Total assets	$ 3,628,814	$ 2,154,705
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 501,297	$ 143,278
Accrued liabilities	210,255	77,039
Deferred revenue	141,384	127,160
Deferred acquisition payable	537,381	1,479
Earn-out consideration	81,364	50,632
Operating lease liabilities	11,551	4,843
Total current liabilities	1,483,232	404,431
Convertible senior notes, net	1,365,299	972,580
Operating lease liabilities	169,389	143,167
Deferred acquisition payable	165,624	5,484
Earn-out consideration	81,600	53,009
Deferred tax liabilities, net	30,934	28,856
Other long-term liabilities	8,664	6,250
Total liabilities	3,304,742	1,613,777
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Common stock – Class A shares, par value $0.0001, 2,750,000,000 shares authorized and 224,920,310 and 218,867,898 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively; Class V shares, par value $0.0001, 10,000,000 shares authorized and 8,377,623 shares issued and outstanding as of June 30, 2026 and December 31, 2025	23	23
Additional paid-in capital	662,263	652,383
Accumulated other comprehensive (loss) income	(46,037)	2,294
Accumulated deficit	(292,177)	(113,772)
Total stockholders' equity	324,072	540,928
Total liabilities and stockholders' equity	$ 3,628,814	$ 2,154,705

See accompanying notes to unaudited condensed consolidated financial statements.

Hims & Hers Health, Inc.

Condensed Consolidated Statements of
Operations and Comprehensive (Loss) Income (Unaudited)
(In Thousands, Except Share and Per Share Data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	$ 753,214	$ 544,833	$ 1,361,318	$ 1,130,843
Cost of revenue	272,411	128,637	483,728	283,958
Gross profit	480,803	416,196	877,590	846,885
Operating expenses:				
Marketing	262,236	217,862	484,239	449,097
Operations and support	95,481	66,490	191,984	129,523
Technology and development	54,901	37,848	101,837	67,762
General and administrative	165,377	67,273	275,045	115,883
Total operating expenses	577,995	389,473	1,053,105	762,265
(Loss) income from operations	(97,192)	26,723	(175,515)	84,620
Other income (expense):				
Change in fair value of equity securities	4,737	—	(4,945)	—
Change in fair value of liabilities	(4,223)	—	(21,869)	—
Other income, net	4,045	6,130	8,145	8,728
Total other income (expense), net	4,559	6,130	(18,669)	8,728
(Loss) income before income taxes	(92,633)	32,853	(194,184)	93,348
Benefit from (provision for) income taxes	6,343	9,652	15,779	(1,358)
Net (loss) income	(86,290)	42,505	(178,405)	91,990
Other comprehensive (loss) income	(41,632)	986	(48,331)	1,146
Total comprehensive (loss) income	$ (127,922)	$ 43,491	$ (226,736)	$ 93,136
Net (loss) income per share attributable to common stockholders, Class A and Class V:				
Basic	$ (0.37)	$ 0.19	$ (0.78)	$ 0.41
Diluted	$ (0.37)	$ 0.17	$ (0.78)	$ 0.37
Weighted average shares outstanding, Class A and Class V:				
Basic	231,746,126	224,373,375	230,061,076	223,187,936
Diluted	231,746,126	256,779,292	230,061,076	251,894,929

See accompanying notes to unaudited condensed consolidated financial statements.

Hims & Hers Health, Inc.

Condensed Consolidated Statements of Stockholders' Equity (Unaudited)

(In Thousands, Except Share Data)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2025	227,245,521	$ 23	$ 652,383	$ 2,294	$ (113,772)	$ 540,928
Issuance of common stock upon vesting of RSUs, net of shares withheld for taxes	2,226,629	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	—	—	(39,206)	—	—	(39,206)
Exercise of vested stock options	1,085,188	—	5,008	—	—	5,008
Common stock issued for asset acquisition indemnification holdback	146,402	—	—	—	—	—
Stock-based compensation	—	—	38,251	—	—	38,251
Other comprehensive loss	—	—	—	(6,699)	—	(6,699)
Net loss	—	—	—	—	(92,115)	(92,115)
Balance as of March 31, 2026	230,703,740	23	656,436	(4,405)	(205,887)	446,167
Issuance of common stock upon vesting of RSUs, net of shares withheld for taxes	1,153,444	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	—	—	(23,118)	—	—	(23,118)
Exercise of vested stock options	1,227,255	—	8,022	—	—	8,022
Issuance of common stock under employee stock purchase plan	213,494	—	3,846	—	—	3,846
Purchases of capped calls related to convertible senior notes, net of tax	—	—	(27,308)	—	—	(27,308)
Stock-based compensation	—	—	44,385	—	—	44,385
Other comprehensive loss	—	—	—	(41,632)	—	(41,632)
Net loss	—	—	—	—	(86,290)	(86,290)
Balance as of June 30, 2026	233,297,933	$ 23	$ 662,263	$ (46,037)	$ (292,177)	$ 324,072

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2024	220,837,209	$ 22	$ 719,155	$ (324)	$ (242,137)	$ 476,716
Issuance of common stock upon vesting of RSUs, net of shares withheld for taxes	1,179,653	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	—	—	(25,711)	—	—	(25,711)
Exercise of vested stock options	1,274,229	—	3,928	—	—	3,928
Issuance of common stock for acquisition of assets	292,806	—	12,760	—	—	12,760
Common stock to be issued for asset acquisition indemnification holdback	—	—	6,380	—	—	6,380
Stock-based compensation	—	—	25,543	—	—	25,543
Other comprehensive income	—	—	—	160	—	160
Net income	—	—	—	—	49,485	49,485
Balance as of March 31, 2025	223,583,897	22	742,055	(164)	(192,652)	549,261
Issuance of common stock upon vesting of RSUs, net of shares withheld for taxes	1,183,553	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	—	—	(36,764)	—	—	(36,764)
Exercise of vested stock options	739,789	1	2,568	—	—	2,569
Issuance of common stock under employee stock purchase plan	251,818	—	2,970	—	—	2,970
Purchases of capped calls related to convertible senior notes, net of tax	—	—	(35,520)	—	—	(35,520)
Stock-based compensation	—	—	36,689	—	—	36,689
Other comprehensive income	—	—	—	986	—	986
Net income	—	—	—	—	42,505	42,505
Balance as of June 30, 2025	225,759,057	$ 23	$ 711,998	$ 822	$ (150,147)	$ 562,696

See accompanying notes to unaudited condensed consolidated financial statements.

Hims & Hers Health, Inc.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(In Thousands)

	Six Months Ended June 30,	
	2026	**2025**
Operating activities		
Net (loss) income	$ (178,405)	$ 91,990
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	51,430	18,741
Stock-based compensation	78,978	60,584
Change in fair value of equity securities	4,945	—
Change in fair value of liabilities	21,869	—
Net accretion on securities	(338)	(1,060)
Benefit from deferred taxes	(23,338)	(10,346)
Impairment of long-lived assets	1,148	—
Amortization of debt discount and issuance costs	3,656	1,047
Non-cash operating lease cost	9,482	4,594
Non-cash acquisition-related costs	21,311	2,985
Non-cash restructuring and other related charges included within cost of revenue	28,462	—
Non-cash other	2,511	(1,315)
Changes in operating assets and liabilities:		
Receivables, net	(328,987)	(654)
Inventory	(14,255)	(77,373)
Prepaid expenses and other current assets	80	(37,427)
Other long-term assets	(30,553)	(10)
Accounts payable	323,795	5,146
Accrued liabilities	89,526	11,737
Deferred revenue	2,960	23,132
Earn-out consideration	(7,058)	—
Deferred acquisition payable	472	—
Operating lease liabilities	(4,894)	(1,798)
Other long-term liabilities	620	—
Net cash provided by operating activities	53,417	89,973
Investing activities		
Maturities of available-for-sale investments	116,232	60,569
Proceeds from sales of available-for-sale investments	350,762	—
Purchases of property, equipment, and intangible assets	(55,770)	(101,392)
Investment in website development and internal-use software	(12,808)	(7,961)
Acquisition of businesses, net of cash acquired	(318,108)	(5,100)
Purchases of equity securities	(11,217)	—
Net cash provided by (used in) investing activities	69,091	(53,884)
Financing activities		
Proceeds from issuance of convertible senior notes, net of debt discount	390,425	970,000
Purchases of capped calls related to convertible senior notes	(36,748)	(47,800)
Proceeds from exercise of vested stock options	13,030	6,497
Payments for taxes related to net share settlement of equity awards	(62,324)	(62,475)
Proceeds from employee stock purchase plan	3,846	2,970
Payments for acquisition-related earn-out consideration	(43,682)	—
Payments for debt issuance costs	(671)	(3,041)
Net cash provided by financing activities	263,876	866,151
Foreign currency effect on cash and cash equivalents	(5,189)	1,270
Increase in cash, cash equivalents, and restricted cash	381,195	903,510
Cash, cash equivalents, and restricted cash at beginning of period	228,616	221,440
Cash, cash equivalents, and restricted cash at end of period	$ 609,811	$ 1,124,950
Reconciliation of cash, cash equivalents, and restricted cash		
Cash and cash equivalents	$ 609,811	$ 1,124,582
Restricted cash	—	368
Total cash, cash equivalents, and restricted cash	$ 609,811	$ 1,124,950
Supplemental disclosures of cash flow information		
Cash (received) paid for taxes, net of refunds	$ (2,663)	$ 23,047
Cash paid for interest	1,735	—
Non-cash investing and financing activities		
Purchases of property, equipment, and intangible assets included in accounts payable and accrued liabilities	$ 16,666	$ 16,954
Right-of-use asset obtained in exchange for lease liability	25,681	63,434
Contingent and deferred consideration and liabilities assumed in connection with acquisition of businesses	886,287	—
Deferred debt issuance costs included in accounts payable and accrued liabilities	—	249
Issuance of common stock in connection with asset acquisition	—	12,760

Common stock to be issued for asset acquisition indemnification holdback	—	6,380

See accompanying notes to unaudited condensed consolidated financial statements.

Hims & Hers Health, Inc.

Notes to Condensed Consolidated Financial Statements (Unaudited)

1. Organization

Hims & Hers Health, Inc. (the "Company" or "Hims & Hers"), incorporated in Delaware, is a consumer-first platform transforming the way customers fulfill their health and wellness needs. The Company's mission is to help the world feel great through the power of better health. The Company has operations in the United States, the United Kingdom, Canada, the European Union (in Germany, the Republic of Ireland, France, and Spain), Australia, and Japan. The Hims & Hers platforms (collectively, the Company's "platform") include access to a highly-qualified and technologically-capable provider network, a clinically-focused electronic medical records system, digital prescriptions, cloud-enabled pharmacy fulfillment, and personalization capabilities. The Company's digital platform enables access to treatments for a broad range of conditions, including primarily those related to sexual health, hair loss, hormone health, weight loss, dermatology, and mental health, as well as services such as comprehensive laboratory testing. Hims & Hers connects patients to licensed healthcare professionals who can prescribe medications when appropriate. Prescriptions are fulfilled online through licensed pharmacies, making accessing treatments simple, affordable, and straightforward. Through the Hims & Hers mobile applications, consumers can access a range of educational programs, wellness content, community support, and other services that promote lifelong health and wellness.

In addition, the Company offers access to a range of health and wellness products designed to meet individual needs, which can include curated prescription and non-prescription products. The Company's products and services are available for purchase directly by customers on the Company's websites and mobile applications. Additionally, Hims & Hers non-prescription products can be found in tens of thousands of top retail locations in the United States.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to accounting principles generally accepted in the United States of America ("U.S. GAAP").

The condensed consolidated financial statements as of June 30, 2026 are unaudited. The condensed consolidated balance sheet as of December 31, 2025 included herein was derived from the audited consolidated financial statements as of that date. Certain information and note disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. As such, the information included herein should be read in conjunction with the consolidated financial statements and accompanying notes as of and for the year ended December 31, 2025 (the "audited consolidated financial statements").

The unaudited condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements and reflect, in management's opinion, all adjustments of a normal, recurring nature that are necessary for the fair statement of the Company's balance sheet, results of operations, and cash flows for the periods presented, but are not necessarily indicative of the results expected for the full fiscal year or any other period.

The unaudited condensed consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries, and variable interest entities in which it is the primary beneficiary. All intercompany transactions and balances have been eliminated in these unaudited condensed consolidated financial statements.

Except for the reclassification for receivables, net discussed below and the addition of restructuring and other related charges, there have been no changes to the Company's significant accounting policies described in the audited consolidated financial statements for the year ended December 31, 2025 that have had a material impact on these unaudited condensed consolidated financial statements and related notes.

Reclassifications

Beginning with the first quarter of 2026, the Company reclassified receivables, net out of prepaid expenses and other current assets and into its own caption on the unaudited condensed consolidated balance sheets. The prior period amounts have been reclassified to conform to this presentation. These changes had no impact on the Company's previously reported financial

position, results of operations, or cash flows. For a detailed description of receivables, net, refer to the “Receivables, net” section.

Use of Estimates

The preparation of unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the amounts reported in the financial statements and accompanying notes. The more significant estimates, judgments, and assumptions by management include, among others, valuation and recognition of stock-based compensation expense, initial and subsequent valuation of contingent consideration in business combinations or asset acquisitions, purchase price allocation for business combinations, valuation of assets acquired in an asset acquisition, estimates used in determining the useful lives of intangible assets, valuation of deferred tax assets, estimating the net realizable value of inventory, valuation of refund reserve, and estimates used in the capitalization of website development and internal-use software costs. Management believes that the estimates, judgments, and assumptions upon which it relies are reasonable based upon information available to it at the time that these estimates, judgments, and assumptions were made. Actual results experienced by the Company may differ from management’s estimates. To the extent that there are material differences between these estimates and actual results, the Company’s unaudited condensed consolidated financial statements will be affected.

Business Combinations

The Company accounts for its business combinations using the acquisition method of accounting. The purchase price is attributed to the fair value of the assets acquired and liabilities assumed. Transaction costs directly attributable to the acquisition are expensed as incurred. Identifiable assets and liabilities acquired or assumed are measured separately at their fair values as of the acquisition date. The excess of the purchase price of acquisition over the fair value of the identifiable net assets of the acquiree is recorded as goodwill. The results of businesses acquired in a business combination are included in the Company’s consolidated financial statements from the date of acquisition.

When the Company issues stock-based or cash awards to an acquired company’s shareholders, the Company evaluates whether the awards are consideration or compensation for post-acquisition services. The evaluation includes, among other things, whether the vesting of the awards is contingent on the continued employment of the acquired company’s stockholders beyond the acquisition date. If continued employment is required for vesting, the awards are treated as compensation for post-acquisition services and recognized as expense over the requisite service period.

Determining the fair value of assets acquired and liabilities assumed requires management to use significant judgment and estimates, including the selection of valuation methodologies, estimates of future revenue and cash flows, discount rates, and selection of comparable companies. The estimates and assumptions used to determine the fair values and useful lives of identified intangible assets could change due to numerous factors, including market conditions, technological developments, economic conditions, and competition. In connection with determination of fair values, the Company may engage a third-party valuation specialist to assist with the valuation of intangible and certain tangible assets acquired and certain assumed obligations.

Segment Reporting

The Company is managed as a single operating segment on a consolidated basis, inclusive of acquisitions. The Company determines its operating segments based on how the chief operating decision maker (“CODM”) makes decisions regarding the allocation of resources and operational strategy, assesses performance, and manages the organization at a consolidated level. The Chief Executive Officer (“CEO”) is the CODM. The products and services from which this segment derives its revenues are described below in the discussion of revenue recognition.

Receivables, net

Receivables, net primarily consists of manufacturer’s discount and rebate receivables related to the Company’s vendor supply agreements, as well as Platform Partner trade receivables, wholesale trade receivables, income tax refund receivables, and other receivables, net. Manufacturer’s discount and rebate receivables are recorded based on the contract terms of the associated vendor supply agreements, are primarily related to the volume of inventory shipped, and totaled $347.4 million as of June 30, 2026, with an immaterial balance as of December 31, 2025. Trade accounts receivable are recorded at the invoiced amount and

do not bear interest. Receivables are stated at amounts estimated by management to be equal to their net realizable values. The allowance for doubtful accounts, if any, is the Company's best estimate of the amount of expected credit losses on its accounts receivable. The expectation of collectability is based on the Company's review of credit profiles of customers, contractual terms and conditions, current economic trends, and historical payment experience. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and an allowance is recorded accordingly. Account balances are written off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. There were immaterial write-offs of balances within receivables, net for the three and six months ended June 30, 2026 and no write-offs of any balances within receivables, net for the three and six months ended June 30, 2025. As of June 30, 2026 and December 31, 2025, the Company had no material allowances for doubtful accounts.

Inventory

Inventory primarily consists of finished goods and raw materials that are located at Company-managed and third-party fulfillment warehouses, pharmacies, and storage facilities. Inventory is stated at the lower of cost and net realizable value and inventory cost is determined by the weighted average cost method. Inventory cost is net of manufacturer's discount and rebate receivables, as applicable. The Company reserves for expired, slow-moving, and excess inventory by estimating the net realizable value based on the potential future use of such inventory. Management monitors inventory to identify events that would require impairment due to slow-moving, expired, or obsolete inventory and reduces the value of inventory when required.

Goodwill

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 balances denominated in non-U.S. dollar currencies are translated into U.S. dollars each reporting period using period-end exchange rates. Goodwill is not amortized but is tested for impairment annually in the fourth quarter or more frequently if events or changes in circumstances indicate that the asset may be impaired. The Company operates as one reporting unit. When testing goodwill for impairment, the Company may first perform an optional qualitative assessment. If the Company determines it is not more likely than not the reporting unit’s fair value is less than its carrying value, then no further analysis is necessary. If the Company determines that it is more likely than not that the fair value of its reporting unit is less than its carrying amount, then the quantitative impairment test will be performed. Under the quantitative impairment test, if the carrying amount of the Company’s reporting unit exceeds its fair value, the Company will recognize an impairment loss in an amount equal to that excess but limited to the total amount of goodwill. Goodwill of $859.8 million was acquired in relation to business combinations during the six months ended June 30, 2026. No goodwill impairment was recorded for the three and six months ended June 30, 2026 and 2025.

Impairment of Long-Lived Assets

Long-lived assets include property, equipment, and software and intangible assets subject to amortization. Long-lived assets, including acquired assets from a business combination, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. In such cases, recoverability of an asset group to be held and used is assessed by comparing the carrying amount of the asset group with its future underlying net undiscounted cash flows without interest charges. If such asset group is considered to be impaired, an impairment is recognized as the amount by which the carrying amount of the asset group exceeds the estimated fair values of the asset group. The Company recognized $1.1 million of impairment charges on long-lived assets during the three and six months ended June 30, 2026 in general and administrative expenses on the unaudited condensed consolidated statements of operations and comprehensive (loss) income. No impairment of long-lived assets was recorded for the three and six months ended June 30, 2025. As a result of recent acquisitions, the Company consisted of four asset groups as of June 30, 2026.

Convertible Notes

The Company has issued the 2030 Convertible Notes and the 2032 Convertible Notes (each as defined in Note 13 – Debt and collectively referred to as the “Convertible Notes”) which are recorded at their carrying values on the unaudited condensed consolidated balance sheets. The Convertible Notes will be classified as long-term liabilities until they are scheduled to mature within one year of the balance sheet date or become repayable within one year of the balance sheet date. Amortization of debt discount and issuance costs, along with contractual interest expense, if any, is recorded over the term of the Convertible Notes

using the effective interest method. The Company evaluates conversion features to determine if they are required to be accounted for separately as embedded derivatives. The Convertible Notes are considered participating securities for purposes of calculating diluted net (loss) income per share. The dilutive effect is calculated under the if-converted method whereby the numerator is adjusted to add back the amortization of debt discount and issuance costs and the denominator is adjusted to add the gross number of Class A common stock shares issuable upon conversion as if converted at the beginning of the period (or at the time of issuance, if later).

Capped Calls

The Company has entered into the 2030 Capped Calls and the 2032 Capped Calls (each as defined in Note 13 – Debt and collectively referred to as the "Capped Calls") in connection with the issuances of the Convertible Notes. The Capped Calls meet certain accounting criteria to be classified as equity, and premiums paid for the Capped Calls are recorded as a reduction to additional paid-in capital within stockholders' equity, net of the deferred tax impact. The Capped Calls are not accounted for as derivatives and will not be remeasured as long as they continue to meet the conditions for equity classification. The Capped Calls are expected to reduce the potential dilution to the Company's Class A common stock upon conversion of the Convertible Notes. As such, their effect on diluted net (loss) income per share would be anti-dilutive and they are excluded from the calculation.

Revenue Recognition

The Company recognizes revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services.

The Company's consolidated revenue primarily comprises online sales of health and wellness products and services through the Company's websites and mobile applications, including prescription and non-prescription products. In certain contracts that contain prescription products prescribed as the result of a consultation, revenue also includes medical consultation services and post-consultation service, if applicable. For weight-loss membership arrangements, revenue includes membership-based services, including access to the Company's telehealth programs and prescription products. Additionally, in the United States, the Company offers a range of health and wellness products through wholesale partners, with such revenue not considered significant.

The following table presents revenues disaggregated by geography, based on the jurisdiction in which the Company's consolidated legal entities operate (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
United States Revenue	$ 621,830	$ 537,286	$ 1,151,739	$ 1,115,978
Rest of the World Revenue	131,384	7,547	209,579	14,865
Total revenue	$ 753,214	$ 544,833	$ 1,361,318	$ 1,130,843

For both United States Revenue and Rest of the World Revenue, a significant majority of customers are individuals who purchase products and/or services through the Company's websites or mobile applications. The transaction price in the Company's contracts with customers is the total amount of consideration to which the Company expects to be entitled in exchange for transferring products or services to the customer.

The Company's contracts primarily include the following performance obligations: access to (i) products, as well as related material rights, as applicable, (ii) services, primarily consisting of medical consultation services, membership-based access, post-consultation service support, and delivery of laboratory testing results, as applicable. The Company's contracts that do not contain prescription products primarily have a single performance obligation. Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised product to the customer. In contracts that contain services, revenue is recognized by the provision of consultation services to the customer, over time on a stand-ready basis for membership-based access, or upon delivery of testing results to the customer for laboratory services. The Company satisfies its performance obligation for products at a point in time, which is primarily upon delivery of the products to a third-party carrier. The Company satisfies its performance obligation for consultation services typically within one day and for membership-based

access and post-consultation service support over the contract term. The customer obtains control of the products and services upon the Company's completion of its performance obligations.

For contracts with multiple performance obligations, the transaction price is allocated to each performance obligation on a relative stand-alone selling price basis. The stand-alone selling price is based on the prices at which the Company separately sells the products and services, as well as market and cost plus estimates.

To fulfill its promise to customers in the United States for certain contracts that include professional medical consultations, the Company maintains relationships with various "Affiliated Medical Groups," which are professional corporations or other professional entities owned by licensed physicians and that engage licensed healthcare professionals (physicians, physician assistants, nurse practitioners, and mental health providers; collectively referred to as "Providers" or individually, a "Provider") to provide consultation services. Refer to Note 11 – Variable Interest Entities. The Company also maintains relationships with certain directly contracted Providers outside of the United States. The Company accounts for the Affiliated Medical Groups service revenue, as well as for service revenue generated from directly contracted Providers, as a principal in the arrangement with its customers. This conclusion is reached because (i) the Company determines which Affiliated Medical Group and Provider provides the consultation to the customer; (ii) the Company is primarily responsible for the satisfactory fulfillment and acceptability of the services; (iii) the Company incurs costs for consultation services even for visits that do not result in a prescription and the sale of products; and (iv) the Company, in its sole discretion, sets all listed prices charged on its websites and mobile applications for products and services.

Additionally, with the exception of Platform Partner arrangements (defined below), to fulfill its promise to customers for contracts that include sale of prescription products, the Company utilizes (i) certain third-party pharmacies ("Partner Pharmacies" or individually, a "Partner Pharmacy") and (ii) wholly-owned pharmacies. The pharmacies, as licensed, fill prescription orders for customers who have received a prescription from a prescribing Provider through the Company's websites and mobile applications. The Company accounts for prescription product revenue from Partner Pharmacies as a principal in the arrangement with its customers. This conclusion is reached because (i) the Company has sole discretion in determining which pharmacy fills a customer's prescription; (ii) the pharmacies fill the prescription based on fulfillment instructions provided by the Company, including using the Company's branded packaging, as applicable; (iii) the Company is primarily responsible to the customer for the satisfactory fulfillment and acceptability of the order; (iv) the Company is responsible for refunds of the prescription medication after transfer of control to the customer; and (v) if permitted by law and/or contract terms, the Company, in its sole discretion, sets all listed prices charged on its websites and mobile applications for products and services.

Further, to provide access to certain products, a substantial majority of which are prescription products, the Company has contracts with third-party platform partners ("Platform Partners"). Under the Platform Partner arrangements, the Company accounts for the provision of access to prescription products as an agent in the arrangement. This conclusion is reached because (i) the Company is contractually restricted in determining which pharmacy fills a customer's prescription; (ii) the Platform Partner has discretion over how the prescription products are fulfilled, including the packaging used, and the related shipments do not utilize the Company's branded packaging, as applicable; (iii) the Platform Partner is responsible to the customer for the satisfactory fulfillment and acceptability of the order, with the Platform Partner's role in the arrangement explicitly disclosed to the customer; (iv) the Platform Partner is responsible for refunds related to fulfillment obligations of the prescription medication after transfer of control to the customer, as applicable; and (v) the Platform Partner has discretion in how the listed prices are displayed on the Company's websites and mobile applications for its offerings, as applicable.

The Company estimates refunds using the expected value method primarily based on historical refunds granted to customers. The Company updates its estimate at the end of each reporting period and recognizes the estimated amount as contra-revenue with a corresponding refund liability. Sales, value-added, and other taxes are excluded from the transaction price and, therefore, from revenue.

The Company accounts for shipping activities, consisting of direct costs to ship products performed after the control of a product has been transferred to the customer, in cost of revenue.

For sales through the Company's websites and mobile applications, payment for prescription medication and non-prescription products is collected from the customer in accordance with contract terms a few days in advance of product shipment, or in the case of prepaid offerings, upfront with subsequent shipments typically occurring monthly, bimonthly, quarterly, or semi-annually. For service revenue, payment is collected either at the time the service is performed or, for Platform Partner arrangements, weight-loss membership arrangements, and laboratory testing arrangements, in accordance with contractual

terms. Contract liabilities are recorded when payments have been received from the customer for undelivered products or services and are recognized as revenue when the performance obligations are later satisfied. Contract liabilities consisting of balances related to customer prepayments are recognized as current deferred revenue on the unaudited condensed consolidated balance sheets since the associated revenue will be recognized within the following year. As of June 30, 2026 and December 31, 2025, total deferred revenue was $141.4 million and $127.2 million, respectively. The increase of $14.2 million was primarily driven by the Company's weight loss offerings.

Restructuring and Other Related Charges

In March 2026, the Company announced a strategic shift for its United States weight loss offering ("2026 US WL Announcement"). As a result, the Company evolved its United States weight loss offering to match the Company's global approach towards providing access to branded glucagon-like peptide-1 receptor agonist ("GLP-1") medications, and offering access to compounded GLP-1 medications through the platform on a limited scale. For the three and six months ended June 30, 2026, the Company recorded $4.6 million and $38.1 million, respectively, in non-recurring restructuring and other related charges on the unaudited condensed consolidated statements of operations and comprehensive (loss) income in connection with the 2026 US WL Announcement. For the three months ended June 30, 2026, all $4.6 million is presented within operating expenses. For the six months ended June 30, 2026, $28.5 million and $9.6 million are presented within cost of revenue and operating expenses, respectively.

Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The amendments in this ASU expand certain expense category disclosure requirements, primarily through enhanced disclosures about inventory purchases, employee compensation, depreciation, amortization, and selling expenses. In January 2025, the FASB issued ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)*, which clarified the effective date for ASU 2024-03. The ASU is effective for all public entities for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The amendments in this ASU should be applied on a prospective basis and retrospective application is permitted. The Company is evaluating the method of adoption and the impact of this ASU on its consolidated financial statements and related disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*. The amendments in this ASU remove all references to prescriptive and sequential software development stages (referred to as "project stages") throughout Subtopic 350-40 to increase the operability of the recognition guidance considering different methods of software development. ASU 2025-06 is effective for all public entities for annual periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted as of the beginning of an annual reporting period. Entities may adopt the amendments using a prospective, modified, or retrospective transition approach. The Company is evaluating the method of adoption and the impact of this ASU on its consolidated financial statements and related disclosures.

3. Acquisitions

Eucalyptus

In June 2026, Horizon BidCo Pty Ltd ACN 694 778 375 (which is now H&H Australia Intermediate Holdings Pty Ltd ACN 694 778 375), an Australian proprietary company and wholly-owned subsidiary of the Company, acquired all of the outstanding equity of EUC Management Pty Ltd ACN 631 013 860 and its subsidiaries ("Eucalyptus"), a digital health and wellness platform headquartered in Australia, with operations in Australia, the United Kingdom, Germany, Ireland, Canada, and Japan. The Company acquired Eucalyptus to expand its global operations into Australia and Japan and deepen its presence in the United Kingdom, Germany, Ireland, and Canada. The purchase price for accounting purposes was $968.5 million, including cash paid upfront of $225.0 million, deferred payments totaling $683.9 million payable in six quarterly installments through the 18-month anniversary of the closing, and contingent consideration with an acquisition date fair value of $59.6 million. The contingent consideration relates to a potential aggregate earn-out payment of up to $96.6 million, upon achievement of revenue and adjusted EBITDA targets with measurements occurring for each of the 2026, 2027, and 2028 fiscal years. The Company has the option, at its sole discretion, to settle a significant majority of the deferred consideration and earn-out payments in shares of Class A common stock, subject to a cap on the aggregate number of shares issuable equal to 19.9% of the Company's issued and outstanding Class A common stock, together with any securities issued or issuable in a financing by the Company in connection with the acquisition. No shares of the Company's Class A common stock were issued at closing of the acquisition of Eucalyptus.

The acquisition was accounted for as a business combination under the acquisition method with the purchase price being allocated to tangible and identifiable intangible assets acquired and liabilities assumed based on their respective estimated fair values in Australian dollars on the acquisition date. The purchase price allocation was prepared on a preliminary basis and may be subject to further adjustments as additional information is obtained about the facts and circumstances that existed as of the acquisition date concerning the fair value of the assets acquired and liabilities assumed and any related tax impacts. The Company expects to finalize these amounts as soon as possible, but no later than the second quarter of 2027. The following table summarizes the preliminary acquisition date fair values of assets acquired and liabilities assumed based on the exchange rate on the closing date (in thousands):

Trade name	$	93,796
Developed technology		56,564
Customer relationships		35,084
Goodwill		790,333
Other net liabilities		(7,238)
Net assets acquired	$	968,539

The fair value measurements of the identified intangible assets were based primarily on significant unobservable inputs and thus represent a Level 3 measurement. The fair values of trade name and developed technology were determined using the relief-from-royalty method under the income approach. This involves forecasting avoided royalties, reducing them by taxes, and discounting the resulting net cash flows to a present value using an appropriate discount rate. The fair value of customer relationships was determined using the multi-period excess earnings method, which involves forecasting the net earnings expected to be generated by the asset, reducing them by appropriate returns on contributory assets, and then discounting the resulting net cash flows to a present value using an appropriate discount rate. Judgment was applied for a number of assumptions in valuing the identified intangible assets including revenue and cash flow forecasts, customer churn rate, technology life, royalty rate, and discount rate.

The excess of the consideration paid over the fair value of net assets acquired is recorded as goodwill. The acquired goodwill of $790.3 million represents future economic benefits expected to arise from synergies from combining operations and commercial organizations, expansion of market presence, and the extension of existing customer and supply chain relationships as well as utilization of developed technology. The Company is currently planning to make a Section 338(g) election with respect to the acquisition of Eucalyptus. As a result, goodwill recognized in connection with the acquisition is expected to be deductible for U.S. income tax purposes, though it is not deductible at the statutory level. The amount of goodwill that will be deductible is not yet determinable as the Company is in the process of finalizing the tax purchase price allocation.

Certain payments to selling shareholders who are also continuing employees of Eucalyptus are accounted for as post-combination compensation expense as the payments are linked to continued service. These payments primarily relate to (i) the

acceleration of unvested equity options held by continuing employee shareholders at closing, (ii) the service-based portion of cash payments to continuing employee shareholders, contingent on continued service through the original equity vesting schedules, and (iii) earn-out payments to continuing employee shareholders contingent on both continued service and the achievement of revenue and adjusted EBITDA performance targets. The Company recognized $6.0 million of compensation expense at closing which was recorded within general and administrative expenses on the unaudited condensed consolidated statements of operations and comprehensive (loss) income. The remaining compensation amounts, totaling up to $131.3 million, will be recognized over the respective service periods through the applicable vesting or earn-out payment dates, assuming payment is probable and reasonably estimable.

The Company incurred acquisition costs of $10.2 million directly related to the acquisition which were recorded within general and administrative expenses on the unaudited condensed consolidated statements of operations and comprehensive (loss) income.

From the acquisition date through June 30, 2026, revenue recognized related to Eucalyptus represented approximately 5% and less than 5% of total consolidated revenue for the three and six months ended June 30, 2026, respectively. On a pro forma basis, giving effect to the acquisition as if it had been completed on January 1, 2025, revenue attributable to Eucalyptus would have represented approximately 15% of the Company's total consolidated revenue for each of the three and six months ended June 30, 2026 and approximately 10% of the Company's total consolidated revenue for each of the three and six months ended June 30, 2025. Additionally, earnings attributable to Eucalyptus generated during the period after the acquisition date were not considered material. Historical and pro forma disclosures related to the earnings impact of the acquisition have not been presented, as they are not considered meaningful or relevant to the evaluation of the Company's consolidated operations.

YourBio

In January 2026, the Company completed a merger pursuant to which YourBio Health, Inc. ("YourBio"), a U.S.-based company specializing in capillary whole blood sampling technology, became a wholly-owned subsidiary of the Company. The Company entered into the merger agreement to incorporate YourBio's blood-sampling technology into its technology portfolio. The purchase price for accounting purposes was $153.0 million, including cash paid of $142.4 million and contingent consideration with an acquisition date fair value of $10.6 million, in the form of a potential cash earn-out based on operational metrics measured over a five-year period.

The acquisition was accounted for as a business combination under the acquisition method with the purchase price being allocated to tangible and identifiable intangible assets acquired and liabilities assumed based on their respective estimated fair values on the acquisition date. The purchase price allocation was prepared on a preliminary basis and may be subject to further adjustments as additional information is obtained about the facts and circumstances that existed as of the acquisition date concerning the fair value of the assets acquired and liabilities assumed and any related tax impacts. The Company expects to finalize these amounts as soon as possible, but no later than the first quarter of 2027. The following table summarizes the preliminary acquisition date fair values of assets acquired and liabilities assumed (in thousands):

Developed intellectual property	$	89,300
Goodwill		69,507
Other net liabilities		(5,828)
Net assets acquired	$	152,979

The fair value measurements of the identified intangible assets were based primarily on significant unobservable inputs and thus represent a Level 3 measurement. The fair value of the developed intellectual property was determined using the multi-period excess earnings method which involves forecasting the net earnings expected to be generated by the asset, reducing them by appropriate returns on contributory assets, and then discounting the resulting net cash flows to a present value using an appropriate discount rate. Judgment was applied for a number of assumptions in valuing the developed intellectual property including revenue and cash flow forecasts, technology life, royalty rate, and discount rate.

Amortization expense related to the developed intellectual property is recognized on a straight-line basis over the useful life of fifteen years, within operations and support expense on the unaudited condensed consolidated statements of operations and comprehensive (loss) income.

The excess of the consideration paid over the fair value of the net assets acquired is recorded as goodwill. The acquired goodwill of $69.5 million represents future economic benefits expected to arise from synergies from combining operations

resulting in cost savings from integrating the acquired blood-drawing technology and utilizing its devices within the Company's lab offerings. The goodwill recognized upon acquisition is not expected to be deductible for U.S. income tax purposes.

The Company incurred acquisition costs of $1.8 million directly related to the acquisition which were recorded within general and administrative expense on the unaudited condensed consolidated statements of operations and comprehensive (loss) income.

The acquisition did not have a material impact on the Company's revenue or earnings generated during the period after the acquisition date, and historical and pro forma disclosures have therefore not been presented.

Medici Technologies, Inc.

In November 2025, the Company acquired all of the outstanding equity of Medici Technologies, Inc., which is now Hims & Hers Canada Inc. ("Medici"), a digital health platform registered in Canada. Medici's financial results also include a consolidated pharmacy as it is entitled to substantially all proceeds upon a liquidation or dissolution of the pharmacy entity. The acquisition established the Company's presence in the Canadian market and furthers its goal of expanding its global operations and fulfillment capabilities. The purchase price for accounting purposes was CAD 39.1 million, or $27.8 million based on the exchange rate on the closing date, consisting of cash paid upfront of CAD 32.7 million and cash to be paid at a later date of CAD 6.4 million, or $23.2 million and $4.6 million, respectively, based on the exchange rate on the closing date. A maximum additional amount of cash consideration of CAD 40.0 million, or $28.4 million based on the exchange rate on the closing date, is payable to the Medici founders ("Sellers") upon satisfying certain earn-out conditions, with measurements occurring for each of the 2026 and 2027 fiscal years. This earn-out payment is subject to a continued service condition, as defined in the business combination agreement, by the Sellers, and is therefore accounted for as post-transaction compensation expense when payout becomes probable and is reasonably estimable.

The acquisition was accounted for as a business combination under the acquisition method with the purchase price being allocated to tangible and identifiable intangible assets acquired and liabilities assumed based on their respective estimated fair values on the acquisition date. The purchase price allocation was prepared on a preliminary basis and may be subject to further adjustments as additional information is obtained about the facts and circumstances that existed as of the acquisition date concerning the fair value of the assets acquired and liabilities assumed and any related tax impacts. The Company expects to finalize these amounts as soon as possible, but no later than the fourth quarter of 2026. The following table summarizes the preliminary acquisition date fair values of assets acquired and liabilities assumed based on the exchange rate on the closing date (in thousands):

Customer relationships	$	5,390
Developed technology		3,475
Trade name		1,419
Goodwill		18,360
Other net liabilities		(892)
Net assets acquired	$	27,752

The fair value measurements of the identified intangible assets were based primarily on significant unobservable inputs and thus represent a Level 3 measurement. The fair values of developed technology and trade name were determined using the relief-from-royalty method under the income approach. This involves forecasting avoided royalties, reducing them by taxes, and discounting the resulting net cash flows to a present value using an appropriate discount rate. The fair values of the customer relationships were determined using the multi-period excess earnings method which involves forecasting the net earnings expected to be generated by the asset, reducing them by appropriate returns on contributory assets, and then discounting the resulting net cash flows to a present value using an appropriate discount rate. Judgment was applied for a number of assumptions in valuing the identified intangible assets including revenue and cash flow forecasts, customer churn rate, technology life, royalty rate, and discount rate.

The excess of the consideration paid over the fair value of net assets acquired is recorded as goodwill. The acquired goodwill of $18.4 million represents future economic benefits expected to arise from synergies from combining operations and commercial organizations, expansion of market presence, and the extension of existing customer relationships as well as utilization of developed technology. The goodwill recognized upon acquisition is not expected to be deductible for income tax purposes.

The Company incurred acquisition costs of $1.8 million directly related to the acquisition, which were recorded within general and administrative expenses on the unaudited condensed consolidated statements of operations and comprehensive (loss) income.

Zava Global GmbH

In July 2025, the Company acquired all of the outstanding equity of Zava Global GmbH (which is now H&H Germany GmbH) and its subsidiaries ("Zava"), a digital health platform registered in Germany with operations in the United Kingdom and the European Union, to further expand its operations in the United Kingdom and to launch in the European Union. The purchase price for accounting purposes was EUR 219.2 million, or $258.0 million, based on the exchange rate on the closing date, including cash paid upfront of EUR 142.2 million and contingent consideration with an acquisition date fair value of EUR 77.0 million, or $167.3 million and $90.7 million, respectively, based on the exchange rate on the closing date. The contingent consideration primarily relates to a potential aggregate earn-out payment in cash of up to EUR 100.0 million, or $117.7 million based on the exchange rate on the closing date, upon achievement of revenue and adjusted EBITDA targets with measurements occurring for each of the 2025, 2026, and 2027 fiscal years, which is recognized as contingent consideration, and which may be paid earlier or later in accordance with certain provisions set forth in the share purchase agreement.

The acquisition was accounted for as a business combination under the acquisition method with the purchase price being allocated to tangible and identifiable intangible assets acquired and liabilities assumed based on their respective estimated fair values on the acquisition date. The purchase price allocation was prepared on a preliminary basis and may be subject to further adjustments as additional information is obtained about the facts and circumstances that existed as of the acquisition date concerning the fair value of the assets acquired and liabilities assumed and any related tax impacts. The Company expects to finalize these amounts as soon as possible, but no later than the third quarter of 2026. During the six months ended June 30, 2026, the Company recorded measurement period adjustments which did not have a material impact on goodwill. The following table summarizes the preliminary acquisition date fair values of assets acquired and liabilities assumed, inclusive of measurement period adjustments, based on the exchange rate on the closing date (in thousands):

Platform partnerships	$	100,168
Developed technology		23,777
Customer relationships		12,477
Trade name		7,416
Goodwill		140,932
Other net liabilities		(26,784)
Net assets acquired	$	257,986

The fair value measurements of the identified intangible assets were based primarily on significant unobservable inputs and thus represent a Level 3 measurement. The fair values of platform partnerships and customer relationships were determined using the multi-period excess earnings method which involves forecasting the net earnings expected to be generated by the asset, reducing them by appropriate returns on contributory assets, and then discounting the resulting net cash flows to a present value using an appropriate discount rate. The fair values of developed technology and trade name were determined using the relief-from-royalty method under the income approach. This involves forecasting avoided royalties, reducing them by taxes, and discounting the resulting net cash flows to a present value using an appropriate discount rate. Judgment was applied for a number of assumptions in valuing the identified intangible assets including revenue and cash flow forecasts, customer churn rate, technology life, royalty rate, and discount rate.

The excess of the consideration paid over the fair value of net assets acquired is recorded as goodwill. The acquired goodwill of $140.9 million represents future economic benefits expected to arise from synergies from combining operations and commercial organizations, expansion of market presence, and the extension of existing customer and partner relationships as well as utilization of developed technology. The goodwill recognized upon acquisition is not expected to be deductible for income tax purposes.

The Company incurred acquisition costs of $8.0 million directly related to the acquisition, which were recorded within general and administrative expenses on the unaudited condensed consolidated statements of operations and comprehensive (loss) income.

C S Bio Co.

In February 2025, the Company acquired via an asset purchase agreement certain manufacturing assets from C S Bio Co. (the "Seller"), a company located in the United States. The Company entered into the asset purchase agreement in order to strengthen its supply chain capabilities. The total cash and Class A common stock consideration payable and issuable in connection with the closing of the transaction is up to $39.1 million, consisting of: (i) upfront cash and Class A common stock consideration of $32.7 million; and (ii) additional maximum $6.4 million in Class A common stock consideration payable on the one year anniversary of closing in accordance with the terms of the asset purchase agreement. A maximum additional amount of $32.7 million in cash and/or Class A common stock consideration is payable to the Seller upon satisfying certain earn-out conditions. This earn-out payment is subject to a continued service condition, as defined in the asset purchase agreement, by the Seller's chief executive officer, and is therefore accounted for as post-transaction compensation expense when payout becomes probable and is reasonably estimable. Additionally, as part of the transaction, the Company entered into a transition services agreement with the Seller under which the Company will receive certain services and technical support during the period of transition.

The acquisition was accounted for as an asset acquisition because it does not meet the definition of a business because there were no outputs and no employees joined the Company as part of the acquisition. When determining the fair value of tangible assets acquired, the Company estimated replacement cost, taking into consideration such factors as age, condition, and the economic useful life of the assets. No intangible assets or assumed liabilities were identified. As such, the total purchase price of $41.2 million was primarily comprised of total cash and Class A common stock consideration as described above, as well as capitalized direct acquisition costs of $2.1 million, and was allocated on a relative fair value basis to the various tangible assets acquired. The tangible assets acquired are included as part of property, equipment, and software, net as presented on the Company's unaudited condensed consolidated balance sheets.

Sigmund NJ, LLC, marketed as Trybe Labs

In February 2025, the Company acquired via a purchase agreement all of the membership interests of Sigmund NJ, LLC, marketed as Trybe Labs ("Trybe Labs"), a laboratory testing services business located in the United States, for total cash consideration of $5.1 million. There were no material acquired assets and assumed liabilities and the excess of the consideration paid over the fair value of the net assets acquired of $5.0 million was recorded as goodwill. The acquired goodwill represents future economic benefits expected to arise from having the capacity to add laboratory testing capabilities to the Hims & Hers platform in the future.

4. Investments

Available-for-sale investments as of June 30, 2026, consist of the following (in thousands):

	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value
Government and government agency	$ 160,993	$ 11	$ (577)	$ 160,427
Corporate bonds	71,066	—	(256)	70,810
Total short-term available-for-sale investments	$ 232,059	$ 11	$ (833)	$ 231,237

As of June 30, 2026, the Company also had investments in equity securities with an adjusted cost of $31.2 million, unrealized losses of $0.5 million, and a fair value of $30.7 million, which are recorded within other long-term assets on the unaudited condensed consolidated balance sheets.

Available-for-sale investments as of December 31, 2025, consist of the following (in thousands):

	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value
Government and government agency	$ 180,111	$ 426	$ —	$ 180,537
Corporate bonds	158,471	53	—	158,524
U.S. Treasury bills	9,810	5	—	9,815
Total short-term available-for-sale investments	$ 348,392	$ 484	$ —	$ 348,876

	Adjusted Cost	Unrealized Gains	Unrealized Losses	Fair Value
Government and government agency	$ 270,457	$ 718	$ —	$ 271,175
Corporate bonds	79,867	224	(3)	80,088
Total long-term available-for-sale investments	$ 350,324	$ 942	$ (3)	$ 351,263

As of December 31, 2025, the Company also had investments in equity securities with an adjusted cost of $20.0 million, unrealized gains of $4.4 million, and a fair value of $24.4 million, which are recorded within other long-term assets on the condensed consolidated balance sheets.

5. Inventory

Inventory consists of the following (in thousands):

	June 30, 2026	December 31, 2025
Finished goods	$ 58,043	$ 26,977
Raw materials	29,738	53,151
Total inventory	$ 87,781	$ 80,128

As of June 30, 2026 and December 31, 2025, inventory classified as work-in-process was not material.

6. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Prepaid expenses	$ 56,841	$ 37,889
Vendor deposits	11,964	35,606
Other current assets	11,688	4,374
Total prepaid expenses and other current assets	$ 80,493	$ 77,869

7. Property, Equipment, and Software, Net

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

	June 30, 2026	December 31, 2025
Facility equipment and other tangible property	$ 97,587	$ 83,171
Purchased and internal-use software and website development	60,624	51,140
Leasehold improvements	30,725	15,925
Assets not placed in service	246,454	214,283
Total property, equipment, and software	435,390	364,519
Less: accumulated depreciation and amortization	(71,175)	(52,589)
Total property, equipment, and software, net	$ 364,215	$ 311,930

Depreciation and amortization expense for property, equipment, and software was $10.7 million and $7.6 million for the three months ended June 30, 2026 and 2025, respectively, and $20.2 million and $13.8 million for the six months ended June 30, 2026 and 2025, respectively.

Impairment expense for property, equipment, and software was $1.1 million for each of the three and six months ended June 30, 2026. There were no impairment charges for property, equipment, and software for the three and six months ended June 30, 2025.

8. Goodwill and Intangible Assets, Net

Goodwill

The changes in the carrying value of goodwill for the period presented are as follows (in thousands):

	Carrying Value
Balance as of December 31, 2025	$ 278,325
Addition from acquisitions and related adjustments[(1)]	858,813
Foreign currency translation adjustments	(35,418)
Balance as of June 30, 2026	$ 1,101,720

(1) Includes the goodwill acquired in connection with the YourBio merger and Eucalyptus acquisition, as well as measurement period adjustments related to the fair values of the assets acquired and liabilities assumed in the Zava business combination. These adjustments did not have a material impact on goodwill. See Note 3 – Acquisitions for further details.

Intangible assets, net

Intangible assets, net as of June 30, 2026 consist of the following (in thousands):

	Gross Amount	Accumulated Amortization and Impairment	Net Carrying Value	Weighted Average Remaining Useful Life (Years)
Trade names	$ 122,930	$ (21,316)	$ 101,614	2.8
Platform partnerships	97,181	(8,098)	89,083	11.0
Developed intellectual property	89,300	(2,960)	86,340	14.6
Developed technology	81,376	(6,907)	74,469	3.9
Customer relationships	51,256	(9,097)	42,159	1.7
503B pharmacy license	28,596	(5,243)	23,353	8.2
Other	17,313	(11,522)	5,791	5.0
Intangible assets, net	$ 487,952	$ (65,143)	$ 422,809	7.3

Intangible assets, net as of December 31, 2025 consist of the following (in thousands):

	Gross Amount	Accumulated Amortization and Impairment	Net Carrying Value	Weighted Average Remaining Useful Life (Years)
Platform partnerships	$ 99,964	$ (4,165)	$ 95,799	11.5
Trade names	33,031	(14,951)	18,080	2.3
503B pharmacy license	28,596	(3,813)	24,783	8.7
Developed technology	27,796	(2,921)	24,875	4.3
Customer relationships	18,081	(3,424)	14,657	1.7
Other	23,331	(5,409)	17,922	2.7
Intangible assets, net	$ 230,799	$ (34,683)	$ 196,116	7.8

Amortization expense for intangible assets was $18.7 million and $2.8 million for the three months ended June 30, 2026 and 2025, respectively, and $31.2 million and $4.9 million for the six months ended June 30, 2026 and 2025, respectively.

There were no impairment charges on intangible assets for the three and six months ended June 30, 2026 and 2025.

Amortization that will be charged to expense over the remaining life of the intangible assets subsequent to June 30, 2026 is as follows (in thousands):

The remainder of 2026	$ 52,233
2027	97,025
2028	76,113
2029	48,065
2030	25,283
2031 and thereafter	124,090
	$ 422,809

9. Accrued Liabilities

Accrued liabilities consist of the following (in thousands):

	June 30, 2026	December 31, 2025
Legal contingencies	$ 62,500	$ —
Professional services	32,340	9,860
Tax[(1)]	28,306	9,636
Payroll	28,261	16,103
Marketing	25,977	16,745
Product and shipping	16,452	7,309
Other accruals	16,419	17,386
Total accrued liabilities	$ 210,255	$ 77,039

(1) Includes income taxes, sales taxes, and value-added taxes.

10. Operating Leases

The Company has various operating leases for fulfillment, pharmacy, and corporate facilities with lease periods expiring between fiscal years 2027 and 2041, including renewal options the Company is reasonably certain to exercise. The operating lease agreements provide for rental payments on a graduated basis and for options to renew, which could increase future minimum lease payments if exercised. The Company utilizes the reasonably certain threshold criteria in determining which options it will exercise.

During the six months ended June 30, 2026, the Company executed or acquired new operating leases, resulting in aggregate additional operating lease right-of-use ("ROU") assets of $25.6 million, including initial direct costs, along with a corresponding increase of $25.1 million to operating lease liabilities. These amounts are based on the exchange rates on the lease commencement dates, as applicable. Additionally, there were remeasurements of existing operating lease liabilities during the six months ended June 30, 2026 which resulted in an aggregate adjustment of $8.2 million to the carrying amount of the corresponding ROU assets.

For the three months ended June 30, 2026 and 2025, the Company recorded operating lease costs of $5.6 million and $3.6 million, respectively, including variable operating lease costs of $0.5 million and $0.2 million, respectively. For the six months ended June 30, 2026 and 2025, the Company recorded operating lease costs of $10.6 million and $4.9 million, respectively, including variable operating lease costs of $0.9 million and $0.3 million, respectively.

For the six months ended June 30, 2026 and 2025, operating cash flows used for operating leases were $4.9 million and $1.8 million, respectively. As of June 30, 2026, the weighted average remaining lease term and weighted average discount rate, including for renewal options the Company is reasonably certain to exercise, was 11.8 years and 6.1%, respectively.

Future minimum lease payments under the Company's non-cancelable operating leases with an initial lease term in excess of one year subsequent to June 30, 2026 are as follows (in thousands):

The remainder of 2026	$	10,973
2027		22,335
2028		21,078
2029		20,106
2030		20,376
2031 and thereafter		163,720
Gross lease payments		258,588
Less: imputed interest		(77,648)
Present value of net future minimum lease payments	$	180,940

11. Variable Interest Entities

As of June 30, 2026, the variable interest entities (“VIEs”) are the Affiliated Medical Groups, which are located in the United States. The Company determined that it is the primary beneficiary of these entities for accounting purposes because it has the ability to direct the activities that most significantly affect the entities’ economic performance and has the obligation to absorb the losses. Under the VIE model, the Company presents the results of operations, cash flows, and the financial position of the VIEs as part of the consolidated financial statements of the Company as if the consolidated group were a single economic entity. The assets of the VIEs can only be used to settle the obligations of the VIEs. There is no noncontrolling interest upon consolidation of the entities. The results of operations and cash flows of the VIEs are also included in the Company’s unaudited condensed consolidated financial statements.

Apostrophe Pharmacy LLC and XeCare, LLC were VIEs through April 2025 and November 2025, respectively, when, as a result of changes of ownership, they became wholly-owned subsidiaries of the Company and were no longer considered VIEs. Previously, the Company was the primary beneficiary of the entities and consolidated their operations under the VIE model. The change of ownership did not have a material impact on the Company’s unaudited condensed consolidated financial statements because they were previously fully consolidated under the VIE model and had no noncontrolling interest.

As of June 30, 2026 and December 31, 2025, the Company’s unaudited condensed consolidated balance sheets included current and total assets of $7.8 million and $6.9 million, respectively, for the VIEs. As of June 30, 2026 and December 31, 2025, current and total liabilities were $7.9 million and $6.0 million, respectively. All amounts are after elimination of intercompany transactions, balances, and non-cash impact of operating leases.

For the three months ended June 30, 2026 and 2025, the VIEs charged $26.9 million and $96.6 million, respectively, for services rendered. For the six months ended June 30, 2026 and 2025, the VIEs charged $55.3 million and $224.0 million, respectively, for services rendered. For the three months ended June 30, 2026 and 2025, operations of the VIEs generated net losses of $2.9 million and $5.8 million, respectively, inclusive of administrative expenses. For the six months ended June 30, 2026 and 2025, operations of the VIEs generated net losses of $1.3 million and $13.5 million, respectively, inclusive of administrative expenses.

12. Fair Value Measurements

The Company's fair value hierarchy for its financial assets and liabilities that are measured at fair value on a recurring basis as of June 30, 2026, is as follows (in thousands):

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents:				
Money market funds	$ 177,689	$ —	$ —	$ 177,689
Short-term available-for-sale investments:				
Government and government agency	—	160,427	—	160,427
Corporate bonds	—	70,810	—	70,810
Other long-term assets:				
Equity securities	19,492	—	11,217	30,709
Total assets	$ 197,181	$ 231,237	$ 11,217	$ 439,635
Liabilities				
Earn-out consideration, current	$ —	$ —	$ 24,322	$ 24,322
Earn-out consideration, long-term	—	—	50,005	50,005
Total liabilities	$ —	$ —	$ 74,327	$ 74,327

The Company's fair value hierarchy for its financial assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2025, is as follows (in thousands):

	Level 1	Level 2	Level 3	Total
Assets				
Cash and cash equivalents:				
Money market funds	$ 90,594	$ —	$ —	$ 90,594
Short-term available-for-sale investments:				
U.S. Treasury bills	9,815	—	—	9,815
Government and government agency	—	180,537	—	180,537
Corporate bonds	—	158,524	—	158,524
Prepaid expenses and other current assets:				
Short-term indemnification assets	—	—	3,730	3,730
Long-term available-for-sale investments:				
Government and government agency	—	271,175	—	271,175
Corporate bonds	—	80,088	—	80,088
Other long-term assets:				
Equity securities	24,437	—	—	24,437
Long-term indemnification assets	—	—	3,047	3,047
Total assets	$ 124,846	$ 690,324	$ 6,777	$ 821,947
Liabilities				
Earn-out consideration, long-term	$ —	$ —	$ 50,745	$ 50,745
Other long-term liabilities:				
Long-term indemnification liabilities	—	—	6,086	6,086
Other contingent consideration	—	—	2,003	2,003
Total liabilities	$ —	$ —	$ 58,834	$ 58,834

The fair values of cash, accounts receivable, accounts payable, and accrued liabilities approximated their carrying values as of June 30, 2026 and December 31, 2025, due to their short-term nature. The current and noncurrent deferred acquisition payable amounts, a significant majority of which is related to the Eucalyptus business combination, are a fixed monetary amount and are therefore not remeasured and are excluded from the table above. As of June 30, 2026, in connection with an amendment to the Zava share purchase agreement during the first quarter of 2026, all contingencies related to the Zava earn-out consideration for fiscal years 2026 and 2027 have been resolved and the final earn-out payment amounts have been determined, with settlement dates in fiscal years 2027 and 2028. As a result, the fair value of the current and noncurrent earn-out consideration related to the Zava business combination approximated their carrying value as of June 30, 2026 due to the payment amounts being fixed, and they are therefore excluded from the table above. Additionally, as of June 30, 2026, all contingencies related to the C S Bio Co. asset acquisition earn-out consideration have been resolved, and the final earn-out payment amount has been determined, with the settlement date in fiscal year 2026. As a result, the fair value of the earn-out consideration, all of which is current, approximated its carrying value as of June 30, 2026 due to the payment amount being fixed, and it is therefore excluded from the table above. The Convertible Notes are recorded at their net carrying amount on the unaudited condensed consolidated balance sheets rather than their fair value, which is a Level 2 measurement, as the Company has not elected the fair value option (refer to Note 13 – Debt for additional detail, including the fair value as of June 30, 2026). All other financial instruments, with the exception of the earn-out consideration discussed below, are valued either based on recent trades of securities in active markets or based on quoted market prices of similar instruments and other significant inputs derived from or corroborated by observable market data. During the six months ended June 30, 2026 and 2025, the Company had no transfers between levels of the fair value hierarchy of its assets measured at fair value.

As of June 30, 2026, in addition to the earn-out consideration discussed above, the Company had earn-out consideration related to the Medici, YourBio, and Eucalyptus business combinations. The fair values of the earn-out consideration related to the Medici business combination, some of which is current and some of which is noncurrent, approximated their carrying values as of June 30, 2026, due to all of the earn-out consideration being paid in cash and the timing of their payout being subject to estimation and, therefore, are excluded from the table above.

The noncurrent earn-out consideration related to the YourBio business combination is classified as Level 3 fair value measurements containing significant unobservable inputs including estimates of future sales of certain devices and, therefore, is included in the table above. The fair value of the earn-out consideration is remeasured at each reporting period.

A portion of the current and noncurrent earn-out consideration related to the Eucalyptus business combination is considered post-acquisition employee expense as it is subject to a continued service condition and is not contingent consideration. As a result, this portion approximated its carrying value as of June 30, 2026, and is therefore excluded from the table above. The other portion of the current and noncurrent earn-out consideration related to the Eucalyptus business combination, which are not subject to continued service conditions, are classified as Level 3 fair value measurements containing significant unobservable inputs including estimates of achieving certain revenue and adjusted EBITDA targets and, therefore, are included in the table above. At inception, the fair value of the earn-out consideration associated with the Eucalyptus business combination was determined based on revenue and adjusted EBITDA projections and the probability of achieving the respective revenue and adjusted EBITDA targets as evaluated using a Monte Carlo simulation. The following assumptions were used to determine the fair value at inception:

Risk-free rate	5.0 %
Revenue volatility	14.0 %
Internal rate of return	13.2 %
Equity risk premium	4.8 %
Market price of risk for revenue	1.6 %

As of December 31, 2025, the earn-out consideration related to the Zava business combination, all of which was noncurrent, was classified as a Level 3 fair value measurement containing significant unobservable inputs including estimates of achieving certain revenue and adjusted EBITDA targets and, therefore, is included in the table above. At inception, the fair value of the earn-out consideration associated with the Zava business combination was determined based on revenue and adjusted EBITDA projections and the probability of achieving the respective revenue and adjusted EBITDA targets as evaluated using a Monte Carlo simulation. The following assumptions were used to determine the fair value at inception:

Risk-free rate	1.9 %
Revenue volatility	21.0 %
Revenue risk-adjusted discount rate	9.0 %
Counterparty discount rate	6.0 %

The fair values of the earn-out consideration related to the Zava, YourBio, and Eucalyptus business combinations, as applicable, are remeasured at each reporting period. The change in fair value is recognized within change in fair value of liabilities on the unaudited condensed consolidated statements of operations and comprehensive (loss) income. The change in the fair value of the earn-out consideration related to the Zava, YourBio, and Eucalyptus business combinations is as follows (in thousands):

Balance at December 31, 2025	$	50,745
YourBio business combination		10,573
Eucalyptus business combination		59,612
Change in fair value[(1)]		21,869
Resolved contingencies, current		(40,096)
Resolved contingencies, long-term		(26,944)
Foreign currency translation adjustments		(1,432)
Balance at June 30, 2026	$	74,327

(1) Primarily driven by the impact of the amendment to the Zava share purchase agreement.

13. Debt

2030 Convertible Notes

In May 2025, the Company issued $1.0 billion aggregate principal amount of 0% convertible senior notes due 2030 (the “2030 Convertible Notes”). The 2030 Convertible Notes mature on May 15, 2030, unless earlier repurchased, redeemed, or converted, do not bear regular interest, and their principal amount will not accrete.

The total net proceeds from the issuance of the 2030 Convertible Notes, after deducting initial purchasers' discounts and debt issuance costs, were $968.7 million.

Each $1,000 principal amount of the 2030 Convertible Notes is initially convertible into 14.1493 shares of the Company’s Class A common stock, which represents an initial conversion price of $70.67 per share of the Company’s Class A common stock and is subject to adjustment upon the occurrence of certain events specified in the terms of the notes. As of June 30, 2026, there have been no adjustments to the conversion rate of the 2030 Convertible Notes.

The 2030 Convertible Notes are convertible at the option of the holders prior to November 15, 2029 only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on June 30, 2025, if the closing price per share of the Company’s Class A common stock exceeds 130% of the conversion price for at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter; (2) during the five consecutive business days immediately after any 10 consecutive trading day period (such 10 consecutive trading day period, the “measurement period”) if the trading price per $1,000 principal amount of 2030 Convertible Notes for each trading day of the measurement period was less than 98% of the product of the

closing price per share of the Company's Class A common stock on such trading day and the conversion rate on such trading day; (3) if the Company calls any or all of the 2030 Convertible Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events. On or after November 15, 2029 and until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their 2030 Convertible Notes, at the option of the holder. As of June 30, 2026, the conditions allowing holders of the 2030 Convertible Notes to convert were not met.

Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of the Company's Class A common stock, or a combination of cash and shares of the Company's Class A common stock, at the Company's election. If certain corporate events occur that constitute a "fundamental change" (as defined in the indenture governing the 2030 Convertible Notes), subject to a limited exception for certain cash mergers, holders may require the Company to repurchase for cash all or any portion of their 2030 Convertible Notes, at a cash repurchase price equal to the principal amount of the 2030 Convertible Notes to be repurchased, plus accrued and unpaid special and additional interest, if any, to, but excluding, the fundamental change repurchase date.

In addition, following certain corporate events or if the Company issues a notice of redemption, it will, under certain circumstances, increase the conversion rate for holders who elect to convert their 2030 Convertible Notes in connection with such corporate event or during the relevant redemption period.

The Company may not redeem the 2030 Convertible Notes prior to May 19, 2028. The Company may redeem for cash all or any portion of the 2030 Convertible Notes, at its option, on or after May 19, 2028 and on or before the 25th scheduled trading day immediately before the maturity date, but only if certain liquidity conditions are satisfied and the closing price of the Company's Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days, whether or not consecutive, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. The redemption price will be a cash amount equal to the principal amount of the 2030 Convertible Notes to be redeemed, plus accrued and unpaid special and additional interest, if any, to, but excluding, the redemption date. However, the Company may not redeem less than all of the outstanding 2030 Convertible Notes unless at least $75.0 million aggregate principal amount of 2030 Convertible Notes are outstanding and not called for redemption at the time the redemption notice is sent. No sinking fund is provided for the 2030 Convertible Notes.

Any additional interest that accrues on the 2030 Convertible Notes will accrue at a rate per annum of 0.50% of the principal amount if, on or after six months following the issue date, (i) the Company has not satisfied certain reporting conditions set forth in Rule 144(c) and (i)(2) under the Securities Act, or (ii) the 2030 Convertible Notes are not otherwise freely tradable.

If there is an event of default relating to failures by the Company to comply with certain reporting requirements, the Company may elect, at its option, that the sole remedy to consist exclusively of the right of the noteholders to receive special interest on the 2030 Convertible Notes for up to 365 days at a specified rate per annum of 0.25% of the principal amount for the first 180 days on which the special interest accrues, and thereafter at a rate of 0.50%. However, in no event will special interest, together with any additional interest, accrue at a rate that exceeds 1.00% per annum.

The 2030 Convertible Notes are senior, unsecured obligations of the Company and are (i) equal in right of payment with the Company's existing and future senior, unsecured indebtedness; (ii) senior in right of payment to the Company's existing and future indebtedness that is expressly subordinated to the 2030 Convertible Notes; (iii) effectively subordinated to the Company's existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness; and (iv) structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent the Company is not a holder thereof) preferred equity, if any, of the Company's subsidiaries.

There are no requirements for any financial covenant compliance or reporting in connection with the 2030 Convertible Notes.

The net carrying amount of the 2030 Convertible Notes as of June 30, 2026 was as follows (in thousands):

Principal	$	1,000,000
Unamortized debt discount and issuance costs		(24,348)
Net carrying amount	$	975,652

For the three and six months ended June 30, 2026, amortization of debt discount and issuance costs related to the 2030 Convertible Notes was $1.6 million and $3.1 million, respectively. For each of the three and six months ended June 30, 2025, amortization of debt discount and issuance costs related to the 2030 Convertible Notes was $0.8 million. The debt discount and issuance costs are being amortized into interest expense within total other income (expense), net on the unaudited condensed consolidated statements of operations and comprehensive (loss) income over the term of the 2030 Convertible Notes at an effective interest rate of 0.64%. There were no contractual interest expense payments for any of the periods presented.

As of June 30, 2026, the 2030 Convertible Notes had a principal amount and estimated fair value of $1.0 billion and $897.2 million, respectively. The fair value of the 2030 Convertible Notes, which are Level 2 financial instruments, was determined based on the quoted bid prices of the notes in an over-the-counter market on the last trading day of the reporting period.

2030 Capped Calls

In connection with the issuance of the 2030 Convertible Notes, the Company entered into privately negotiated capped call transactions (collectively the "2030 Capped Calls") with certain financial institutions. The 2030 Capped Calls have an initial strike price of $70.67, subject to certain adjustments specified in their terms, which corresponds to the initial conversion price of the 2030 Convertible Notes. The 2030 Capped Calls have an initial cap price of $89.95 per share, subject to certain adjustments. The 2030 Capped Calls are expected generally to reduce potential dilution to the Company’s Class A common stock upon conversion and/or offset any cash payments the Company is required to make in excess of the principal amount of converted 2030 Convertible Notes, with such reduction and/or offsets subject to a cap based on the cap price. The 2030 Capped Calls cover, subject to anti-dilution adjustments substantially similar to those applicable to the 2030 Convertible Notes, the aggregate number of shares of the Company’s Class A common stock that initially underlie the 2030 Convertible Notes. The 2030 Capped Calls are subject to adjustment upon the occurrence of specified extraordinary events affecting the Company, including certain mergers, tender offers, and public announcement of similar events. In addition, the 2030 Capped Calls are subject to certain specified additional disruption events that may give rise to a termination of the 2030 Capped Calls, including nationalization, insolvency or delisting, changes in law, failures to deliver, and hedging disruptions.

For accounting purposes, the 2030 Capped Calls are treated as a separate transaction from, and not part of the terms of, the 2030 Convertible Notes. As these transactions met certain accounting criteria to be classified as equity, they are not accounted for as derivatives and will not be remeasured as long as they continue to meet the conditions for equity classification. Accordingly, the Company recorded $35.6 million as a reduction to additional paid-in capital, which represents the $47.8 million premium paid for the 2030 Capped Calls, net of the deferred tax impact of $12.2 million.

2032 Convertible Notes

In May 2026, the Company issued $402.5 million aggregate principal amount of 0% convertible senior notes due 2032 (the “2032 Convertible Notes”). The 2032 Convertible Notes mature on June 1, 2032, unless earlier repurchased, redeemed, or converted, do not bear regular interest, and their principal amount will not accrete.

The total net proceeds from the issuance of the 2032 Convertible Notes, after deducting initial purchasers' discounts and debt issuance costs, were $389.5 million.

Each $1,000 principal amount of the 2032 Convertible Notes is initially convertible into 33.8590 shares of the Company’s Class A common stock, which represents an initial conversion price of $29.53 per share of the Company’s Class A common stock and is subject to adjustment upon the occurrence of certain events specified in the terms of the notes. As of June 30, 2026, there have been no adjustments to the conversion rate of the 2032 Convertible Notes.

The 2032 Convertible Notes are convertible at the option of the holders prior to March 1, 2032 only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on September 30, 2026, if the closing price per share of the Company’s Class A common stock exceeds 130% of the conversion price for at least 20 trading days, whether or not consecutive, during the 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter; (2) during the five consecutive business days immediately after any 10 consecutive trading day period (such 10 consecutive trading day period, the “measurement period”) if the trading price per $1,000 principal amount of 2032 Convertible Notes for each trading day of the measurement period was less than 98% of the product of the closing price per share of the Company’s Class A common stock on such trading day and the conversion rate on such trading

day; (3) if the Company calls any or all of the 2032 Convertible Notes for redemption, at any time prior to the close of business on the second scheduled trading day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events. On or after March 1, 2032 and until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert all or any portion of their 2032 Convertible Notes, at the option of the holder. As of June 30, 2026, the conditions allowing holders of the 2032 Convertible Notes to convert were not met.

Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of the Company's Class A common stock, or a combination of cash and shares of the Company's Class A common stock, at the Company's election. If certain corporate events occur that constitute a "fundamental change" (as defined in the indenture governing the 2032 Convertible Notes), subject to a limited exception for certain cash mergers, holders may require the Company to repurchase for cash all or any portion of their 2032 Convertible Notes, at a cash repurchase price equal to the principal amount of the 2032 Convertible Notes to be repurchased, plus accrued and unpaid special and additional interest, if any, to, but excluding, the fundamental change repurchase date.

In addition, following certain corporate events or if the Company issues a notice of redemption, it will, under certain circumstances, increase the conversion rate for holders who elect to convert their 2032 Convertible Notes in connection with such corporate event or during the relevant redemption period.

The Company may not redeem the 2032 Convertible Notes prior to June 6, 2029. The Company may redeem for cash all or any portion of the 2032 Convertible Notes, at its option, on or after June 6, 2029 and on or before the 25th scheduled trading day immediately before the maturity date, but only if certain liquidity conditions are satisfied and the closing price of the Company's Class A common stock has been at least 130% of the conversion price then in effect for at least 20 trading days, whether or not consecutive, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. The redemption price will be a cash amount equal to the principal amount of the 2032 Convertible Notes to be redeemed, plus accrued and unpaid special and additional interest, if any, to, but excluding, the redemption date. However, the Company may not redeem less than all of the outstanding 2032 Convertible Notes unless at least $75.0 million aggregate principal amount of 2032 Convertible Notes are outstanding and not called for redemption at the time the redemption notice is sent. No sinking fund is provided for the 2032 Convertible Notes.

Any additional interest that accrues on the 2032 Convertible Notes will accrue at a rate per annum of 0.50% of the principal amount if, on or after six months following the issue date, (i) the Company has not satisfied certain reporting conditions set forth in Rule 144(c) and (i)(2) under the Securities Act, or (ii) the 2032 Convertible Notes are not otherwise freely tradable.

If there is an event of default relating to failures by the Company to comply with certain reporting requirements, the Company may elect, at its option, that the sole remedy to consist exclusively of the right of the noteholders to receive special interest on the 2032 Convertible Notes for up to 365 days at a specified rate per annum of 0.25% of the principal amount for the first 180 days on which the special interest accrues, and thereafter at a rate of 0.50%. However, in no event will special interest, together with any additional interest, accrue at a rate that exceeds 1.00% per annum.

The 2032 Convertible Notes are senior, unsecured obligations of the Company and are (i) equal in right of payment with the Company's existing and future senior, unsecured indebtedness; (ii) senior in right of payment to the Company's existing and future indebtedness that is expressly subordinated to the 2032 Convertible Notes; (iii) effectively subordinated to the Company's existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness; and (iv) structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent the Company is not a holder thereof) preferred equity, if any, of the Company's subsidiaries.

There are no requirements for any financial covenant compliance or reporting in connection with the 2032 Convertible Notes.

The net carrying amount of the 2032 Convertible Notes as of June 30, 2026 was as follows (in thousands):

Principal	$	402,500
Unamortized debt discount and issuance costs		(12,853)
Net carrying amount	$	389,647

For each of the three and six months ended June 30, 2026, amortization of debt discount and issuance costs related to the 2032 Convertible Notes was $0.2 million. The debt discount and issuance costs are being amortized into interest expense within total other income (expense), net on the unaudited condensed consolidated statements of operations and comprehensive (loss) income over the term of the 2032 Convertible Notes at an effective interest rate of 0.55%. There were no contractual interest expense payments for any of the periods presented.

As of June 30, 2026, the 2032 Convertible Notes had a principal amount and estimated fair value of $402.5 million and $558.8 million, respectively. The fair value of the 2032 Convertible Notes, which are Level 2 financial instruments, was determined based on the quoted bid prices of the notes in an over-the-counter market on the last trading day of the reporting period.

2032 Capped Calls

In connection with the issuance of the 2032 Convertible Notes, the Company entered into privately negotiated capped call transactions (collectively the "2032 Capped Calls") with certain financial institutions. The 2032 Capped Calls have an initial conversion price of $29.53, subject to certain adjustments specified in their terms, which corresponds to the initial conversion price of the 2032 Convertible Notes. The 2032 Capped Calls have an initial cap price of $50.15 per share, subject to certain adjustments. The 2032 Capped Calls are expected generally to reduce potential dilution to the Company's Class A common stock upon conversion and/or offset any cash payments the Company is required to make in excess of the principal amount of converted 2032 Convertible Notes, with such reduction and/or offsets subject to a cap based on the cap price. The 2032 Capped Calls cover, subject to anti-dilution adjustments substantially similar to those applicable to the 2032 Convertible Notes, the aggregate number of shares of the Company's Class A common stock that initially underlie the 2032 Convertible Notes. The 2032 Capped Calls are subject to adjustment upon the occurrence of specified extraordinary events affecting the Company, including certain mergers, tender offers, and public announcement of similar events. In addition, the 2032 Capped Calls are subject to certain specified additional disruption events that may give rise to a termination of the 2032 Capped Calls, including nationalization, insolvency or delisting, changes in law, failures to deliver, and hedging disruptions.

For accounting purposes, the 2032 Capped Calls are treated as a separate transaction from, and not part of the terms of, the 2032 Convertible Notes. As these transactions met certain accounting criteria to be classified as equity, they are not accounted for as derivatives and will not be remeasured as long as they continue to meet the conditions for equity classification. Accordingly, the Company recorded $27.3 million as a reduction to additional paid-in capital, which represents the $36.7 million premium paid for the 2032 Capped Calls, net of the deferred tax impact of $9.4 million.

Revolving Credit Facility

In February 2025, the Company entered into a Revolving Credit and Guaranty Agreement (the "Revolving Credit Agreement") with certain lenders and JPMorgan Chase Bank, N.A., as the administrative and collateral agent, which provides for a three-year $175.0 million senior secured revolving credit facility (the "Credit Facility"). The Credit Facility additionally includes letter of credit and swing line loan sub-limits of $40.0 million and $20.0 million, respectively, and an accordion option, which, if exercised, would allow the Company to increase the aggregate commitment amount by up to $125.0 million, plus additional amounts if the Company is able to satisfy a leverage test and certain other conditions. The obligations under the Credit Facility are secured by a lien on substantially all of the Company's assets, and are guaranteed by certain of the Company's material domestic subsidiaries. The commitments under the Credit Facility expire on February 18, 2028.

Loans under the Credit Facility bear interest, at the Company's election, at either (a) an adjusted term Secured Overnight Financing Rate plus 0.10% plus a margin of 1.50% - 2.00%, depending on the Company's total leverage ratio, or (b) an alternative base rate plus a margin of 0.50% - 1.00%, depending on the Company's total leverage ratio. Loans under the Credit Facility may also be made in Canadian Dollars, Euros, and Sterling, at comparable interest rates. The Company is required to pay a fee on the average daily undrawn portion of the aggregate commitments that accrues at 0.20% - 0.30% per annum, depending on the Company's total leverage ratio.

The Credit Facility also allows the Company to issue letters of credit, which reduce the amount that can be borrowed. The Company is required to pay a commission on any outstanding letters of credit that accrues at 1.50% - 2.00% per annum, depending on the Company's total leverage ratio, and a fronting fee that accrues at 0.125% per annum.

The Credit Facility contains customary conditions to borrowing, events of default and covenants, including but not limited to negative covenants that restrict the Company's ability to incur indebtedness, grant liens, make distributions, pay dividends, repurchase shares, make investments and engage in transactions with the Company's affiliates, in each case subject to certain exceptions. The Credit Facility also requires the Company to maintain a total leverage ratio of no greater than 3.50 to 1.00 and an interest coverage ratio of no less than 3.00 to 1.00.

As of June 30, 2026, the Company had $12.6 million in letters of credit outstanding under the Credit Facility sub-limit and $162.4 million remained available under the Credit Facility. The letters of credit are issued as security deposits for certain of the Company's facilities. These security deposits are required to be maintained and issued to the respective landlord or service provider. The Company draws on the Credit Facility from time to time and, as of June 30, 2026, no loans were outstanding under the Credit Facility and the Company was in compliance with all conditions and covenants thereunder.

In May 2026, the Company entered into an amendment to the Revolving Credit Agreement which modifies the definition of the numerator used in the calculation of total leverage ratio in the Revolving Credit Agreement by expanding the definition of "cash equivalents" to include investments made in accordance with the investment policy adopted by the Company's Board of Directors. The total leverage ratio that the Company is required to maintain did not change.

In May 2026, the Company entered into an additional amendment to the Revolving Credit Agreement which, among other things, establishes joinder obligations for the Company's material foreign subsidiaries and increases downstream investment capacity in non-loan party subsidiaries.

In June 2026, the Company entered into an amendment to the Revolving Credit Agreement which, among other things, amends certain provisions of the Revolving Credit Agreement to permit the Company and its subsidiaries to enter into the Receivables Purchase Agreement (see Note 20 – Subsequent Events for additional details).

14. Commitments and Contingencies

Purchase Obligations

The Company has non-cancelable contractual obligations with remaining terms in excess of one year to make future purchases, primarily related to cloud-based software contracts used in operations and minimum commitments for inventory purchases. As of June 30, 2026, non-cancelable purchase obligations with remaining terms in excess of one year were $71.0 million, with $11.0 million payable in 2026, $23.7 million payable in 2027, $19.6 million payable in 2028, $11.4 million payable in 2029, and $5.3 million payable in 2030.

Lease Commitments

Refer to Note 10 – Operating Leases for discussion of the Company's future lease commitments.

Indemnifications

The Company has certain stand-ready obligations to provide indemnifications in the normal course of business under various contractual arrangements, which are recorded on the consolidated balance sheets at fair value. As of June 30, 2026, the maximum potential amount of future payments the Company could be required to make under these arrangements was approximately $50 million, and the fair value of these obligations was considered immaterial to the unaudited condensed consolidated balance sheets. Historically, there have been no such indemnification claims.

Legal Proceedings

In addition to the legal matters described below, the Company is, from time to time, a party to litigation, various claims, and other legal and administrative proceedings arising in the ordinary course of business. Some of these claims, lawsuits, and other proceedings may involve highly complex issues that are subject to substantial uncertainties, and could result in damages, fines, penalties, non-monetary sanctions, or relief. Other than the matters set forth below, management is not currently aware of any matters that the Company believes would reasonably be likely to have a material adverse impact on its business, financial position, results of operations, or cash flows.

In October 2023, the Federal Trade Commission (the "FTC") issued to the Company a Civil Investigative Demand (the "CID") requesting information regarding the Company's privacy, advertising, subscription, and cancellation practices as part of a non-public investigation related to the Federal Trade Commission Act ("FTC Act") and the Restore Online Shoppers' Confidence Act ("ROSCA"). The Company responded cooperatively to the CID and related follow-up requests from the FTC while seeking to engage constructively with the FTC to resolve this matter. The Company engaged in good faith settlement negotiations with the FTC, but these negotiations were unsuccessful. On July 29, 2026, the FTC, along with the Utah Division of Consumer Protection and Los Angeles County on behalf of the People of the State of California, filed a complaint in the United States District Court for the Northern District of California against the Company alleging violations of Section 5 of the FTC Act and certain provisions of ROSCA and analogous state statutes seeking a permanent injunction, monetary relief for an unspecified amount, civil penalties, and other relief as determined by the court.

The Company believes it has meritorious arguments and intends to vigorously defend against the alleged claims. However, the outcome of litigation is inherently uncertain. As of June 30, 2026, the Company had recorded a legal contingency accrual of approximately $60 million for this matter in accordance with ASC 450, *Contingencies*. The amount of the accrual may decrease or increase materially in future periods as the litigation progresses and additional information becomes available. In view of the uncertainties and complexities associated with this matter, the Company is unable to reasonably predict the outcome of this litigation or to estimate a reasonably possible financial loss or range of financial loss in excess of the amount accrued. There can be no assurance that the Company will prevail in the litigation or otherwise achieve a favorable outcome. The defense or resolution of this matter could involve significant monetary costs or penalties and could materially adversely affect the Company's financial condition, results of operations, or business. In addition, any non-monetary remedies or compliance obligations imposed in connection with the resolution of this matter could adversely affect the Company's business operations.

Following the filing of the FTC action, a putative class action was filed against the Company in the U.S. District Court for the Northern District of California (*Doe v. Hims & Hers Health, Inc.*), asserting claims arising from substantially the same underlying facts alleged in the FTC action, including claims under the Electronic Communications Privacy Act, the California Invasion of Privacy Act, the California Confidentiality of Medical Information Act, and other state statutory and common law theories on behalf of a putative nationwide class and California subclass. The complaint seeks statutory and compensatory damages, punitive damages, and injunctive relief. The Company believes it has meritorious arguments and intends to defend vigorously against the alleged claims. At this time, the Company is unable to reasonably predict the outcome of this litigation or to estimate a reasonably possible financial loss or range of financial loss.

Prior to the Company's acquisition of Eucalyptus, the Therapeutic Goods Administration (the "TGA") issued compulsory notices to certain subsidiaries of Eucalyptus between September 2023 and August 2025. The notices required such subsidiaries to produce information and documents in connection with the TGA's investigation into the subsidiaries' alleged non-compliance in 2023 and 2024 with certain Australian advertising laws governing the online advertising of prescription medicines. Eucalyptus has cooperated with the TGA since the investigation commenced and continues to do so. At this time, the Company is unable to reasonably predict the outcome of this matter or to estimate a reasonably possible financial loss or range of financial loss. Pursuant to the definitive agreements for the acquisition of Eucalyptus, and subject to the terms and conditions set forth therein, the Company is entitled to indemnification from certain warrantors for losses arising from this matter. Accordingly, the Company does not currently expect this matter to have a material adverse effect on its business, results of operations, or financial condition.

On June 25, 2025, two putative securities class action lawsuits were filed in the United States District Court for the Northern District of California against the Company and certain of its executives, and were later consolidated by the court as *In re Hims & Hers Health, Inc. Securities Litigation*, No. 25-cv-05315 (the "Securities Action"). The amended consolidated complaint was filed on January 29, 2026 on behalf of a proposed class of purchasers of the Company's Class A common stock and a proposed class of purchasers of derivative securities referencing the Company's Class A common stock between April 29, 2025 and June 22, 2025, and alleges violations of securities laws in connection with alleged misrepresentations regarding the Company's business, operations, and prospects, and in particular, with respect to the business relationship between the Company and Novo Nordisk. The Securities Action seeks an unspecified amount of damages as well as attorneys' fees and other relief. The Company does not currently consider a loss on this lawsuit to be probable.

Putative shareholder derivative lawsuits (the "Derivative Actions") were filed in the United States District Court for the Northern District of California against certain of the Company's directors and executives. The Derivative Actions are captioned *Jones v. Dudum, et al.*, No. 25-cv-5866 (N.D. Cal.) (filed July 14, 2025), *Herman v. Dudum, et al.,* No. 25-cv-6326 (N.D. Cal.) (filed July 29, 2025), and *Popper v. Dudum, et al.*, No. 25-cv-7337 (N.D. Cal.) (filed August 29, 2025). The Company is a

nominal defendant. The Derivative Actions relate to the matters alleged in the Securities Action, and allege breaches of fiduciary duty by the individual defendants, among other claims. Proceedings in the Derivative Actions are currently stayed. The Derivative Actions seek an unspecified amount of damages from the individual defendants as well as attorneys' fees and other relief. The Company does not currently consider a loss on these lawsuits to be probable.

On February 9, 2026, Novo Nordisk A/S and Novo Nordisk Inc. (together, "Novo Nordisk") filed a lawsuit in the U.S. District Court for the District of Delaware captioned *Novo Nordisk A/S, et al. v. Hims & Hers Health, Inc., et al*., No. 1:26-cv-0014. The complaint asserts claims for patent infringement related to Novo Nordisk's U.S. Patent No. 8,129,343 (the "'343" patent) in connection with compounded GLP-1 products containing semaglutide available, based on a prescription, through the Company's digital platform. Novo Nordisk seeks a declaration that the Company has infringed the '343 patent, and an award of monetary damages, including enhanced damages related to the Company's alleged willful infringement. Novo Nordisk also included in the complaint a request for permanent injunction, to bar the Company from continuing its activities related to products containing semaglutide until after the '343 patent expires on December 5, 2031. On March 9, 2026, Novo Nordisk voluntarily dismissed all claims without prejudice and the Court closed the case, while reserving the right to refile in the future.

15. Stockholders' Equity

Common Stock

The Company has two classes of common stock, Class A and Class V common stock. The rights are identical, including liquidation and dividend rights, except Class V common stock has additional voting rights.

Share Repurchase Programs

In July 2024, the Board of Directors authorized and approved a share repurchase program (the "2024 Share Repurchase Program") pursuant to which the Company was authorized to repurchase up to $100.0 million of the Company's Class A common stock. During the three and six months ended June 30, 2025, the Company did not repurchase any shares of Class A common stock under the 2024 Share Repurchase Program. As of December 31, 2025, the entire $100.0 million originally available under the 2024 Share Repurchase Program had been utilized.

In November 2025, the Board of Directors authorized and approved a new share repurchase program (the "2025 Share Repurchase Program") pursuant to which the Company may repurchase up to $250.0 million of the Company's Class A common stock. The 2025 Share Repurchase Program expires on November 11, 2028. The Company intends to use the 2025 Share Repurchase Program to repurchase shares on a discretionary basis from time to time, subject to general business and market conditions and other investment opportunities, through open market purchases, privately negotiated transactions or other means. The 2025 Share Repurchase Program may be suspended or discontinued at any time. During the three and six months ended June 30, 2026, the Company did not repurchase any shares of Class A common stock under the 2025 Share Repurchase Program. As of June 30, 2026, $225.0 million remains available under the 2025 Share Repurchase Program.

RSU Releases

During the three and six months ended June 30, 2026, the Company released 1,918,347 and 5,726,632 gross shares of Class A common stock upon vesting of restricted stock units ("RSUs"), including Performance RSUs ("PRSUs"). In connection with the releases, 764,903 and 2,346,559 shares of Class A common stock were withheld for the payment of employee taxes. During the three and six months ended June 30, 2025, the Company released 1,844,783 and 3,783,712 gross shares of Class A common stock upon vesting of RSUs. In connection with the releases, 661,230 and 1,420,506 shares of Class A common stock were withheld for the payment of employee taxes.

2017 Stock Plan and 2020 Equity Incentive Plan

In July 2017, Hims, Inc. ("Hims") adopted the 2017 Stock Plan (the "2017 Plan"). Under the 2017 Plan, the board of directors of Hims granted awards, including incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards, RSU awards, and other stock awards to employees, directors, and consultants of Hims.

In January 2021, the Board of Directors adopted the 2020 Equity Incentive Plan (the "2020 Plan") and reserved 21,000,000 authorized shares of Class A common stock the Company could issue. In addition, up to 19,000,000 shares of Hims Class A

common stock subject to awards granted under the 2017 Plan that were forfeited, expired, or lapsed unexercised or unsettled could be added to the 2020 Plan reserve. Beginning on January 1, 2022 and ending on January 1, 2031, the number of authorized shares of Class A common stock under the 2020 Plan will automatically increase each fiscal year by 5% of the total number of Class A and Class V common stock issued and outstanding on the last day of the preceding fiscal year unless the Board of Directors approves a lesser number. As of December 31, 2025, there were 65,403,042 and 23,376,897 shares of Class A common stock reserved and available for grant, respectively, under the 2020 Plan. For the six months ended June 30, 2026, no shares of Class A common stock subject to awards granted under the 2017 Plan that were forfeited after the adoption of the 2020 Plan were added to the 2020 Plan reserve. On January 1, 2026, 11,362,276 shares of Class A common stock were automatically added to the 2020 Plan reserve. Therefore, as of June 30, 2026, there were 76,765,318 shares of Class A common stock reserved and 28,861,962 shares of Class A common stock available for grant under the 2020 Stock Plan. There were no more shares available for grant under the 2017 Plan since the 2017 Plan was replaced by the 2020 Plan.

2020 Employee Stock Purchase Plan

In January 2021, the Board of Directors adopted the Company's Employee Stock Purchase Plan ("ESPP"). The total shares of Class A common stock initially reserved under the ESPP is limited to 4,000,000 shares of Class A common stock. Beginning on January 1, 2022 and ending on January 1, 2041 (unless extended by the Board of Directors and approved by the Company's shareholders), the number of authorized shares of Class A common stock under the ESPP will automatically increase each fiscal year by the lesser of (i) 1% of the total number of Class A and Class V common stock issued and outstanding on the last day of the preceding fiscal year, (ii) 12,000,000 shares of Class A common stock, or (iii) a number of shares of Class A common stock determined by the Board of Directors. As of December 31, 2025, there were 6,047,919 and 3,939,611 shares of Class A common stock reserved and available for issuance, respectively, under the ESPP. During each of the three and six months ended June 30, 2026, the Company issued 213,494 shares of Class A common stock under the ESPP. During each of the three and six months ended June 30, 2025, the Company issued 251,818 shares of Class A common stock under the ESPP. There were no shares added to the ESPP reserve on January 1, 2026. Therefore, as of June 30, 2026, there were 6,047,919 shares of Class A common stock reserved for issuance under the ESPP and 3,726,117 shares of Class A common stock available for issuance under the ESPP.

Under the ESPP, eligible employees may purchase the Company's Class A common stock during pre-specified offering periods at a discount established by the Company's compensation committee. The purchase price is 85% of the lower of the fair market value of the Company's Class A common stock on the first trading day of the offering period or the fair market value on the purchase date. Under the ESPP, the Company may specify offering periods with durations of not more than 27 months, and may specify shorter purchase periods within each offering period.

Employees participating in the ESPP commence payroll withholdings that accumulate through the end of the respective offering period. As of June 30, 2026, $1.1 million has been withheld via employee payroll deductions for employees who have opted to participate in the purchase periods ending November 2026.

As of June 30, 2026, there was $9.6 million of unrecognized stock-based compensation related to the ESPP which is expected to be recognized over a weighted average period of 1.63 years.

Stock Options

Stock options granted by the Company to new employees generally vest over four years, with 25% vesting one year after the vesting commencement date and then 1/48th of the total grant vesting monthly thereafter. Options granted to existing employees generally vest 1/48th of the total grant monthly over four years. Options granted are exercisable within a period not exceeding ten years from the grant date. Excluding the performance stock options granted to the CEO outlined below, no new stock options have been granted since March 2023.

In June 2020, the board of directors of Hims granted 3,246,139 and 1,623,070 performance stock options to the CEO with an exercise price of $2.43 to vest upon either (i) an acquisition of the Company with per share consideration equal to at least $22.99 and $38.31, respectively, or (ii) a per share price on a public stock exchange that is at least equal to $22.99 and $38.31, respectively. The CEO is required to be employed at the time the per share consideration/price is achieved in order to receive the awards, but the awards are not subject to any other service condition. The Company recognized expense related to these awards based on the fair value and derived service period as measured using a Monte Carlo simulation model, and the expense is accelerated if the requirements outlined in (i) and (ii) above are achieved. The grant date fair value was $16.6 million for

these awards. The $22.99 per share price threshold related to awards for the 3,246,139 stock options was achieved in February 2021. The $38.31 per share threshold related to awards for the 1,623,070 stock options was achieved in February 2025. As of June 30, 2026, 3,229,134 of these stock options have been exercised at a weighted average exercise price of $2.43. As of June 30, 2026, all stock-based compensation expense for the awards has been recognized.

In February 2022, the Board of Directors granted 2,085,640 performance stock options to the CEO with an exercise price of $5.01 that vest in four equal tranches. On each anniversary date after February 24, 2022, 25% of the shares subject to the options will vest provided that (i) the CEO is employed on the anniversary date and (ii) the closing price of the Company's Class A common stock is more than $10 per share in 20 of the 30 trading days prior to the anniversary date. The award is not subject to any other service condition. Vesting is cumulative in subsequent years if the market condition was not previously met. The Company recognizes expense related to this award for each tranche individually based on the fair value and requisite service period, which is the greater of the derived service period and the explicit service period. The fair value and the derived service term of the market condition were both measured using a Monte Carlo simulation model. The total grant date fair value was $3.8 million for this award. As of June 30, 2026, all 2,085,640 shares have vested and no shares have been exercised. As of June 30, 2026, all stock-based compensation expense for the award has been recognized.

In March 2025, the Board of Directors granted 557,244 performance stock options to the CEO with an exercise price of $34.71 that vest at the end of a three-year period, with the number of shares earned ranging from 0% to 250% of the target, provided that (i) the CEO remains employed at the end of the period and (ii) the Company achieves certain revenue and Adjusted EBITDA performance metrics related to the 2027 fiscal year. The total grant date fair value was $11.0 million, which was based on the probable achievement of 100% of the target and measured using the Black-Scholes option pricing model. The assumptions used in the model were an expected term of 6.41 years, an expected volatility of 54.0%, a risk-free interest rate of 4.0%, and an expected dividend yield of 0%. As of June 30, 2026, there was $5.3 million of remaining compensation expense to be recognized over a period of 1.67 years. The Company will continue to evaluate the likelihood of achieving the performance metrics on a quarterly basis.

In March 2026, the Board of Directors granted 665,456 performance stock options to the CEO with an exercise price of $25.88 that vest at the end of a three-year period, with the number of shares earned ranging from 0% to 250% of the target, provided that (i) the CEO remains employed at the end of the period and (ii) the Company achieves certain revenue and Adjusted EBITDA performance metrics related to the 2028 fiscal year. The total grant date fair value was $11.0 million, which was based on the probable achievement of 100% of the target and measured using the Black-Scholes option pricing model. The assumptions used in the model were an expected term of 6.49 years, an expected volatility of 64.5%, a risk-free interest rate of 3.9%, and an expected dividend yield of 0%. As of June 30, 2026, there was $9.9 million of remaining compensation expense to be recognized over a period of 2.67 years. The Company will continue to evaluate the likelihood of achieving the performance metrics on a quarterly basis.

Option activity (excluding the performance stock options granted to the CEO outlined above) is as follows (in thousands, except for weighted average exercise price and weighted average contractual term in years):

	Shares	Weighted Average Exercise Price	Weighted Average Contractual Period (in Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2025	6,458	$ 6.08	5.68	$ 170,453
Exercised	(2,314)	5.65		
Forfeited and expired	(30)	11.79		
Outstanding at June 30, 2026	4,114	6.28	5.16	116,817
Exercisable as of June 30, 2026	4,006	6.15	5.12	114,253

The intrinsic value of vested options exercised was $46.3 million.

As of June 30, 2026, there was $0.5 million of unrecognized stock-based compensation expense related to unvested stock options (excluding the performance stock options granted to the CEO outlined above) which is expected to be recognized over a weighted average period of 0.50 years.

The options outstanding and exercisable as of June 30, 2026 (excluding the performance stock options granted to the CEO outlined above) have been aggregated into ranges for additional disclosure as follows (in thousands, except weighted average remaining contractual life and exercise price):

	Options Outstanding		Options Exercisable	
Exercise Price	Shares	Weighted Average Remaining Contractual Life (in Years)	Shares	Weighted Average Remaining Contractual Life (in Years)
$ 0.06 – 0.40	8	1.42	8	1.42
1.55 – 1.75	222	3.06	222	3.06
2.43 – 3.11	490	3.96	490	3.96
5.01 – 6.82	2,088	5.68	2,073	5.68
8.13 – 11.53	1,164	5.20	1,071	5.08
12.21 – 15.17	142	4.77	142	4.77
	4,114		4,006	

RSUs

RSUs for new employees generally vest over four years, with 25% vesting one year after the vesting commencement date on the first Company Quarterly Vesting Date (defined below) and the remaining grant vesting quarterly thereafter on the specified vesting dates of: (i) prior to July 1, 2026: March 15, June 15, September 15, and December 15; and (ii) effective July 1, 2026: February 15, May 15, August 15, and November 15 (each, a "Company Quarterly Vesting Date" or collectively, "Company Quarterly Vesting Dates"). Additional RSUs granted to current employees generally vest quarterly on Company Quarterly Vesting Dates over four years.

RSU activity (excluding the PRSUs outlined below) is as follows (in thousands, except for weighted average grant date fair value):

	Shares	Weighted Average Grant Date Fair Value
Unvested at December 31, 2025	13,075	$ 27.50
Granted	10,248	25.27
Vested	(3,518)	23.14
Forfeited and expired	(2,658)	24.33
Unvested at June 30, 2026	17,147	$ 27.14

As of June 30, 2026, there was $434.2 million of unrecognized stock-based compensation expense related to unvested RSUs (excluding the PRSUs outlined below) which is expected to be recognized over a weighted average period of 3.15 years.

Performance RSUs

In March 2023, the Board of Directors granted awards of 1,115,709 target shares of PRSUs to certain executive officers, of which 11,408 target shares were forfeited. The PRSUs were to vest at the end of a three-year period, with the number of shares to be earned ranging from 0% to 200% of the target, provided that (i) the recipient remained employed at the end of the period and (ii) the Company achieved certain revenue and Adjusted EBITDA performance metrics related to the 2025 fiscal year. The total grant date fair value of the awards was $12.9 million, which was based on the probable achievement of 100% of the target. Based on fiscal year 2025 results, the actual number of shares earned was 200% of the target, and the 2,208,602 shares underlying these PRSUs vested during the first quarter of 2026.

In February 2024, the Board of Directors granted awards of 1,218,467 target shares of PRSUs to certain executive officers and senior leadership. As of June 30, 2026, 267,697 of these shares subject to PRSUs have been forfeited. The PRSUs vest at the end of a three-year period, with the number of shares earned ranging from 0% to 200% of the target, provided that (i) the recipient remains employed at the end of the period and (ii) the Company achieves certain revenue and Adjusted EBITDA

performance metrics related to the 2026 fiscal year. The total grant date fair value of the awards was $16.2 million, which was based on the probable achievement of 100% of the target.

As of June 30, 2026, there was unrecognized stock-based compensation expense related to unvested PRSUs of $4.4 million, which is expected to be recognized over a weighted average period of 0.71 years. The Company will continue to evaluate the likelihood of achieving the performance metrics on a quarterly basis.

Warrants

The Company has historical Class A common stock warrants issued to nonemployees in connection with vendor service arrangements. As of June 30, 2026, there were 271,962 of these warrants outstanding and exercisable, with a weighted average exercise price of $1.75, a weighted average contractual term of 7.01 years, an aggregate intrinsic value of $9.0 million, and an expiration date in September 2026. Upon the exercise of outstanding warrants, vendors also have the right to receive 26,603 earn-out shares of Class A common stock. As of June 30, 2026, all stock-based compensation expense related to vendor warrants and associated earn-out shares has been recognized.

Stock-Based Compensation Expense

The following table summarizes stock-based compensation expense for employees and nonemployees, by category, on the unaudited condensed consolidated statements of operations and comprehensive (loss) income for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Marketing	$ 3,004	$ 3,435	$ 5,819	$ 6,209
Operations and support	7,016	4,579	13,129	7,585
Technology and development	6,645	5,247	12,635	9,292
General and administrative	25,451	22,465	47,395	37,498
Total stock-based compensation expense	$ 42,116	$ 35,726	$ 78,978	$ 60,584

The Company capitalized $2.3 million and $0.9 million of stock-based compensation as internal-use software for the three months ended June 30, 2026 and 2025, respectively, and $3.7 million and $1.6 million for the six months ended June 30, 2026 and 2025, respectively.

16. Related-Party Transactions

For the three and six months ended June 30, 2025, the Company recorded $1.3 million and $2.7 million, respectively, within operating expenses on the unaudited condensed consolidated statements of operations and comprehensive (loss) income for payments made to Woolly Labs, Inc. (d/b/a Vouched) (“Vouched”), a former related-party company that provides identity verification services. As a result of an executive leadership change at the Company in the second quarter of 2025, Vouched was no longer considered a related party as of July 1, 2025.

17. Basic and Diluted Net (Loss) Income per Share

The Company uses the two-class method to calculate net (loss) income per share. No dividends were declared or paid for the three and six months ended June 30, 2026 and 2025. Undistributed earnings for each period are allocated equally to participating securities based on the contractual participation rights of the security to share in the current earnings as if all current period earnings had been distributed. The Company’s basic net (loss) income per share is computed by dividing the net (loss) income attributable to common stockholders by the weighted average shares of common stock outstanding during the period. The Company’s diluted net (loss) income per share is computed by dividing the net (loss) income attributable to common stockholders by the weighted average shares of common stock outstanding and, when dilutive, potential common shares outstanding during the period. The dilutive effect of potential common shares is reflected in diluted net (loss) income per share by application of the treasury stock method and if-converted method.

The following table sets forth the computation of the Company's basic and diluted net (loss) income per share attributable to common stockholders for the three and six months ended June 30 (in thousands, except share and per share amounts):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	Class A	Class V	Class A	Class V	Class A	Class V	Class A	Class V
Numerator:								
Net (loss) income attributable to common stockholders, basic	$ (83,171)	$ (3,119)	$ 40,918	$ 1,587	$ (171,908)	$ (6,497)	$ 88,537	$ 3,453
Amortization of debt discount and issuance costs for Convertible Notes	—	—	810	—	—	—	810	—
Reallocation of undistributed earnings	—	—	174	(174)	—	—	367	(367)
Net (loss) income attributable to common stockholders, diluted	(83,171)	(3,119)	41,902	1,413	(171,908)	(6,497)	89,714	3,086
Denominator:								
Weighted average shares outstanding, basic	223,368,503	8,377,623	215,995,752	8,377,623	221,683,453	8,377,623	214,810,313	8,377,623
Effect of dilutive potential common shares	—	—	32,405,917	—	—	—	28,706,993	—
Weighted average shares outstanding, diluted	223,368,503	8,377,623	248,401,669	8,377,623	221,683,453	8,377,623	243,517,306	8,377,623
Basic net (loss) income per share	$ (0.37)	$ (0.37)	$ 0.19	$ 0.19	$ (0.78)	$ (0.78)	$ 0.41	$ 0.41
Diluted net (loss) income per share	$ (0.37)	$ (0.37)	$ 0.17	$ 0.17	$ (0.78)	$ (0.78)	$ 0.37	$ 0.37

The following table discloses weighted average Class A securities that were not included in the computation of diluted net (loss) income per share as their inclusion would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Convertible Notes	20,289,499	—	17,236,361	—
RSUs	19,218,502	1,075,533	16,972,637	2,559,533
Stock options	8,294,844	—	8,945,402	—
Common stock issuable under the ESPP	688,011	—	695,618	—
Warrants to purchase Class A common stock	271,962	—	271,962	—

The Capped Calls entered into in connection with the Convertible Notes were excluded from the calculation of diluted net (loss) income per share as the effect would have been anti-dilutive. There were no Class V securities that were excluded from the computation of diluted net (loss) income per share for the periods presented.

18. Segments

The CODM utilizes net (loss) income as the measure of segment profit or loss. The CODM uses net (loss) income to evaluate return on assets and decide whether to reinvest profits into the segment or into other new investment opportunities.

In addition to the unaudited condensed consolidated statements of operations and comprehensive (loss) income, the CODM is regularly provided with financial information that includes the following captions when assessing the performance and allocation of resources: cost of revenue, customer acquisition costs (comprising advertising and media costs associated with the Company's efforts to acquire new customers, promote its brands, and build awareness for its products and services, including advertising in digital media, social media, television, radio, out-of-home media, and various other media outlets and excluding content production costs), employee compensation (comprising salaries and wages, benefits, taxes, and performance bonuses, and excluding stock-based compensation) by operating expense caption, and stock-based compensation by operating expense caption. These are significant segment expenses, as they are regularly provided to the CODM.

The table below highlights the segment's revenue, expenses, and net (loss) income for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	$ 753,214	$ 544,833	$ 1,361,318	$ 1,130,843
Less:				
Cost of revenue	272,411	128,637	483,728	283,958
Customer acquisition costs	229,501	188,378	422,313	389,968
Employee compensation included within:				
Marketing	10,519	11,499	23,637	22,011
Operations and support	35,398	26,542	71,092	50,365
Technology and development	15,312	15,840	33,754	29,330
General and administrative	43,601	19,608	73,576	34,277
Stock-based compensation included within:				
Marketing	3,004	3,435	5,819	6,209
Operations and support	7,016	4,579	13,129	7,585
Technology and development	6,645	5,247	12,635	9,292
General and administrative	25,451	22,465	47,395	37,498
Depreciation and amortization expense included within operating expenses	28,098	9,800	48,681	17,336
Legal contingencies	47,500	—	62,500	—
Change in fair value of equity securities	(4,737)	—	4,945	—
Change in fair value of liabilities	4,223	—	21,869	—
Interest income and expense, net	(2,254)	(6,117)	(7,287)	(8,713)
Income tax (benefit) expense	(6,343)	(9,652)	(15,779)	1,358
Other segment items[(1)]	124,159	82,067	237,716	158,379
Segment net (loss) income	(86,290)	42,505	(178,405)	91,990
Reconciliation of profit or loss				
Adjustments and reconciling items	—	—	—	—
Consolidated net (loss) income	$ (86,290)	$ 42,505	$ (178,405)	$ 91,990

(1) Other segment items included in segment net (loss) income primarily consist of professional services, fulfillment, transaction processing, technology, and other general operating costs.

In addition to the segment's operating results, the CODM is regularly provided with total assets as reported on the Company's unaudited condensed consolidated balance sheets as well as the expenditures for both purchases of property, equipment, and intangible assets, and investment in website development and internal-use software, which are reported on the Company's consolidated statements of cash flows and totaled $32.3 million and $50.4 million during the three months ended June 30, 2026 and 2025, respectively, and $68.6 million and $109.4 million during the six months ended June 30, 2026 and 2025, respectively.

19. Income Tax

The effective income tax rate was 6.8% and (29.4)%, respectively, for the three months ended June 30, 2026 and 2025 and 8.1% and 1.5%, respectively, for the six months ended June 30, 2026 and 2025. The effective tax rate differs from the U.S. federal rate in 2026 primarily due to the windfall tax benefit on stock compensation activity, the executive compensation addback under Internal Revenue Code Section 162(m), generation of research and development tax credits, transaction costs, acquisition earn-outs and compensation, and state taxes. The effective tax rate differs from the U.S. federal rate in 2025

primarily due to the windfall tax benefit on stock compensation activity, the executive compensation addback under Internal Revenue Code Section 162(m), generation of research and development tax credits, and state taxes.

For interim periods, the Company has historically utilized the estimated annual effective tax rate method under which the Company determined its provision for income taxes based on the current estimate of its annual effective tax rate for all jurisdictions. For the three months ended March 31, 2026, the Company utilized the discrete effective tax rate method for its domestic subsidiaries, while continuing to utilize the estimated annual effective rate methodology for its foreign subsidiaries. The discrete method treats the year-to-date period as if it were the annual period and determines the interim income taxes on that basis. Due to the significant estimation uncertainty for the domestic forecast in the first quarter of 2026 as a result of the 2026 US WL Announcement as described in Note 2 – Summary of Significant Accounting Policies, the Company could not reliably estimate its U.S. federal annual effective tax rate, and a discrete tax computation was utilized in the quarter. Given the data available during the second quarter of 2026, the Company was able to reasonably estimate the domestic earnings for the full year and utilized the annualized effective tax rate method for the second quarter of 2026.

20. Subsequent Events

On July 1, 2026, XeCare LLC and Apostrophe Pharmacy LLC, each a wholly-owned subsidiary of the Company (each a "RPA Seller" and, collectively, the "RPA Sellers"), entered into a Master Receivables Purchase Agreement (the "Receivables Purchase Agreement") with JPMorgan Chase Bank, N.A., as purchaser (the "Purchaser"). The Receivables Purchase Agreement provides for an uncommitted facility with an initial aggregate limit of $400.0 million (the "Program Limit"). Pursuant to the Receivables Purchase Agreement, each RPA Seller may, subject to the terms and conditions therein, offer to sell certain of its eligible receivables for cash to the Purchaser ("Purchased Receivables") at a discount. Limited recourse is available to the Purchaser pursuant to certain indemnity and repurchase obligations described in the Receivables Purchase Agreement in connection with certain representations, warranties and covenants to the Purchaser regarding the Purchased Receivables. No such representation, warranty, or covenant gives the Purchaser recourse against the RPA Sellers in response to credit loss experienced by Purchaser due to any debtor of a Purchased Receivable being insolvent, declining in creditworthiness, or having an inability to pay. In connection with the Receivables Purchase Agreement, pursuant to a Performance Undertaking in favor of the Purchaser, dated July 1, 2026, the Company agreed to guarantee the performance of the RPA Sellers of their obligations under the Receivables Purchase Agreement.

In July 2026, the Company entered into a one-time agreement with a company in the peptide manufacturing industry to obtain the expertise and technology necessary for the Company to independently manufacture certain peptide active pharmaceutical ingredients in exchange for aggregate cash payments of up to $30.0 million, contingent upon the achievement of certain milestones, and expected to be paid over the next 12 months.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A)

The following discussion and analysis provides information that management believes is relevant to an assessment and understanding of our consolidated results of operations and financial condition. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Form 10-K for the year ended December 31, 2025 (our "2025 Annual Report"), including "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Item 7 of Part II of our 2025 Annual Report and the accompanying unaudited condensed consolidated financial statements and notes thereto included in this Quarterly Report on Form 10-Q. Our actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. You should not rely on forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Except as required by law, we do not intend to update any of these forward-looking statements after the date hereof or to conform these statements to actual results or revised expectations. Forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control) and other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the section titled "Risk Factors" in Item 1A of Part II of this Quarterly Report on Form 10-Q.

Unless otherwise indicated or the context otherwise requires, references in this discussion and analysis to "we," "us," "our," the "Company," and "Hims & Hers" refer to Hims & Hers Health, Inc. and its subsidiaries and variable interest entities.

Overview

Hims & Hers is a consumer-first platform transforming the way customers fulfill their health and wellness needs. Our mission is to help the world feel great through the power of better health. We believe that we have the technical infrastructure, distributed provider network, and access to clinical capabilities to lead the migration of routine office visits to a personalized, digital, accessible format. The Hims & Hers platforms (collectively, our "platform") include access to a highly-qualified and technologically-capable provider network, a clinically-focused electronic medical records system, digital prescriptions, cloud-enabled pharmacy fulfillment, and personalization capabilities. Our digital platform enables access to treatments for a broad range of conditions, including primarily those related to sexual health, hair loss, hormone health, weight loss, dermatology, and mental health, as well as services such as comprehensive laboratory testing. Hims & Hers connects patients to licensed healthcare professionals who can prescribe medications when appropriate. Prescriptions are fulfilled online through licensed pharmacies, making accessing treatments simple, affordable, and straightforward. Through the Hims & Hers mobile applications, consumers can access a range of educational programs, wellness content, community support, and other services that promote lifelong health and wellness.

In addition, we offer access to a range of health and wellness products designed to meet individual needs, which can include curated prescription and non-prescription products. Our products and services are available for purchase directly by customers on our websites and mobile applications. Additionally, Hims & Hers non-prescription products can be found in tens of thousands of top retail locations in the United States.

Revenue and Key Business Metrics

Our management monitors United States Revenue and Rest of the World Revenue (both defined below) to track our total revenue generation. We also monitor the additional key business metrics set forth below to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions. Increases or decreases in these key business metrics may not correspond with increases or decreases in our revenue. We continually and strategically review our key business metrics to ensure that they are helpful in managing or monitoring the performance of our business as it grows, which may result in changes in our key business metrics over time. Our management primarily uses the Subscribers and Monthly Revenue per Average Subscriber metric, each as defined below, to manage and monitor the performance of our business.

The limitations our key business metrics have as an analytical tool include: (i) they might not accurately predict our future financial results pursuant to accounting principles generally accepted in the United States of America ("U.S. GAAP"); and (ii) other companies, including companies in our industry, may calculate our key business metrics or similarly titled measures differently, which reduces their usefulness as comparative measures.

Our consolidated revenue primarily comprises online sales of health and wellness products through our websites and mobile applications, including prescription and non-prescription products, as well as services, primarily consisting of medical consultation services, membership-based access, post-consultation service support, and delivery of laboratory testing results, as applicable. Our online sales are net of refunds, credits, and chargebacks, and include revenue recognition adjustments recorded pursuant to U.S. GAAP, primarily relating to deferred revenue and returns reserve. A substantial majority of our online sales are subscription-based, where customers agree to be billed on a recurring basis to have products and services automatically delivered to them. This revenue also includes sales from customers who have made one-time purchases. Additionally, in the United States, we offer a range of health and wellness products through wholesale partners as a way of generating brand awareness with new customers in physical environments and on third-party platforms, with such revenue not considered material to our business.

Brief descriptions of our key business metrics are provided below.

"United States Revenue" represents the sales of products and services by our consolidated legal entities operating within jurisdictions located inside of the United States.

"Rest of the World Revenue" represents the sales of products and services by our consolidated legal entities operating within jurisdictions located outside of the United States.

"Subscribers" are customers who have one or more "Subscriptions" pursuant to which they have agreed to be automatically billed on a recurring basis at a defined cadence. The Subscription billing cadence is typically defined as a number of days (for example, billed every 30 days or every 90 days), which are excluded from our reporting when payment has not occurred at the contracted billing cadence. Subscribers can cancel or snooze Subscriptions in between billing periods to stop receiving additional products and/or services and can reactivate Subscriptions to continue receiving additional products and/or services. Customers who have made one-time purchases are not considered Subscribers.

"Monthly Revenue per Average Subscriber" is defined as total revenue divided by "Average Subscribers", which amount is then further divided by the number of months in a period. "Average Subscribers" are calculated as the sum of the Subscribers at the beginning and end of a given period divided by 2.

The table below provides a breakdown of total revenue between United States Revenue and Rest of the World Revenue for the three and six months ended June 30, 2026 and 2025, as well as key business metrics that we believe drive total revenue (i.e., Subscribers and Monthly Revenue per Average Subscriber) and the change and percentage change between such periods (in thousands, except for Monthly Revenue per Average Subscriber and percentage change):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	Change	% Change	2026	2025	Change	% Change
United States Revenue	$ 621,830	$ 537,286	$ 84,544	16 %	$ 1,151,739	$ 1,115,978	$ 35,761	3 %
Rest of the World Revenue	131,384	7,547	123,837	1,641 %	209,579	14,865	194,714	1,310 %
Total revenue	$ 753,214	$ 544,833	$ 208,381	38 %	$ 1,361,318	$ 1,130,843	$ 230,475	20 %
Subscribers (end of period)	2,891	2,439	452	19 %	2,891	2,439	452	19 %
Monthly Revenue per Average Subscriber	$ 92	$ 76	$ 16	21 %	$ 84	$ 81	$ 3	4 %

We generated $621.8 million in United States Revenue for the three months ended June 30, 2026, an increase of $84.5 million, or 16%, as compared to $537.3 million for the three months ended June 30, 2025. We generated $1,151.7 million in United States Revenue for the six months ended June 30, 2026, an increase of $35.8 million, or 3%, as compared to $1,116.0 million for the six months ended June 30, 2025. The increases in United States Revenue for the three and six months ended June 30, 2026 were primarily driven by growth in our Hers brand as a result of an expanded assortment of branded weight loss offerings, partially offset by the impact of a change in the timing of revenue recognition for certain of our weight loss offerings, inclusive of our Hers brand, as a result of a shift to shorter shipping cadences. During the three months ended June 30, 2026, our Hers brand represented over 40% of United States Revenue, compared to representing approximately 35% of United States Revenue for the three months ended June 30, 2025. During each of the six months ended June 30, 2026 and 2025, our Hers brand represented approximately 40% of United States Revenue. Uptake of the Hers brand is primarily driven by our weight loss and dermatology offerings. During the three and six months ended June 30, 2026, a majority of our total United States Revenue came from non-glucagon-like peptide-1 receptor agonist ("GLP-1") offerings. United States Revenue can fluctuate on a period-to-period basis due to various factors, including launches of new product offerings, the success of our marketing campaigns, product shipping cadences, and pricing decisions impacting customer uptake of our offerings, as well as product availability and the regulatory landscape impacting our offerings.

We generated $131.4 million in Rest of the World Revenue for the three months ended June 30, 2026, an increase of $123.8 million, or 1,641%, as compared to $7.5 million for the three months ended June 30, 2025. We generated $209.6 million in Rest of the World Revenue for the six months ended June 30, 2026, an increase of $194.7 million, or 1,310%, as compared to $14.9 million for the six months ended June 30, 2025. Growth in Rest of the World Revenue was primarily driven by the geographic expansion from our recent acquisitions, including our acquisition of Eucalyptus, which closed in the last month of the second quarter of 2026. Rest of the World Revenue can fluctuate on a period-to-period basis due to various factors, including those related to United States Revenue discussed above, as well as the magnitude of any future geographic expansion.

Subscribers grew 19% to approximately 2.9 million as of June 30, 2026 as compared to approximately 2.4 million Subscribers as of June 30, 2025. Growth in Subscribers was primarily driven by increased traffic to our platform (through our websites and mobile applications) as a result of our marketing activities, including both ordinary-course marketing campaigns and a specialized Super Bowl marketing campaign in both six month periods, as well as by our recent acquisition of Eucalyptus and improved onsite and customer onboarding experiences.

Monthly Revenue per Average Subscriber increased $16 to $92 for the three months ended June 30, 2026 as compared to $76 for the three months ended June 30, 2025 and increased $3 to $84 for the six months ended June 30, 2026 as compared to $81 for the six months ended June 30, 2025. These increases were primarily due to changes in product mix, including uptake of our weight loss offerings, partially offset by the shift to shorter shipping cadences for certain of our offerings as discussed above. This metric includes revenue contributed by customers who made one-time purchases and therefore were not considered Subscribers. If the revenue contribution of customers who made one-time purchases was excluded from this metric, Monthly Revenue per Average Subscriber for each of the three and six months ended June 30, 2026 would have been lower by approximately $10, and Monthly Revenue per Average Subscriber for each of the three and six months ended June 30, 2025 would have been lower by less than $5. This metric was also impacted by including a single month of contributions from Eucalyptus during the three months ended June 30, 2026. If Eucalyptus revenue and Average Subscribers were excluded from this metric, Monthly Revenue per Average Subscriber for the three months ended June 30, 2026 would have been $90. The metric for the six months ended June 30, 2026 was unaffected by contributions from Eucalyptus.

We continuously test and optimize the online experience and offerings to improve the customer experience, maximize sales, and improve gross margin. Our Subscribers select an available cadence at which they wish to receive product shipments or a treatment term depending on the offering. In addition to a 30-day cadence or treatment term, we offer Subscribers the ability to select from a range of Subscription shipment cadences or treatment terms, from every 60 days to 360 days, depending on the offering, as available. In recent quarters, there has been a shift towards shorter and more frequent shipping cadences, which has impacted our gross margins. We expect this shift to continue as we enhance our membership program described below. Subscriptions automatically renew on the applicable cadence selected by the Subscriber when purchasing or updating the Subscription. To ensure timely delivery of prescription medications and in accordance with our terms and conditions, Subscribers may sometimes be charged, and products may sometimes be shipped, earlier than their regularly scheduled cadence to accommodate holidays or for other operational reasons to support continuity of treatment. With the exception of prepaid offerings and the membership program described below, the Subscriber is typically billed upon each shipment. Subscribers can cancel or snooze Subscriptions in between billing periods to stop receiving additional products and can reactivate Subscriptions at any time. For longer term Subscriptions, we incur shipping and fulfillment expenses fewer times per year than for 30-day Subscriptions. The Subscriber uptake of longer term Subscriptions typically results in lower recurring costs and higher gross margins as compared to 30-day Subscriptions.

Additionally, at the end of March 2026, we launched a membership program for our weight loss offerings in the United States, which we expect to evolve in future reporting periods. Among other benefits, this program grants eligible customers access to a range of weight loss medications, plus unlimited support from our network of healthcare providers. Memberships primarily auto-renew monthly and must be active for customers to obtain weight loss medications through a separate Subscription. While customers must have an active membership to obtain prescription medication, they can hold a membership without a medication plan.

Key Factors Affecting Results of Operations

We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges.

New customer acquisition

Our ability to attract new customers is a key factor for our future growth. To date, we have successfully acquired new customers through marketing and the development of our brands, as well as through launches of new offerings, including branded weight loss offerings, and through mergers and acquisitions. As a result, revenue has increased each year since our launch. If we are unable to acquire enough new customers in the future, revenue might decline. New customer acquisition could be negatively impacted if our marketing efforts are less effective in the future. Increases in advertising rates could also negatively impact our ability to acquire new customers. Consumer tastes, preferences, and sentiment for our brands may also change and result in decreased demand for our products and services. Changes in the legal or regulatory environment, including

as a result of our expansion into new geographies, have and could continue to impact our ability to acquire new customers, including changes to privacy, healthcare, or other laws, or the interpretation or enforcement of such laws, and could impact customer acquisition costs. In addition, acquiring new customers may be impacted by supply chain constraints related to our offerings that may be outside of our control and may impact our future results.

Retention of customers

Our ability to retain customers is a key factor in our ability to generate revenue. A majority of our customers purchase products and services through subscription-based plans, where Subscribers are billed and sent products and/or receive services on a recurring basis. The recurring nature of this revenue provides us with a certain amount of predictability for future revenue if past Subscriber behavior stays relatively consistent in the future. We expect to retain a significant majority of revenue from Subscribers who maintain a Subscription for more than two years (sometimes referred to by us as "long-term revenue retention"). However, if customer behavior changes, or our assumptions regarding long-term revenue retention are incorrect and Subscriber retention decreases in the future, then future revenue will be negatively impacted. Macroeconomic factors including inflation or recessionary pressures or the impact of trade actions may affect the ability of our Subscribers to continue to pay for our products and services, which may also impact the future results of our operations.

Investments in growth

We expect to continue to focus on long-term growth. We intend to continue to invest in our fulfillment, distribution, and operating capabilities, including in our wholly-owned pharmacies (also referred to herein as our "Pharmacies"), our laboratory testing facilities and our peptide manufacturing facility (collectively with our Pharmacies, sometimes referred to herein as our "Facilities"), with the goal of fulfilling a majority of our pharmaceutical and over-the-counter customer orders through internal fulfillment capabilities. For example, we are making investments in the expansion of our current Facilities, which are expected to continue for at least the next 12 months. Additionally, we expect to continue to make significant investments in marketing to acquire new customers across all of our brands, and we expect to continue to make investments in product offerings and customer experience. We are working to enhance our offerings and expand the breadth of health and wellness products and services offered on our websites and mobile applications. We are also continuing to invest in our artificial intelligence capabilities, including through investment in hiring and retaining engineering and artificial intelligence personnel. In addition, we may continue to pursue opportunities to acquire or invest in complementary businesses, services, and technologies, including intellectual property rights. Specifically, in July 2025, we acquired all of the outstanding equity of Zava Global GmbH (which is now H&H Germany GmbH) and its subsidiaries ("Zava"), a digital health platform registered in Germany with operations in the United Kingdom and the European Union, in November 2025, we acquired all of the outstanding equity of Medici Technologies, Inc., which is now Hims & Hers Canada Inc. ("Medici"), a digital health platform registered in Canada, in January 2026, we completed a merger pursuant to which YourBio became our wholly-owned subsidiary, and in June 2026, we acquired all of the outstanding equity of EUC Management Pty Ltd ACN 631 013 860 and its subsidiaries ("Eucalyptus"), a digital health and wellness platform headquartered in Australia, with operations in Australia, the United Kingdom, Germany, Ireland, Canada, and Japan (for additional details regarding the YourBio and Eucalyptus transactions, refer to the "Liquidity and Capital Resources" section). In the short term, we expect these investments to increase our operating expenses; however, in the long term, we anticipate that these investments will positively impact our results of operations. If we are unsuccessful at improving our offerings or are unable to generate additional demand for our offerings, we may not recover the financial investments we make into the business and revenue may not increase in the future.

Expansion into new specialties

We expect to continue to expand into new health and wellness specialties with our offerings. Specialty expansion allows us to increase the number of health and wellness consumers for whom we can provide products and services. It also allows us to offer access to treatment of additional conditions that may already affect our current customers. Expanding into new health and wellness specialties has required and may continue to require financial investments in additional headcount, marketing and customer acquisition costs, additional operational capabilities, and may require the purchase of new inventory. If we are unable to generate or maintain sufficient demand in new health and wellness specialties, we may not recover the financial investments we make into new specialties and revenue may not increase in the future.

Non-GAAP Financial Measures

In addition to our financial results determined in accordance with U.S. GAAP, we present Adjusted EBITDA (which is a non-GAAP financial measure), Adjusted EBITDA margin (which is a non-GAAP ratio), and Free Cash Flow (which is a non-GAAP financial measure), each as defined below. We use Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow, when taken together with the corresponding U.S. GAAP financial measures, provide meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations, or outlook. We consider Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow to be important measures because they help illustrate underlying trends in our business and our historical operating performance on a more consistent basis. We believe that the use of Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow is helpful to our investors as they are used by management in assessing the health of our business, our operating performance, and our liquidity.

However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool, and should not be considered in isolation or as a substitute for financial information presented in accordance with U.S. GAAP. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP financial measures or ratios differently or may use other financial measures or ratios to evaluate their performance, all of which could reduce the usefulness of Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow as tools for comparison. Reconciliations are provided below to the most directly comparable financial measures stated in accordance with U.S. GAAP. Investors are encouraged to review our U.S. GAAP financial measures and not to rely on any single financial measure to evaluate our business.

Adjusted EBITDA is a key performance measure that our management uses to assess our operating performance. Because Adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we use this measure for business planning purposes. “Adjusted EBITDA” is defined as net (loss) income before legal contingencies that are considered non-recurring, stock-based compensation, depreciation and amortization, acquisition and transaction-related costs (which includes (i) consideration paid for employee and nonemployee compensation with vesting requirements incurred directly as a result of acquisitions, and (ii) transaction professional services), restructuring and other related charges that are considered non-recurring, change in fair value of liabilities, payroll tax expense related to stock-based compensation, impairment of long-lived assets, interest income and expense, net, change in fair value of equity securities, and income taxes. “Adjusted EBITDA margin” is defined as Adjusted EBITDA divided by revenue.

In the first quarter of 2026, we announced a strategic shift for our United States weight loss offering ("2026 US WL Announcement"). As a result, we evolved our United States weight loss offering to match our global approach towards providing access to branded GLP-1 medications, and offering access to compounded GLP-1 medications through our platform on a limited scale. In connection with the strategic shift, we revised our definition of Adjusted EBITDA to include restructuring and other related charges that are considered non-recurring, as we believe these costs are distinguishable from ongoing operating costs and do not reflect current or expected performance of our ongoing operations. These costs consist of inventory write-downs, third-party costs, and non-recurring employee compensation charges, all of which were incurred directly as a result of the 2026 US WL Announcement. Additional restructuring and other related charges were incurred in the second quarter of 2026, and to the extent that we incur further restructuring and other related charges in connection with the 2026 US WL Announcement in future periods, these costs will be presented consistently with our current presentation. As we did not record any non-recurring restructuring and other related charges in prior years, prior period disclosures were not impacted.

In the second quarter of 2025, we revised our definition of Adjusted EBITDA to include payroll tax expense related to stock-based compensation, which comprises employer taxes incurred upon vesting of restricted stock units and upon exercise of nonqualified stock options. As a result of recent trends in our stock price, this amount was not considered significant for prior periods and, accordingly, prior period disclosures were not recast to conform to the current presentation.

The following table reconciles net (loss) income to Adjusted EBITDA for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	$ 753,214	$ 544,833	$ 1,361,318	$ 1,130,843
Net (loss) income	(86,290)	42,505	(178,405)	91,990
Legal contingencies	47,500	—	62,500	—
Stock-based compensation	42,116	35,726	78,978	60,584
Depreciation and amortization	29,477	10,465	51,430	18,741
Acquisition and transaction-related costs	28,835	6,231	42,201	6,255
Restructuring and other related charges	4,626	—	38,114	—
Change in fair value of liabilities	4,223	—	21,869	—
Payroll tax expense related to stock-based compensation	2,022	3,078	4,889	3,078
Impairment of long-lived assets	1,148	—	1,148	—
Interest income and expense, net	(2,254)	(6,117)	(7,287)	(8,713)
Change in fair value of equity securities	(4,737)	—	4,945	—
(Benefit from) provision for income taxes	(6,343)	(9,652)	(15,779)	1,358
Adjusted EBITDA	$ 60,323	$ 82,236	$ 104,603	$ 173,293
Net (loss) income as a % of revenue	(11)%	8 %	(13)%	8 %
Adjusted EBITDA margin	8 %	15 %	8 %	15 %

Some of the limitations of Adjusted EBITDA include (i) Adjusted EBITDA does not properly reflect capital commitments to be paid in the future, and (ii) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and Adjusted EBITDA does not reflect these capital expenditures. In evaluating Adjusted EBITDA, you should be aware that in the future we will incur expenses similar to the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these expenses or any unusual or non-recurring items. We compensate for these limitations by providing specific information regarding the U.S. GAAP items excluded from Adjusted EBITDA. When evaluating our performance, you should consider Adjusted EBITDA in addition to, and not as a substitute for, other financial performance measures, including our net (loss) income and other U.S. GAAP results.

Free Cash Flow is a key performance measure that our management uses to assess our liquidity. Because Free Cash Flow facilitates internal comparisons of our historical liquidity on a more consistent basis, we use this measure for business planning purposes. “Free Cash Flow” is defined as net cash (used in) provided by operating activities, less purchases of property, equipment, and intangible assets and investment in website development and internal-use software in investing activities.

The following table reconciles net cash (used in) provided by operating activities to Free Cash Flow for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net cash (used in) provided by operating activities	$ (35,939)	$ (19,117)	$ 53,417	$ 89,973
Purchases of property, equipment, and intangible assets in investing activities	(25,926)	(46,065)	(55,770)	(101,392)
Investment in website development and internal-use software in investing activities	(6,328)	(4,250)	(12,808)	(7,961)
Free Cash Flow	$ (68,193)	$ (69,432)	$ (15,161)	$ (19,380)

Some of the limitations of Free Cash Flow include (i) Free Cash Flow does not represent our residual cash flow for discretionary expenditures and our non-discretionary commitments, and (ii) Free Cash Flow includes capital expenditures, the

benefits of which may be realized in periods subsequent to those in which the expenditures took place. In evaluating Free Cash Flow, you should be aware that in the future we will have cash outflows similar to the adjustments in this presentation. Our presentation of Free Cash Flow should not be construed as an inference that our future results will be unaffected by these cash outflows or any unusual or non-recurring items. When evaluating our performance, you should consider Free Cash Flow in addition to, and not as a substitute for, other financial performance measures, including our net cash (used in) provided by operating activities and other U.S. GAAP results.

Basis of Presentation

Currently, we conduct business through one operating segment. The unaudited condensed consolidated financial statements include the accounts of our company, our wholly-owned subsidiaries, and variable interest entities ("VIEs") for which we are the primary beneficiary. As of June 30, 2026, the VIEs are the "Affiliated Medical Groups," which are professional corporations or other professional entities located in the United States and owned by licensed physicians and that engage licensed healthcare professionals (physicians, physician assistants, nurse practitioners, and mental health providers; collectively referred to as "Providers" or individually, a "Provider") to provide consultation services. We determined that we are the primary beneficiary of the Affiliated Medical Groups for accounting purposes because we have the ability to direct the activities that most significantly affect these entities' economic performance and have the obligation to absorb the entities' losses. Under the VIE model, we present the results of operations and the financial position of the entities as part of our unaudited condensed consolidated financial statements as if the consolidated group were a single economic entity. Additionally, Apostrophe Pharmacy LLC and XeCare, LLC, which are licensed mail order pharmacies providing prescription fulfillment solely to our customers, were VIEs through April 2025 and November 2025, respectively, when, as a result of changes of ownership, they became wholly-owned subsidiaries of our company and were no longer considered VIEs.

Components of Results of Operations

Revenue

We recognize revenue when we transfer promised goods or services to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services.

Our consolidated revenue primarily comprises online sales of health and wellness products through our websites and mobile applications, including prescription and non-prescription products, as well as services, primarily consisting of medical consultation services, membership-based access, post-consultation service support, and delivery of laboratory testing results, as applicable. Additionally, revenue is generated through wholesale arrangements.

Cost of revenue

Cost of revenue consists of costs directly attributable to the products shipped and services rendered, including costs of purchased products net of vendor rebates per contract terms, as applicable, manufactured products, packaging materials, shipping costs, labor costs directly related to revenue generating activities including primarily medical consultation services and manufacturing labor, and overhead costs associated with manufactured products. Costs related to free products where there is no expectation of future purchases from a customer and depreciation and amortization on property, equipment, and software (other than related to manufactured products) are considered to be operating expenses and are excluded from cost of revenue.

Gross profit and gross margin

Our gross profit represents total revenue less our total cost of revenue, and our gross margin is our gross profit expressed as a percentage of our total revenue. Our gross profit and gross margin have been and will continue to be affected by a number of factors, including the prices we charge for our products and services, the costs we incur from our vendors for certain components of our cost of revenues, the mix of the various products and services we sell in a period including the launch of new offerings, the volume of fulfillment through internal fulfillment capabilities, and our ability to sell our inventory. Our gross margin is expected to remain below comparative periods in the near term, primarily as a result of the 2026 US WL Announcement and recent international acquisitions. While we expect our gross margin to fluctuate from period to period depending on these and other factors, over the long term we expect gross margin to stabilize as we continue to scale our business and increase our ability to negotiate and optimize more favorable costs of revenue, as well as integrate new acquisitions.

Marketing expenses

The largest component of our marketing expenses consists of our discretionary customer acquisition costs. Customer acquisition costs, also called paid marketing expense, are the advertising and media costs associated with our efforts to acquire new customers, promote our brands, and build awareness for our products and services. Customer acquisition costs include advertising in digital media, social media, television, radio, out-of-home media, and various other media outlets and exclude content production costs. Marketing expenses also include overhead expenses, including salaries, benefits, taxes, and stock-based compensation for personnel; agency, contractor, and consulting expenses; content production, software, and other marketing operating costs. Marketing is an important driver of growth and we intend to continue to make significant investments in customer acquisition and our marketing organization. Marketing expenses may fluctuate from period to period due to the timing and discretionary nature of these expenses. While marketing expenses may fluctuate as a percentage of revenue, we expect total marketing expenses as a percentage of revenue to continue to decrease over the long term.

Operations and support expenses

Operations and support expenses include the salaries, benefits, taxes, professional services expenses, and stock-based compensation for personnel, consultants, and contractors for our supply chain, retail, medical, pharmacy, fulfillment, diagnostics, customer service, and corporate quality functions. These expenses also include operating expenses primarily relating to operations and support functions for our Facilities, warehousing and storage, fulfillment, transaction processing, third-party software and hosting to support those functions, and related depreciation and amortization. We expect operations and support expenses may increase for the foreseeable future as we continue to invest in our fulfillment and operating capabilities and grow our business, resulting in additional operational efficiencies, although it may fluctuate as a percentage of total revenue from period to period due to the timing and amount of these expenses.

Technology and development expenses

Technology and development expenses include the salaries, benefits, taxes, professional services expenses, and stock-based compensation for personnel, consultants, and contractors for our engineering, product management, product development, and data science functions. These expenses also include operating expenses primarily relating to technology and development functions for the operation, maintenance, and enhancement of our digital platform, websites, and mobile applications, inclusive of related expenses for third-party software and hosting to support those functions, and related depreciation. Expenses also include investments to develop new health and wellness products and services. We expect technology and development expenses may increase in the foreseeable future as we grow our business and continue to invest in our platform, including our artificial intelligence capabilities, as well as in new offerings. We expect these expenses to stabilize over the long term, although it may fluctuate as a percentage of total revenue from period to period due to the timing and amount of these expenses.

General and administrative expenses

General and administrative expenses (“G&A”) include the salaries, benefits, taxes, professional services expenses, and stock-based compensation for personnel, consultants, and contractors for our executive, legal, human resources, finance, brand strategy, communications, public and government relations, and other corporate functions. These expenses also include operating expenses primarily relating to general and administrative functions for insurance, third-party software and hosting to support those functions, related depreciation and amortization, and other general corporate costs. G&A may fluctuate as a percentage of total revenue from period to period due to the timing and amount of these expenses.

Total other income (expense), net

Total other income (expense), net primarily consists of changes in fair value of equity securities and liabilities, as well as interest income. Additionally, total other income (expense), net includes expenses associated with our debt, as well as non-operating and one-time charges classified outside of operating expenses. Interest income is driven by our cash and cash equivalents and available-for-sale investments and fluctuates from period to period based on balances and applicable interest rates. Interest expense is related to the amortization of debt discount and issuance costs on our debt, applicable interest on any borrowings under our revolving credit facility, and accretion of the discount related to deferred acquisition payable balances.

Benefit from (provision for) income taxes

Benefit from (provision for) income taxes primarily consists of the impacts of pre-tax losses, federal and state tax credits, and windfall tax benefits, partially offset by officer compensation limitations and acquisition-related addbacks. Deferred tax assets are reduced by a valuation allowance to the extent management believes it is not more likely than not to be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. Management makes estimates and judgments about future taxable income based on assumptions that are consistent with our plans and estimates. If and when we conclude that we are more likely than not to utilize some or all of our deferred tax assets, we release some or all of our valuation allowance and our tax provision will decrease in the period in which we make such determination, which will cause a corresponding one-time increase to net income.

Results of Operations

Comparisons for the three and six months ended June 30, 2026 and 2025

The following table sets forth our unaudited condensed consolidated statement of operations for the three and six months ended June 30, 2026 and 2025, and the dollar and percentage change between the two periods (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	Change	% Change	2026	2025	Change	% Change
Revenue	$ 753,214	$ 544,833	$ 208,381	38 %	$ 1,361,318	$ 1,130,843	$ 230,475	20 %
Cost of revenue	272,411	128,637	143,774	112 %	483,728	283,958	199,770	70 %
Gross profit	480,803	416,196	64,607	16 %	877,590	846,885	30,705	4 %
Operating expenses:[(1)]								
Marketing	262,236	217,862	44,374	20 %	484,239	449,097	35,142	8 %
Operations and support	95,481	66,490	28,991	44 %	191,984	129,523	62,461	48 %
Technology and development	54,901	37,848	17,053	45 %	101,837	67,762	34,075	50 %
General and administrative	165,377	67,273	98,104	146 %	275,045	115,883	159,162	137 %
Total operating expenses	577,995	389,473	188,522	48 %	1,053,105	762,265	290,840	38 %
(Loss) income from operations	(97,192)	26,723	(123,915)	*	(175,515)	84,620	(260,135)	*
Other income (expense):								
Change in fair value of equity securities	4,737	—	4,737	*	(4,945)	—	(4,945)	*
Change in fair value of liabilities	(4,223)	—	(4,223)	*	(21,869)	—	(21,869)	*
Other income, net	4,045	6,130	(2,085)	(34)%	8,145	8,728	(583)	(7)%
Total other income (expense), net	4,559	6,130	(1,571)	(26)%	(18,669)	8,728	(27,397)	*
(Loss) income before income taxes	(92,633)	32,853	(125,486)	*	(194,184)	93,348	(287,532)	*
Benefit from (provision for) income taxes	6,343	9,652	(3,309)	(34)%	15,779	(1,358)	17,137	*
Net (loss) income	$ (86,290)	$ 42,505	$ (128,795)	*	$ (178,405)	$ 91,990	$ (270,395)	*

(*) Not meaningful

(1) Includes stock-based compensation expense as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Marketing	$ 3,004	$ 3,435	$ 5,819	$ 6,209
Operations and support	7,016	4,579	13,129	7,585
Technology and development	6,645	5,247	12,635	9,292
General and administrative	25,451	22,465	47,395	37,498
Total stock-based compensation expense	$ 42,116	$ 35,726	$ 78,978	$ 60,584

The following table sets forth our results of operations as a percentage of our total revenue for the periods presented:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue	100 %	100 %	100 %	100 %
Cost of revenue	36 %	24 %	36 %	25 %
Gross profit	64 %	76 %	64 %	75 %
Operating expenses:				
Marketing	35 %	40 %	36 %	40 %
Operations and support	13 %	12 %	14 %	11 %
Technology and development	7 %	7 %	7 %	6 %
General and administrative	22 %	12 %	20 %	10 %
Total operating expenses	77 %	71 %	77 %	67 %
(Loss) income from operations	(13)%	5 %	(13)%	8 %
Other income (expense):				
Change in fair value of equity securities	1 %	— %	— %	— %
Change in fair value of liabilities	(1)%	— %	(2)%	— %
Other income, net	1 %	1 %	1 %	1 %
Total other income (expense), net	1 %	1 %	(1)%	1 %
(Loss) income before income taxes	(12)%	6 %	(14)%	9 %
Benefit from (provision for) income taxes	1 %	2 %	1 %	(1)%
Net (loss) income	(11)%	8 %	(13)%	8 %

Revenue

Revenue was $753.2 million for the three months ended June 30, 2026, compared to $544.8 million for the three months ended June 30, 2025, an increase of $208.4 million, or 38%. Revenue was $1,361.3 million for the six months ended June 30, 2026, compared to $1,130.8 million for the six months ended June 30, 2025, an increase of $230.5 million, or 20%. For a detailed discussion of these increases, refer to the “Revenue and Key Business Metrics” section.

Cost of revenue and gross profit

Cost of revenue was $272.4 million for the three months ended June 30, 2026, compared to $128.6 million for the three months ended June 30, 2025, an increase of $143.8 million, or 112%. This increase was due to increased product and packaging costs of 141%, increased shipping costs of 56%, and increased costs associated with medical consultation services of 30%, compared to the three months ended June 30, 2025. Cost of revenue was $483.7 million for the six months ended June 30, 2026, compared to $284.0 million for the six months ended June 30, 2025, an increase of $199.8 million, or 70%. This increase was primarily due to increased product and packaging costs of 89%, increased shipping costs of 31%, and increased costs associated with medical consultation services of 17% compared to the six months ended June 30, 2025. These increases in cost of revenue for the three and six months ended June 30, 2026 were primarily due to our weight loss offerings, some of which have higher product and packaging costs and shipping costs compared to our other offerings, including as a result of the 2026 US WL Announcement, as well as overall increased business activity with the addition of new Subscribers and our recent acquisitions. There were no non-recurring restructuring and other related charges in connection with the 2026 US WL Announcement impacting cost of revenue for the three months ended June 30, 2026. Cost of revenue for the six months ended June 30, 2026 included $28.5 million of non-recurring restructuring and other related charges, consisting of inventory write-downs, in connection with the 2026 US WL Announcement.

Gross profit was $480.8 million for the three months ended June 30, 2026, compared to $416.2 million for the three months ended June 30, 2025, an increase of $64.6 million, or 16%. Correspondingly, gross margin was 64% for the three months ended June 30, 2026, compared to 76% for the three months ended June 30, 2025. Gross profit was $877.6 million for the six months ended June 30, 2026, compared to $846.9 million for the six months ended June 30, 2025, an increase of $30.7 million, or 4%. Correspondingly, gross margin was 64% for the six months ended June 30, 2026, compared to 75% for the six months ended

June 30, 2025. These decreases in gross margin were primarily due to our weight loss offerings, which have shorter shipping cadences and increased fulfillment costs, along with the impact of the growth of our international business and new offerings, the non-recurring restructuring and other related charges in connection with the 2026 US WL Announcement, and the impact of recent acquisitions.

Marketing expenses

Marketing expenses were $262.2 million for the three months ended June 30, 2026, compared to $217.9 million for the three months ended June 30, 2025, an increase of $44.4 million, or 20%. The most significant component of marketing expenses is customer acquisition costs, which increased to $229.5 million in the three months ended June 30, 2026, compared to $188.4 million for the three months ended June 30, 2025, an increase of $41.1 million. Marketing expenses were $484.2 million for the six months ended June 30, 2026, compared to $449.1 million for the six months ended June 30, 2025, an increase of $35.1 million, or 8%. Customer acquisition costs increased to $422.3 million in the six months ended June 30, 2026, compared to $390.0 million for the six months ended June 30, 2025, an increase of $32.3 million. The increases in customer acquisition costs were primarily a result of management's decision to increase investment in search and affiliate marketing as we continue to identify opportunities to drive new customer growth, and which investment further expanded with the addition of newer offerings. These increases were partially offset by management's decision to focus on more efficient customer acquisition channels, which has resulted in lower marketing expenses as a percent of revenue in the current year compared to the prior year.

Operations and support

Operations and support expenses were $95.5 million for the three months ended June 30, 2026, compared to $66.5 million for the three months ended June 30, 2025, an increase of $29.0 million or 44%. The increase in operations and support was primarily driven by an increase in employee compensation (comprising salaries and wages, benefits, taxes, and performance bonuses and excluding stock-based compensation) of $8.9 million, an increase in order fulfillment and transaction processing of $8.3 million, an increase in depreciation, amortization, and technology costs relating to operations and support functions of $5.7 million, and an increase in stock-based compensation of $2.4 million. Operations and support expenses for the three months ended June 30, 2026 also included less than $5 million of non-recurring restructuring and other related charges. The increase in operations and support was partially offset by a decrease in professional services of $1.1 million. Operations and support expenses were $192.0 million for the six months ended June 30, 2026, compared to $129.5 million for the six months ended June 30, 2025, an increase of $62.5 million or 48%. The increase in operations and support was primarily driven by an increase in employee compensation (comprising salaries and wages, benefits, taxes, and performance bonuses, and excluding stock-based compensation) of $20.7 million, an increase in order fulfillment and transaction processing of $15.7 million, an increase in depreciation, amortization, and technology costs relating to operations and support functions of $10.6 million, and an increase in stock-based compensation of $5.5 million. Operations and support expenses for the six months ended June 30, 2026 also included less than $10 million of non-recurring restructuring and other related charges. The increase was partially offset by a decrease in professional services of $2.3 million.

Technology and development

Technology and development expenses were $54.9 million for the three months ended June 30, 2026, compared to $37.8 million for the three months ended June 30, 2025, an increase of $17.1 million or 45%. The increase in technology and development expenses was primarily driven by an increase in depreciation, amortization, and technology costs of $7.9 million, an increase in product development costs of $3.3 million, an increase in professional services of $3.2 million, and an increase in stock-based compensation of $1.4 million. Technology and development expenses were $101.8 million for the six months ended June 30, 2026, compared to $67.8 million for the six months ended June 30, 2025, an increase of $34.1 million or 50%. The increase in technology and development expenses was primarily driven by an increase in depreciation, amortization, and technology costs of $14.0 million, an increase in product development costs of $6.0 million, an increase in employee compensation (comprising salaries and wages, benefits, taxes, and performance bonuses, and excluding stock-based compensation) of $4.4 million, an increase in professional services of $3.5 million, and an increase in stock-based compensation of $3.3 million.

General and administrative

General and administrative expenses were $165.4 million for the three months ended June 30, 2026, compared to $67.3 million for the three months ended June 30, 2025, an increase of $98.1 million or 146%. The increase in general and administrative

expenses was primarily driven by an increase in employee compensation (comprising salaries and wages, benefits, taxes, and performance bonuses, and excluding stock-based compensation) of $24.0 million, an increase in depreciation, amortization, and technology costs relating to general and administrative functions of $10.7 million, an increase in professional services of $4.7 million, an increase in stock-based compensation of $3.0 million, and an increase in insurance premiums of $1.0 million. General and administrative expenses for the three months ended June 30, 2026 also included $47.5 million of legal contingencies that are considered non-recurring. General and administrative expenses were $275.0 million for the six months ended June 30, 2026, compared to $115.9 million for the six months ended June 30, 2025, an increase of $159.2 million, or 137%. The increase in general and administrative expenses was primarily driven by an increase in employee compensation (comprising salaries and wages, benefits, taxes, and performance bonuses, and excluding stock-based compensation) of $39.3 million, an increase in depreciation, amortization, and technology costs relating to general and administrative functions of $17.6 million, an increase in professional services of $10.3 million, an increase in stock-based compensation of $9.9 million, an increase in acquisition costs of $8.3 million, and an increase in insurance premiums of $2.1 million. General and administrative expenses for the six months ended June 30, 2026 also included $62.5 million of legal contingencies that are considered non-recurring.

Total other income (expense), net

Total other income was $4.6 million for the three months ended June 30, 2026, compared to $6.1 million for the three months ended June 30, 2025, a decrease of $1.6 million. The decrease was driven primarily by a loss from the change in fair value of liabilities for the three months ended June 30, 2026 of $4.2 million, interest expense for the three months ended June 30, 2026 of $3.7 million, compared to $1.1 million for the three months ended June 30, 2025, and interest income for the three months ended June 30, 2026 of $6.0 million, compared to $7.2 million for the three months ended June 30, 2025. The decrease was partially offset by a gain from the change in fair value of equity securities for the three months ended June 30, 2026 of $4.7 million. Total other expense was $18.7 million for the six months ended June 30, 2026, compared to total other income of $8.7 million for the six months ended June 30, 2025, a change of $27.4 million. The change was driven primarily by a loss from the change in fair value of liabilities for the six months ended June 30, 2026 of $21.9 million, a loss from the change in fair value of equity securities for the six months ended June 30, 2026 of $4.9 million, and interest expense of $6.6 million for the six months ended June 30, 2026, compared to $1.2 million for the six months ended June 30, 2025. The decrease was partially offset by interest income for the six months ended June 30, 2026 of $13.9 million, compared to $9.9 million for the six months ended June 30, 2025. The loss on change in fair value of liabilities was related to changes in the fair value of the earn-out consideration associated with acquisitions, which for the six months ended June 30, 2026 was primarily driven by the impact of the amendment to the Zava share purchase agreement during the first quarter of 2026; the gain and loss on change in fair value of equity securities was related to unrealized gains and losses on equity securities; the increase in interest expense was driven by the amortization of debt discount and issuance costs on our debt and interest on borrowings under our revolving credit facility; and the increase in interest income was driven by larger balances of cash and cash equivalents and investments during the current period compared to the prior period.

Benefit from (provision for) income taxes

Benefit from income taxes was $6.3 million for the three months ended June 30, 2026, compared to $9.7 million for the three months ended June 30, 2025. Benefit from income taxes was $15.8 million for the six months ended June 30, 2026, compared to a provision for income taxes of $1.4 million for the six months ended June 30, 2025. The benefit from income taxes for the three and six months ended June 30, 2026 was primarily due to the tax effect of pre-tax losses, impacts of windfall tax benefits, and research and development tax credits, partially offset by acquisition-related addbacks and officer compensation adjustments. The provision for the three and six months ended June 30, 2025 was primarily due to taxes on income during the period.

Liquidity and Capital Resources

As of June 30, 2026, our principal sources of liquidity totaled $841.0 million, consisting of (i) cash and cash equivalents, which are primarily invested in interest-bearing cash accounts and money market funds; and (ii) short-term available-for-sale investments, which are invested in government and government agency securities and corporate bonds.

During the six months ended June 30, 2026, we made cash payments for earn-out consideration related to the Zava acquisition totaling $45.7 million, with such payment amounts determined based on fiscal year 2025 results in accordance with the terms of the related share purchase agreement. The Zava earn-out consideration payments totaling $45.7 million are recorded: (i) $2.0

million within operating activities, and (ii) $43.7 million within financing activities on the unaudited condensed consolidated statements of cash flows.

During the six months ended June 30, 2026, we made a cash payment of $5.0 million for earn-out consideration related to the C S Bio Co. asset acquisition, with such payment amount determined based on the earn-out conditions set forth in the related asset purchase agreement. This amount is recorded within operating activities on the unaudited condensed consolidated statements of cash flows.

In January 2026, we completed a merger pursuant to which YourBio Health, Inc. ("YourBio"), a U.S.-based company specializing in capillary whole blood sampling technology, became our wholly-owned subsidiary. We entered into the merger agreement to incorporate YourBio's blood-sampling technology into our technology portfolio. The purchase price for accounting purposes was $153.0 million, including cash paid of $142.4 million and contingent consideration with an acquisition date fair value of $10.6 million (for additional details regarding the acquisition see Note 3 – Acquisitions to the condensed unaudited consolidated financial statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q).

In May 2026, we issued $402.5 million aggregate principal amount of 0% convertible senior notes due 2032 (the "2032 Convertible Notes"), which provided us with aggregate proceeds net of debt discount of $389.5 million. In connection with the issuance of the 2032 Convertible Notes, we separately entered into privately negotiated capped call transactions with certain financial institutions, which resulted in aggregate cash payments of $36.7 million (for additional details see Note 13 – Debt to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q). The cash proceeds and cash payments are included within financing activities on the unaudited condensed consolidated statements of cash flows.

In June 2026, Horizon BidCo Pty Ltd ACN 694 778 375 (which is now H&H Australia Intermediate Holdings Pty Ltd ACN 694 778 375), an Australian proprietary company and wholly-owned subsidiary of our company, acquired all of the outstanding equity of EUC Management Pty Ltd ACN 631 013 860 and its subsidiaries ("Eucalyptus"), a digital health and wellness platform headquartered in Australia, with operations in Australia, the United Kingdom, Germany, Ireland, Canada, and Japan. We acquired Eucalyptus to expand our global operations into Australia and Japan and deepen our presence in the United Kingdom, Germany, Ireland, and Canada. The purchase price for accounting purposes was $968.5 million, including cash paid upfront of $225.0 million, deferred payments totaling $683.9 million payable in six quarterly installments through the 18-month anniversary of the closing, and contingent consideration with an acquisition date fair value of $59.6 million. The contingent consideration relates to a potential aggregate earn-out payment of up to $96.6 million, upon achievement of revenue and adjusted EBITDA targets with measurements occurring for each of the 2026, 2027, and 2028 fiscal years. We have the option, at our sole discretion, to settle a significant majority of the deferred consideration and earn-out payments in shares of our Class A common stock, subject to a cap on the aggregate number of shares issuable equal to 19.9% of our issued and outstanding Class A common stock, together with any securities issued or issuable in a financing by us in connection with the acquisition. No shares of our Class A common stock were issued at closing of the acquisition of Eucalyptus.

On July 1, 2026, XeCare LLC and Apostrophe Pharmacy LLC, each a wholly-owned subsidiary of our company (each a "RPA Seller" and, collectively, the "RPA Sellers"), entered into a Master Receivables Purchase Agreement (the "Receivables Purchase Agreement") with JPMorgan Chase Bank, N.A., as purchaser (the "Purchaser"). The Receivables Purchase Agreement provides for an uncommitted facility with an initial aggregate limit of $400.0 million. Pursuant to the Receivables Purchase Agreement, each RPA Seller may, subject to the terms and conditions therein, offer to sell certain of its eligible receivables for cash to the Purchaser at a discount (for additional details see Note 20 – Subsequent Events to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q).

We had a working capital deficit of $98.6 million as of June 30, 2026, compared to a working capital surplus of $363.2 million as of December 31, 2025. The deficit as of June 30, 2026 was primarily due to the deferred consideration related to our acquisition of Eucalyptus during the second quarter of 2026. As discussed above, we have the option, at our sole discretion, to settle a significant majority of the deferred consideration in shares of our Class A common stock, subject to certain restrictions.

We believe our existing cash resources, as well as availability under our revolving credit facility, are sufficient to support planned operations for the next 12 months. As a result, management believes that our current and available financial resources are sufficient to continue operating activities for at least one year past the issuance date of the unaudited condensed consolidated financial statements.

Our future capital requirements will depend on many factors, including the number of orders we receive, the size of our customer base, the continuing market acceptance of telehealth, and the timing and extent of spend to support the expansion of

sales, marketing, development activities, and our Facilities, which may be impacted by inflationary, recessionary, supply chain, or other macroeconomic factors, including the impact of trade actions. We expect to continue to pursue opportunities to expand our manufacturing and internal fulfillment capabilities, and may acquire or invest in complementary businesses, services, and technologies, including intellectual property rights. From time to time, we order inventory with sufficient lead time in order to ensure our ability to fulfill customer demand for supply chain, seasonality, or other reasons, which may have an impact on our cash and cash equivalents in a given quarter. This may include purchases of inventory for our branded weight loss offerings, which would require upfront use of cash and cash equivalents prior to the settlement of any applicable manufacturer's discount and rebate receivables related to the associated vendor supply agreements. We may also use our cash and cash equivalents to repurchase up to $225.0 million of our Class A common stock through November 11, 2028 at management's discretion pursuant to our 2025 Share Repurchase Program. Additionally, as market conditions warrant, we may, from time to time, repurchase our outstanding Convertible Notes in the open market, in privately negotiated transactions, by tender offer, by exchange transaction, or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity, and other factors and may be commenced or suspended at any time. The amounts involved and total consideration paid may be material to the consolidated financial statements. We have based our estimate of our future capital requirements on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. 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 or access additional capital when desired, our business, financial condition, and results of operations would be harmed.

Cash Flows

The following table provides a summary of cash flow data (in thousands):

	Six Months Ended June 30,	
	2026	2025
Net cash provided by operating activities	$ 53,417	$ 89,973
Net cash provided by (used in) investing activities	69,091	(53,884)
Net cash provided by financing activities	263,876	866,151

Cash flows from operating activities

Our largest source of operating cash flows is cash collections from our customers. Our primary use of cash from operating activities includes costs of revenue, marketing expenses, and personnel-related expenditures to support the growth of our business.

Net cash provided by operating activities was $53.4 million for the six months ended June 30, 2026. Net cash provided by operating activities included non-cash expense related to stock-based compensation of $79.0 million, depreciation and amortization of $51.4 million, restructuring and other related charges included within cost of revenue of $28.5 million, change in fair value of liabilities of $21.9 million, non-cash acquisition-related costs of $21.3 million, change in fair value of equity securities of $4.9 million, amortization of debt discount and issuance costs of $3.7 million, and impairment of long-lived assets of $1.1 million, partially offset by a net loss of $178.4 million and benefit from deferred taxes of $23.3 million. In addition, a net cash inflow totaling $31.7 million was attributable to changes in operating assets and liabilities, primarily as a result of an increase in accounts payable and accrued liabilities of $413.3 million and an increase in deferred revenue of $3.0 million. This inflow was partially offset by an increase in receivables, net of $329.0 million, which was primarily related to increases in manufacturer's discount and rebate receivables, an increase in other long-term assets of $30.6 million, an increase in inventory of $14.3 million, and a decrease in earn-out consideration of $7.1 million.

Net cash provided by operating activities was $90.0 million for the six months ended June 30, 2025. Net cash provided by operating activities included net income of $92.0 million, non-cash expense related to stock-based compensation of $60.6 million, and depreciation and amortization of $18.7 million. In addition, a net cash outflow totaling $77.2 million was attributable to changes in operating assets and liabilities, primarily as a result of an increase in inventory of $77.4 million and an increase in prepaid expenses and other current assets of $37.4 million. The increase in inventory was due to investment to help ensure we could continue meeting customer demand for our offerings, including our GLP-1 offerings, as well as investment related to our overall business growth. The increase in prepaid expenses and other current assets was driven primarily by prepayments for income taxes. This outflow was partially offset by an increase in deferred revenue of $23.1 million and an increase in accounts payable and accrued liabilities of $16.9 million.

Cash flows from investing activities

Cash flows from investing activities primarily relate to our treasury operations of investing in available-for-sale investments and acquisitions, as well as purchases of property, equipment, and intangible assets and investment in website development and internal-use software. Our purchases of property, equipment, and intangible assets have increased in recent years as we scale our fulfillment capabilities to supply the increasing demand for our offerings.

Net cash provided by investing activities for the six months ended June 30, 2026 was $69.1 million, which was due to net investment cash inflows of $467.0 million. This inflow was partially offset by $318.1 million for the acquisition of businesses, net of cash acquired, related to the Eucalyptus acquisition and YourBio merger, $55.8 million in purchases of property, equipment, and intangible assets, investments of $12.8 million in website development and internal-use software, and $11.2 million in purchases of equity securities.

Net cash used in investing activities for the six months ended June 30, 2025 was $53.9 million, which was primarily due to $101.4 million in purchases of property, equipment, and intangible assets, including the cash payments made in connection with the C S Bio Co. asset acquisition, investments of $8.0 million in website development and internal-use software, and $5.1 million for the acquisition of a business, net of cash acquired. This cash outflow was partially offset by $60.6 million in maturities of investments.

Cash flows from financing activities

Net cash provided by financing activities for the six months ended June 30, 2026 was $263.9 million, which was primarily due to proceeds from issuance of convertible senior notes, net of debt discount of $390.4 million, proceeds from exercise of vested stock options of $13.0 million, and proceeds from employee stock purchase plan of $3.8 million. This cash inflow was partially offset by payments for taxes related to net share settlement of equity awards of $62.3 million, payments for acquisition-related earn-out consideration of $43.7 million, and purchases of capped calls related to convertible senior notes of $36.7 million.

Net cash provided by financing activities for the six months ended June 30, 2025 was $866.2 million, which was primarily due to proceeds from issuance of convertible senior notes, net of debt discount of $970.0 million, proceeds from exercise of vested stock options of $6.5 million, and proceeds from employee stock purchase plan of $3.0 million. This cash inflow was partially offset by payments for taxes related to net share settlement of equity awards of $62.5 million, purchases of capped calls related to convertible senior notes of $47.8 million, and payments for debt issuance costs of $3.0 million.

Contractual Obligations and Commitments

Our contractual obligations and commitments include operating leases, earn-out consideration, deferred acquisition payable, and non-cancelable purchase obligations with remaining terms in excess of one year primarily related to cloud-based software contracts used in operations and minimum commitments for inventory purchases. Total contractual obligations and commitments as of June 30, 2026 were $1,195.6 million, of which $662.3 million was payable within 12 months.

Critical Accounting Estimates

The preparation of our unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments, and assumptions that affect the amounts reported in our financial statements and accompanying notes. Management believes that the estimates, judgments, and assumptions upon which it relies are reasonable based upon information available to it at the time that these estimates, judgments, and assumptions were made. Actual results may differ from management's estimates. To the extent that there are material differences between these estimates and actual results, our unaudited condensed consolidated financial statements will be affected.

For a discussion of our critical accounting estimates, please refer to Item 7 under Part II, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Annual Report for the year ended December 31, 2025. Since December 31, 2025, there have been no material changes to our critical accounting estimates.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

Our exposure to interest rate fluctuations relates primarily to our cash and cash equivalents and available-for-sale investments.

We had cash and cash equivalents, short-term available-for-sale investments, and long-term available-for-sale investments totaling $841.0 million and $928.8 million, as of June 30, 2026 and December 31, 2025, respectively, which were held for working capital, capital expenditure, and general corporate purposes. As of June 30, 2026, our cash and cash equivalents are comprised of interest-bearing cash accounts and money market funds, and our short-term available-for-sale investments are comprised of government and government agency securities and corporate bonds. Our available-for-sale investments are made for capital preservation purposes. We do not hold or issue financial instruments for trading or speculative purposes and we do not believe there is associated material exposure to interest rate risk.

In May 2025, we issued $1.0 billion aggregate principal amount of 0% convertible senior notes due 2030 (the "2030 Convertible Notes"), and in May 2026 we issued $402.5 million aggregate principal amount of 0% convertible senior notes due 2032 (the "2032 Convertible Notes" and, collectively with the 2030 Convertible Notes, the "Convertible Notes"). The Convertible Notes do not bear regular interest and their principal amount will not accrete; accordingly, we do not have economic interest rate exposure on the Convertible Notes. However, we may be required to pay special interest under certain circumstances in accordance with the terms of the Convertible Notes. For additional details on the Convertible Notes see Note 13 – Debt to the unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Foreign Currency Risk

While we have operations in the United Kingdom, Canada, the European Union, Australia, and Japan, a substantial majority of our operations are in the United States for the six months ended June 30, 2026 and 2025. Accordingly, we believe we do not have a material exposure to foreign currency risk. We expect to continue to focus on international expansion in the future, which may increase our exposure to foreign currency exchange risk.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted 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 in company reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable assurance of achieving the desired control objectives. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. The design of disclosure controls and procedures also is based partly on 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.

As of June 30, 2026, as required by Rules 13a-15 and 15d-15 under the Exchange Act, our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) were effective at the reasonable assurance level as of such date. Management has concluded that the unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, our financial position, results of operations and cash flows for the periods disclosed in accordance with U.S. GAAP.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fiscal quarter ended June 30, 2026 covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

See Note 14 – Commitments and Contingencies included in Item 1 of Part I of this Quarterly Report on Form 10-Q for information regarding legal proceedings in which we are involved.

Item 1A. Risk Factors

A description of the risks and uncertainties associated with our business and ownership of our Class A common stock is set forth below. You should carefully consider the risks described below, as well as the other information in this Quarterly Report on Form 10-Q, including our condensed consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The occurrence of any of the events or developments described below could materially and adversely affect our business, financial condition, results of operations, and growth prospects. In such an event, the market price of our Class A common stock could decline. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. This Quarterly Report on Form 10-Q also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below. See "Cautionary Note Regarding Forward-Looking Statements."

Summary of Principal Risk Factors

- We have experienced rapid growth in recent fiscal years and expect to continue to invest in our growth for the foreseeable future. High levels of growth may not be achieved in future periods and may not generate a corresponding improvement in our results of operations.
- We may not be able to maintain our profitability in any given period.
- Our results of operations, as well as the performance of our key metrics, may fluctuate on a quarterly and annual basis, which may result in us failing to meet the expectations of industry and securities analysts or our investors.
- If we are unable to expand or maintain the scope of our offerings, including the number and type of products and services that we offer, the number and quality of Providers serving our customers, and the number and types of conditions capable of being treated through our platform, our business, financial condition, and results of operations may be materially and adversely affected.
- If we are unable to successfully market to new customers and retain existing customers, or if evolving privacy, healthcare, or other laws or regulations prevent or limit our marketing activities, our business, financial condition, and results of operations could be harmed.
- We operate in highly competitive markets and face competition from large, well-established healthcare providers, traditional retailers, pharmaceutical providers and technology companies with significant resources, and, as a result, we may not be able to compete effectively.
- Our investments in and use of artificial intelligence may not produce the benefits we expect and could adversely affect our business, financial condition, and results of operations.
- Our brand is integral to our success. If we fail to effectively maintain, promote, and enhance our brand in a cost-effective manner, our business and competitive advantage may be harmed.
- If the Affiliated Medical Groups are unable to attract and retain high-quality Providers to perform services on our platform, or if we are unable to develop or maintain satisfactory relationships with these Providers or the Affiliated Medical Groups, our business, financial condition, and results of operations may be materially and adversely affected.
- Acquisitions and investments could result in operating difficulties, dilution, and other harmful consequences that may adversely impact our business, financial condition, and results of operations. Additionally, if we are not able to identify and successfully acquire suitable businesses, our results of operations and prospects could be harmed.
- Expansion into international markets is important for our growth, and as we expand internationally, we will face additional business, political, legal, regulatory, operational, financial, and economic risks, any of which could increase our costs and hinder such growth.

- We operate in a highly regulated, dynamic environment and are subject to an increasing number of laws and regulations as a result of the various components of our existing business, including telehealth, pharmacy, compounding, our expansion into new areas such as peptide development and laboratory testing services and operations, our expansion into artificial intelligence, and our expansion into new markets. If we fail to comply with applicable laws and/or governmental regulations, we could face substantial penalties, our business, financial condition, and results of operations could be materially and adversely affected, and we may be required to restructure our operations.
- We have been, and in the future may be, subject to actions and public statements by U.S. federal and state government officials and agencies, which could materially and adversely affect our business, financial condition, results of operations and reputation.
- From time to time we are subject to legal and regulatory proceedings and inquiries, any of which may be costly to defend and could materially harm our business and results of operations.
- Disruption to our global supply chain, including as a result of evolving laws and regulations, can impact our operations in ways that may be difficult to predict or control, may require us to modify or discontinue certain supplier relationships, sourcing strategies, or operational processes, and may result in delays in product availability, increased costs for compliance or alternative sourcing, or the need to shift to different third-party partners. The breadth and scale of our operations increase the complexity and extent of our compliance and regulatory obligations.
- If any of our Facilities are unable to obtain and/or maintain necessary licenses and permits, or if any of the Facilities or our operations fail to comply with applicable laws and regulatory requirements, our business, financial condition, and results of operations may be materially and adversely affected.
- Evolving government regulations and enforcement activities may require increased costs or adversely affect our results of operations.
- Our use, disclosure, and other processing of personal information, including health information, is subject to extensive U.S. federal, state, provincial, and foreign privacy and security laws and regulations, and any alleged or actual failure to comply with those requirements could materially adversely affect our business.
- Security breaches, loss of data, and other disruptions could compromise sensitive information related to our business or customers, or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation.
- We may require additional capital to support business growth, and this capital might not be available on acceptable terms, if at all.
- Our dual class common stock structure has the effect of concentrating voting power with our Chief Executive Officer and Co-Founder, Andrew Dudum, which limits an investor's ability to influence the outcome of important transactions, including a change in control.
- The market price of our Class A common stock has been and may continue to be volatile.

Risks Related to Our Business

We have experienced rapid growth in recent fiscal years and expect to continue to invest in our growth for the foreseeable future. High levels of growth may not be achieved in future periods and may not generate a corresponding improvement in our results of operations.

We have experienced a period of rapid growth in our revenue, operations and headcount in recent fiscal years. We grew our revenue from $872.0 million for the year ended December 31, 2023, to $1,476.5 million for the year ended December 31, 2024, to $2,347.6 million for the year ended December 31, 2025. Our number of employees has also increased significantly over the last few years, from 1,046 employees as of December 31, 2023 to 2,442 employees as of December 31, 2025. We have also completed multiple acquisitions, expanded into new specialties, geographies, and markets, and significantly increased the size of our customer base.

We have encountered and will continue to encounter significant risks and uncertainties frequently experienced by growing companies in rapidly changing and heavily regulated industries, such as attracting new customers and Providers to our platform,

retaining our customers and encouraging them to utilize new offerings we make available, increasing the number of conditions that can be treated by Providers through our platform, operating our Facilities and the compounding and distribution of pharmaceutical products, competition from other companies, including online healthcare providers and traditional healthcare providers, hiring, integrating, training, and retaining skilled personnel, verifying the identity of customers and credentials of Providers serving our customers, developing new solutions, determining prices for our solutions, unforeseen expenses, challenges in forecasting accuracy, and new or adverse regulatory developments affecting the use of telehealth, pharmaceutical products or operations, including compounding, data privacy, use of artificial intelligence, peptide development, laboratory testing services or other aspects of the healthcare industry. Additional risks include our ability to effectively manage growth and process, store, protect, and use personal data in compliance with governmental regulation, contractual obligations, and other legal obligations related to privacy and security. If our assumptions regarding these and other similar risks and uncertainties that relate to our business, which we use to plan our business, are incorrect or change as we gain more experience operating our platform or continue to expand into the treatment of new conditions, or if we do not address these challenges successfully, our operating and financial results could differ materially from our expectations and our business could suffer.

We anticipate that we will continue to significantly expand our operations in the near-to-medium term. This growth has placed, and future growth will place, a significant strain on our management, administrative, operational, and financial infrastructure. Our success will depend in part on our ability to continue to manage this growth effectively and execute our business plan. There can be no assurance that these efforts will be successful or that we will not encounter operational difficulties that may have a negative impact on growth and profitability. To manage the expected growth of our operations, we will need to continue to improve our operational, financial, and management controls and our reporting systems and procedures, and we will need to ensure that we maintain high levels of customer support. Failure to effectively manage growth and execute our business plan could result in difficulty or delays in increasing the size of our customer base, declines in quality of customer support or customer satisfaction, increases in costs, difficulties in introducing new products or services, or other operational difficulties, and any of these difficulties could adversely affect our business performance and results of operations.

If we are unable to expand or maintain the scope of our offerings, including the number and type of products and services that we offer, the number and quality of Providers serving our customers, and the number and types of conditions capable of being treated through our platform, our business, financial condition, and results of operations may be materially and adversely affected.

We provide customers with access to non-prescription products, telehealth-based consultations with Providers, laboratory testing services, and certain prescription products that may be prescribed by Providers in connection with telehealth consultations. In order for our business to continue growing, we need to maintain and continue expanding the scope of products and services we offer our customers, including telehealth consultations, prescription medication for additional conditions, and non-prescription health and wellness products and services. The introduction of new products, services, or technologies, including disruptive technologies by market participants, including us, can quickly make our products and services obsolete and unmarketable. Additionally, changes in laws and regulations (or interpretation or enforcement thereof) could impact the usefulness of our platform or offerings and could necessitate changes or modifications to our platform or offerings to accommodate such changes. Alternatively, the introduction of new products, services or technologies could expose us to new or increased regulatory risks, including with respect to healthcare, privacy, or consumer protection laws, either through the provision of such products, services, or technologies, or by virtue of the new or expanded personal and health information we acquire from customers to support such offerings. We invest substantial resources in researching and developing new offerings and enhancing our solutions by incorporating additional features, improving functionality, and adding other improvements to meet our customers' evolving demands. The success of any enhancements or improvements to our services or any new offerings depends on a number of factors, including timely completion, competitive pricing, adequate quality testing, integration with new and existing technologies, regulatory compliance, and overall market acceptance. We may not succeed in developing, marketing, and delivering on a timely and cost-effective basis enhancements or improvements to our products or services or any new offerings that respond to continued changes in market demands or new customer requirements, and any enhancements or improvements to our products or services or any new offerings may not achieve market acceptance. Since developing enhancements to our products and services and the launch of new offerings can be complex, the timetable for the release of new offerings and enhancements to our existing products and services is difficult to predict, and we may not launch new offerings and updates as rapidly as our current or prospective customers require or expect.

The regulatory landscape applicable to compounded GLP-1s continues to rapidly evolve, which could result in penalties, changes to our business practices or other adverse consequences. We began offering certain compounded GLP-1 offerings in May 2024 as part of our U.S. weight loss offering. We currently only use 503A compounding pharmacies for the fulfillment and dispensing of compounded GLP-1 products. In February 2026, the FDA issued a statement indicating that the agency intends to restrict GLP-1 active pharmaceutical ingredients intended for use in non-FDA-approved compounded drugs that are

being mass-marketed as similar alternatives to FDA-approved drugs. We were directly named in the FDA Statement. Also in February 2026, the General Counsel of HHS issued a statement on X indicating that HHS had referred us to the DOJ for investigation for potential violations of the Federal Food, Drug, and Cosmetic Act and applicable Title 18 provisions. At this time, it is unclear what actions the FDA, HHS, or DOJ may take; however, any such actions could require significant resources to address and may result in reputational harm, operational disruptions, or increased costs.

In March 2026, we announced a strategic shift for our U.S. weight loss offering. As a result, we evolved our United States weight loss offering to match our global approach towards providing access to branded GLP-1 medications, and offering access to compounded GLP-1 products through the platform on a limited scale. In addition, we launched a membership program for our weight loss offerings. In connection with the strategic shift and membership program, we face risks related to customer acquisition, pricing, and retention. Customers who previously accessed compounded alternatives may be unwilling or unable to transition to branded therapies, which could adversely affect demand, conversion rates, and revenue. In addition, our margins may be impacted by the cost of procuring branded medications and limitations on our ability to pass through price increases. We may also experience operational and financial variability during this transition, including changes in customer behavior, increased churn, or reduced engagement. Further, our reliance on third-party manufacturers and supply chains for branded GLP-1 products exposes us to potential supply disruptions, pricing changes, and contractual limitations outside of our control.

Any new offerings or product or service enhancements that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects, or may not achieve the market acceptance necessary to generate sufficient revenue. In addition, any failure, or perceived failure, by us to comply with any foreign, federal, state, or local laws or regulations with respect to any new offering or product or service enhancement could adversely affect our reputation, brand, and business, and may result in claims, proceedings, or actions against us by governmental entities, consumers, suppliers, competitors, or others or other liabilities that may require us to change our operations and/or cease offering certain products or services. Moreover, even if we introduce new offerings, we may experience a decline in revenue of our existing offerings that is not offset by revenue from the new offerings. In addition, we may lose existing customers who choose a competitor's products and services. This could result in a temporary or permanent revenue shortfall and adversely affect our business.

If we are unable to successfully market to new customers and retain existing customers, or if evolving privacy, healthcare, or other laws or regulations prevent or limit our marketing activities, our business, financial condition, and results of operations could be harmed.

We generate revenue from our platform by selling non-prescription health and personal care products to consumers and offering consumers a technology-driven platform to access telehealth consultations with Providers, who may prescribe customers certain prescription medications or order laboratory tests. Unless we are able to attract new customers, retain existing customers, and maintain our wholesale partnerships, our business, financial condition, and results of operations may be harmed.

In order to attract new customers and make available information about our offerings to existing customers to purchase our offerings, we use social media, emails, text messages, influencers, television commercials, and other marketing strategies to reach potential and existing customers. Foreign, federal and state laws and regulations governing the privacy and security of personal information, including healthcare data, are evolving rapidly and could impact our ability to identify and market to potential and existing customers. Similarly, certain foreign, federal and state laws regulate, and in some cases limit, the use of discounts, promotions, and other marketing strategies in the healthcare industry. If foreign, federal, state, or local laws or regulations governing our marketing activities become more restrictive or are interpreted by governmental authorities to prohibit or limit these activities, our ability to attract new customers and retain customers would be affected and our business could be materially harmed. In addition, any failure, or perceived failure, by us or other telehealth companies to comply with any foreign, federal, state, or local laws or regulations governing our marketing activities could adversely affect the perception of our industry, our reputation, brand, and business. We have received, and may in the future face, claims alleging violations of foreign, federal, state or local laws related to tracking technologies. While we do not expect any such claims of violations to have a material impact on our business, financial condition, or results of operations, any claims, proceedings, or actions against us by governmental entities, consumers, suppliers, competitors, or others, or other liabilities, may require us to change our operations and/or cease using certain marketing strategies.

Changes to social networking, advertising platforms' or mobile device or other operating systems' terms of use; terms of service or traffic algorithms that limit promotional communications or impose restrictions that would limit our ability or our customers' ability to send communications through their platforms; disruptions or downtime experienced by these platforms; or reductions in the use of or engagement with social networking or advertising platforms by customers and potential customers could also harm our business. Additionally, changes in regulations or the business practices of third parties could limit our ability, and the ability of search engines and social media platforms, to collect data from users and engage in targeted

advertising, which could negatively impact the effectiveness of our digital marketing. For example, in 2025, Meta implemented changes to the use of certain types of health-related data for ad targeting purposes. The regulation of the use of cookies and other current online tracking and advertising practices, or a loss in our ability to make effective use of services that employ such practices, could adversely affect our business if we are unable to adjust our marketing practices accordingly. As laws and regulations rapidly evolve to govern the use of these channels, the failure by us, our employees or third parties acting at our direction to abide by applicable laws and regulations in the use of these channels could adversely affect our reputation or subject us to fines or other penalties. In addition, our employees or third parties acting at our direction may knowingly or inadvertently make use of social media in ways that could lead to the loss or infringement of intellectual property, as well as the public disclosure of proprietary, confidential, or sensitive personal information of our business, employees, consumers or others. Any such inappropriate use of social media, emails, and text messages could also cause reputational damage and adversely affect our business.

Additionally, we collect consumer data, including email addresses and phone numbers, to further our marketing efforts with such consumers. If we fail to adequately or accurately collect such data or if our data collection systems are breached or information therein is misused, our business, financial condition, and results of operations could be harmed. Further, any failure, or perceived failure, by us, or any third parties processing such data, to comply with privacy policies or with any foreign, federal or state healthcare, privacy or consumer protection-related laws, regulations, industry self-regulatory principles, industry standards or codes of conduct, regulatory guidance, orders to which we may be subject or other legal obligations relating to privacy, consumer consent, or consumer protection could adversely affect our reputation, brand, and business, and may result in claims, proceedings or actions against us by governmental entities, consumers, suppliers, or others, or other liabilities, or may require us to change our operations and/or cease using certain data sets.

Use of social media and influencers may materially and adversely affect our reputation or subject us to fines or other penalties.

We use third-party social media platforms as part of our marketing strategy. For example, our brands maintain Instagram, Facebook, YouTube and TikTok accounts. We also maintain relationships with many social media influencers and engage in sponsorship initiatives. As existing e-commerce and social media platforms continue to rapidly evolve and new platforms develop, we expect to maintain a presence on these existing platforms and an important part of our marketing strategy is to establish and maintain a presence on new or emerging popular social media platforms. If we are unable to cost-effectively use social media platforms as marketing tools, if the social media platforms we use change their policies or algorithms, or if evolving laws and regulations limit how we can market through these channels, if at all, we may not be able to fully optimize our use of such platforms and our ability to retain current customers and acquire new customers may suffer. Any such failure could adversely affect our reputation, revenue, and results of operations.

In addition, an increase in our use of social media for product promotion and marketing may increase the burden on us to monitor compliance of such materials, and increase the risk that such materials could contain problematic product or marketing claims in violation of applicable regulations. For example, in some cases, the Federal Trade Commission has sought enforcement action where an endorsement has failed to clearly and conspicuously disclose a financial relationship or material connection between an influencer and an advertiser. FDA may also bring enforcement actions for false or misleading advertising and promotion of prescription drugs, including compounded drugs, and medical devices. In recent years, FDA has issued multiple untitled letters related to false or misleading promotion by influencers and/or using social media and is increasingly focused on claims made in direct-to-consumer advertisements. Although we contract with and monitor our influencers' posts on social media, they may fail to comply with our content-related requirements, and if we were held responsible for any false, misleading, or otherwise unlawful content of their posts or their actions, we could be fined or subjected to other monetary liabilities or required to alter our practices, which could have an adverse impact on our business and reputation.

A failure to accurately identify promising influencers to use and endorse our offerings or a failure to enter into cost-effective influencer arrangements may have an adverse effect on our reputation or business. Moreover, the cost to enter into arrangements with influencers may increase over time, which could have an adverse impact on our financial condition and results of operations.

Promoting prescription medicines via influencers is strictly prohibited in the United Kingdom, the European Union, and Canada. Regulators have increased scrutiny of social media posts, sponsored content, and discount codes that illegally advertise prescription medicines to the public, particularly for high-profile prescription medicines such as weight loss treatments. Influencer endorsements for prescription medicines constitute a breach of advertising law and can lead to investigations, compliance notices, and enforcement actions. While over-the-counter (OTC) medicines and medical devices may be promoted

using influencers, this is only permitted under strict advertising and disclosure rules. The promotion of prescription medicines is restricted to communications directed at healthcare professionals, not the general public. Any failure to comply with applicable advertising, promotion, or disclosure laws in these jurisdictions could subject us to regulatory investigations, fines, reputational harm, and restrictions on our marketing activities.

In order to maintain and grow our business, we must maintain credibility and confidence among customers, analysts, investors, and other parties in our long-term financial viability and business prospects. In particular, our offerings, business, results of operations, and statements and actions of our company and management are subject to significant amounts of commentary by a range of third parties. Negative commentary or publicity regarding our business, the industry in which we operate, our offerings, members of our management team, or influencers who endorse our products and other third parties who are affiliated with or endorse us, may also be posted on social media platforms or appear in other media. Influencers with whom we maintain endorsement arrangements could engage in behavior or use their platforms to communicate with our customers in a manner that reflects poorly on our brand and may be attributed to us or otherwise adversely affect our reputation. Any such commentary could impact our reputation or brand and affect our ability to attract and retain customers, which could have a material adverse effect on our business and results of operations.

If we are unable to continue to expand our marketing infrastructure, we may fail to increase the usage of our platform to meet our forecasts.

In the United States, we derive a substantial majority of our revenue from customers' subscription-based purchases of prescription products made available through our platform. We expect to continue to expand the conditions for which customers can seek treatment from Providers through our platform, and as a result, new customer acquisition is integral to our business. Our financial condition and results of operations are and will continue to be highly dependent on the ability of our marketing function to adequately promote, market, and attract customers to our platform and offerings in a manner that complies with applicable laws and regulations and at a cost that does not exceed our current budget allocated to marketing.

A key element of our business strategy is the continued expansion of our marketing infrastructure to drive customer enrollment. As we increase our marketing efforts in connection with the expansion of our platform offerings, we will need to further expand the reach of our marketing networks. Our future success in this area will depend on our ability to continue to hire, train, retain, and motivate a skilled marketing workforce with significant industry-specific knowledge in various areas, including direct-to-consumer business models, e-commerce, technology, healthcare, and the regulatory restrictions related thereto, as well as the competitive landscape for our solutions.

If we are unable to continue to expand our marketing capabilities, we may not be able to effectively expand the scope of our platform to attract new customers and give our existing customers access to additional treatment options. Relatedly, if any of our marketing platforms significantly increase their advertising fees, our ability to expand our marketing reach will be greatly impeded. Any such failure could adversely affect our reputation, revenue, and results of operations.

Our brand is integral to our success. If we fail to effectively maintain, promote, and enhance our brand in a cost-effective manner, our business and competitive advantage may be harmed.

We believe that maintaining and enhancing our reputation and brand recognition is critical to our relationships with existing customers, Providers, strategic partners, Partner Pharmacies, and other suppliers, and to our ability to attract new customers, Providers, strategic partners, Partner Pharmacies, and other suppliers. The promotion of our brand requires us to make substantial investments, and we anticipate that, given the highly competitive nature of our market, these marketing initiatives may become more challenging to execute successfully and increasingly expensive. Brand promotion and 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, Providers, or partners, could harm our reputation and brand and make it substantially more difficult for us to attract new customers, Providers, and partners. (See "–Use of social media and influencers may materially and adversely affect our reputation or subject us to fines or other penalties"). Additionally, unexpected side effects or safety or efficacy concerns with our offerings, including compounded injectable semaglutide or GLP-1s as a class, significant changes in demand, litigation or regulatory proceedings and investigations, negative publicity, recalls, pressure from existing or new competitive products, or changes in labeling or pricing for these medications, could materially impact our reputation, which could negatively affect our business, stock price, prospects, and/or our results of operations. If we do not successfully maintain and enhance our reputation and brand

recognition in a cost-effective manner, our business may not grow and we could lose our relationships with customers, Providers, and partners, which could harm our business, financial condition, and results of operations.

The failure of our offerings to achieve and maintain market acceptance could result in us achieving revenue below our expectations, which could cause our business, financial condition, and results of operations to be materially and adversely affected.

Our current business strategy is highly dependent on our platform and offerings achieving and maintaining market acceptance. Market acceptance and adoption of our business model and our offerings may depend on educating potential customers who may find our offerings useful, as well as potential partners, suppliers, and Providers, as to the distinct features, ease-of-use, positive lifestyle impact, cost savings, and other perceived benefits of our offerings as compared to those of competitors. If we are not successful in demonstrating to existing and potential customers the benefits of our offerings, our revenue may decline or we may fail to increase our revenue in line with our forecasts.

Achieving and maintaining market acceptance of our model and our offerings could be negatively impacted by many factors, including:

- perceived risks associated with the use of our platform, telehealth or similar technologies generally, including those related to privacy, customer data (including personal and health information), and the use of artificial intelligence;
- perceived risks associated with compounded medications, including the prescribing, compounding, safety, efficacy, fulfillment, distribution, and marketing of such medications;
- our inability to expand into new conditions and/or to attract and retain qualified Providers;
- regulatory developments that affect our business, including in healthcare, data privacy and security, consumer protection, and artificial intelligence;
- competitors offering telehealth options or technologies for customers and the rate of acceptance of those solutions as compared to our platform;
- perceived difficulty or complexity of obtaining a medical consultation or prescription on our platform;
- dissatisfaction with our pricing or billing practices;
- the ability of the Facilities to meet inventory and product fulfillment expectations;
- negative reviews of Providers treating our customers;
- perceived ethical questions and potential negative public perception surrounding the use of customer data and artificial intelligence; and
- unsatisfactory suggestions made by artificial intelligence tools.

In addition, our business model and the offerings we make available may be perceived by potential customers, Providers, suppliers, and partners to be less trustworthy or effective than traditional medical care or competitive telehealth options, and people may be unwilling to change their current health regimens or adopt our offerings. Consumers who have healthcare insurance coverage may not wish to use our platform to access healthcare services or products for which insurance reimbursement is not available. Moreover, we believe that Providers can be slow to change their treatment practices or approaches because of perceived liability risks or distrust of departures from traditional practice. Accordingly, we may face resistance to our offerings from brick-and-mortar Providers.

The market for our model and services is relatively new, rapidly evolving, and increasingly competitive, as the healthcare industry in the United States is undergoing significant structural change and consolidation, which makes it difficult to forecast demand for our offerings.

The market for our model is relatively new, rapidly evolving and increasingly competitive. We are expanding our business by offering technology-driven access to consultation and treatment options for new conditions, including the utilization and integration of artificial intelligence in our offerings, but it is uncertain whether our offerings will achieve and sustain high levels of demand and market adoption. Our future financial performance depends in part on growth in this market, our ability to market effectively and in a cost-efficient manner, and our ability to adapt to emerging demands of existing and potential customers and the evolving regulatory landscape. It is difficult to predict the future growth rate and size of our target market. Negative publicity concerning telehealth generally, our offerings (including compounded offerings), customer success on our platform, or our market as a whole could limit market acceptance of our business model and offerings. If our customers do not

perceive the benefits of our offerings, or if our offerings do not drive customer use and enrollment, then our market and our customer base may not continue to develop, or they may develop more slowly than we expect. Our success depends in part on the willingness of Providers and healthcare organizations to partner with us, increase their use of telehealth and pharmaceutical compounding, and our ability to demonstrate the value of our technology to Providers, as well as our existing and potential customers. If Providers, healthcare organizations or regulators work in opposition to us or if we are unable to reduce healthcare costs or drive positive health outcomes for our customers, then the market for our offerings may not continue to develop, or it might develop more slowly than we expect. Similarly, negative publicity regarding customer confidentiality and privacy in the context of telehealth and artificial intelligence could limit market acceptance of our business model and offerings.

The healthcare industry in the United States is continually undergoing or threatened with significant structural change and is rapidly evolving. We believe demand for our offerings has been driven in part by rapidly growing costs in the traditional healthcare system, difficulties accessing the healthcare system, patient stigma associated with sensitive medical conditions, the movement toward patient-centricity and personalized healthcare, advances in technology, and general movement to telehealth. Widespread acceptance of personalized healthcare enabled by technology and pharmaceutical compounding is critical to our future growth and success. A reduction in the growth of technology-enabled personalized healthcare could reduce the demand for our services and result in a lower revenue growth rate or decreased revenue. Additionally, in the United States, the majority of our revenue is driven by products and services offered through our platform on a subscription basis, and the adoption of subscription business models is still relatively new, especially in the healthcare industry. If customers do not shift to subscription business models and subscription health management tools do not achieve widespread adoption, or if there is a reduction in demand for subscription products and services or subscription health management tools, our business, financial condition, and results of operations could be adversely affected.

Additionally, if healthcare or healthcare benefits trends shift or entirely new technologies are developed that replace existing offerings, our existing or future products or services could be rendered obsolete and require that we materially change our technology or business model. If we are unable to do so, our business could be adversely affected. In addition, we may experience difficulties with software development, industry standards, design or marketing that could delay or prevent our development, introduction, or implementation of new options on our platform and any enhancements thereto. Any such difficulties may have an adverse effect on our business, financial condition, and results of operations.

Competitive platforms or other technological breakthroughs for the monitoring, management, treatment, or prevention of medical conditions may adversely affect demand for our offerings.

Our ability to achieve our strategic objectives will depend, among other things, on our ability to continue to enable fast and efficient telehealth consultations, maintain comprehensive and affordable offerings, ensure the successful operation of the Facilities, and deliver an accessible and reliable platform that is more appealing and user-friendly than available alternatives. Our competitors, as well as a number of other companies and providers, within and outside the healthcare industry, are pursuing new devices, delivery technologies, sensing technologies, procedures, treatments, drugs, and other therapies for the monitoring and treatment of medical conditions. Any technological breakthroughs in monitoring, treatment, or prevention of medical conditions, including through disruptive technologies such as artificial intelligence, that we are unable to similarly leverage could reduce the potential market for our offerings, which could significantly reduce our revenue and our potential to grow certain aspects of our business.

The introduction by competitors of solutions or offerings that are or claim to be superior to our platform or offerings may create market confusion, which may make it difficult for potential customers to differentiate between the benefits of our offerings and the benefits of other competitive solutions. In addition, the entry of multiple new products may lead some of our competitors to employ pricing strategies that could adversely affect the pricing of products and services we make available. If a competitor develops a product or business that competes with or is perceived to be superior to our offerings, or if a competitor employs strategies that place downward pressure on pricing within our industry, our revenue may decline significantly or may not increase in line with our forecasts, either of which could adversely affect our business, financial condition, and results of operations.

We operate in highly competitive markets and face competition from large, well-established healthcare providers, traditional retailers, pharmaceutical providers, and technology companies with significant resources, and, as a result, we may not be able to compete effectively.

The markets for healthcare and technology are intensely competitive, subject to rapid change, and significantly affected by new product and technological introductions and other market activities of industry participants. We compete directly not only with other established telehealth providers but also traditional healthcare providers, pharmacies, pharmaceutical companies, clinical laboratories, large retailers that sell non-prescription products, including, for example, over-the-counter medical devices, nutritional supplements, vitamins, and hair care treatments, as well as technology companies entering into the health and wellness industry. Our current competitors include traditional healthcare providers expanding into the telehealth market, incumbent telehealth providers, as well as new entrants into our market that are focused on direct-to-consumer healthcare or healthcare technology. Our competitors further include enterprise-focused companies that may enter the direct-to-consumer healthcare industry, pharmaceutical companies that have entered the direct-to-consumer healthcare industry, as well as direct-to-consumer healthcare providers and technology companies. We may also increasingly be viewed by pharmaceutical companies as competing with them as customers seek out personalized solutions. Many of our current and potential competitors may have greater name and brand recognition, longer operating histories, or significantly greater resources than we do, or may be able to offer products and services similar to those offered on our platform at more attractive prices than we can. Further, our current or potential competitors may be acquired by third parties with greater available resources, which has occurred and may continue to occur in our industry. In addition, our competitors have established, and may in the future establish, cooperative relationships with vendors of complementary products, technologies, or services to increase the availability of their solutions in the marketplace. As a result, our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, or customer requirements and may have the ability to initiate or withstand substantial price competition.

New competitors or alliances may emerge that have greater market share, a larger customer base, more widely adopted proprietary technologies, greater marketing expertise, and greater financial resources, which could put us at a competitive disadvantage.

Our ability to compete effectively depends on our ability to distinguish our company and our offerings from our competitors and their products, and includes factors such as:

- accessibility, ease of use and convenience;
- price and affordability;
- personalization;
- brand recognition;
- long-term outcomes;
- breadth and efficacy of offerings;
- perceived and actual product quality and safety;
- market penetration;
- marketing resources and effectiveness;
- partnerships and alliances;
- relationships with Providers, suppliers and partners; and
- regulatory compliance resources.

If we are unable to successfully compete with existing and potential competitors, our business, financial condition, and results of operations could be adversely affected.

Our investments in and use of artificial intelligence may not produce the benefits we expect and could adversely affect our business, financial condition, and results of operations.

We have made, and expect to continue to make, significant investments in AI-enabled capabilities to enhance the customer experience, improve customer service and operational efficiency, support provider and internal workflows, develop new products and features, and strengthen our technology platform. By leveraging data generated through our integrated platform, we seek to improve the performance and effectiveness of our products, services, and technology platform. These investments

have required and will require significant expenditures on technology, infrastructure, and specialized talent, and may take longer than expected to develop, deploy, or achieve meaningful adoption or commercial benefit. If these investments fail to produce the benefits we expect or generate an adequate return on the anticipated timeline, our business, financial condition, and results of operations could be adversely affected.

The development and deployment of AI involve significant risks, and there can be no assurance that our AI-enabled capabilities will perform as intended or improve our products, services, operations, or profitability. AI may produce inaccurate, incomplete, or misleading outputs, biased results, or other unintended outcomes that adversely affect customer interactions, provider workflows, operational efficiency, or other aspects of our business. Any actual or perceived failure of our AI-enabled capabilities, or concerns regarding the use of AI in healthcare, could result in customer dissatisfaction, regulatory scrutiny, litigation, reputational harm, or increased operating costs. The continuous development, testing, maintenance, and deployment of our AI-enabled capabilities may also increase the cost profile of our offerings and may involve unforeseen difficulties or errors.

The legal and regulatory framework governing AI is rapidly evolving, and existing or future laws relating to healthcare, telehealth, consumer protection, intellectual property, advertising, privacy, and AI may apply to our AI-enabled products and services in ways that remain uncertain. See the risk factor titled "Our use, disclosure, and other processing of personal information, including health information, is subject to federal, provincial, state, and foreign privacy and security regulations, and our failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, a material adverse effect on our customers, the Affiliated Medical Groups and/or their Providers, the Pharmacies, our revenue, our business, and/or our financial condition." Complying with new or evolving legal requirements may require us to modify, delay, or discontinue certain AI-enabled capabilities, increase our compliance costs, or otherwise adversely affect our business.

Our AI initiatives also depend on our ability to attract and retain specialized talent and maintain access to third-party technologies and infrastructure, including AI models, cloud computing services, and processing hardware, and we face significant competition from companies developing AI-enabled healthcare and digital health technologies. If our AI strategy, investments, or AI-enabled capabilities fail to perform as expected, are delayed, do not compete effectively with our comeptitors' offerings, fail to gain customer or provider acceptance, or otherwise do not achieve the benefits we expect, our business, reputation, financial condition, and results of operations could be adversely affected.

We are dependent on our relationships with the Affiliated Medical Groups, which we do not own, to provide healthcare consultation services, and our business could be adversely affected if those relationships were disrupted.

In certain jurisdictions, the corporate practice of medicine doctrine generally prohibits non-physicians from practicing medicine, including by employing physicians to provide clinical services, directing the clinical practice of physicians, or holding an ownership interest in an entity that employs or contracts with physicians. Some states have similar doctrines with respect to other professional licensure categories, including behavioral health services. Other practices, such as professionals splitting their professional fees with a non-professional, are also prohibited in some jurisdictions. Many states also limit the extent to which nurse practitioners and physician assistants can practice independently and require that they practice under the supervision of or in collaboration with a supervising physician.

Through our platform, our customers gain access to one or more licensed Providers, including physicians, physician assistants, nurse practitioners, and behavioral health providers for telehealth consultations conducted by video, phone, and/or store-and-forward technology. These Providers are employed by or contracted with Affiliated Medical Groups. We enter into certain contractual arrangements with the Affiliated Medical Groups and their provider owners, including an administrative services agreement with each Affiliated Medical Group for the exclusive provision by us of non-clinical services and support for the Affiliated Medical Groups. While we expect that these relationships with the Affiliated Medical Groups will continue, we cannot guarantee that they will. We believe that our arrangements with the Affiliated Medical Groups have been structured to comply with applicable law and allow the Providers the ability to maintain exclusive authority regarding the provision of clinical healthcare services (including consults that may lead to the writing of prescriptions), but there can be no assurance that government entities or courts would find our approach to be consistent with their interpretation of, and enforcement activities or initiatives related to, these laws and the corporate practice of medicine doctrine or similar prohibitions. If our arrangements are deemed to be inconsistent with any applicable government entity's interpretation of a law or regulation prohibiting the corporate practice of medicine, a fee-splitting law, or similar regulatory prohibitions, we would need to restructure the arrangements with the Affiliated Medical Groups to create a compliant arrangement or terminate the arrangement, and we could

face fines or other penalties in connection with such arrangements. A material change in our relationships with the Affiliated Medical Groups, whether resulting from a dispute, a change in government regulation or enforcement patterns, a determination of non-compliance, or the loss of these agreements or business relationships, could impair our ability to provide products and services to our customers and could have a material adverse effect on our business, financial condition and results of operations. Violations of the prohibition on corporate practice of medicine doctrine, fee-splitting, or similar laws may impose penalties (e.g., fines or license suspension) on Providers, which could discourage professionals from entering into arrangements with the Affiliated Medical Groups and using our platform and could result in lawsuits by Providers against the Affiliated Medical Groups and us. These laws and regulations are subject to change and enforcement based upon political, regulatory, and other influences, and have been the subject of a recent increase in focus and action by a number of state legislatures. More restrictive treatment of healthcare professionals' relationships with non-professionals such as our company in the healthcare services delivery context could have a material adverse effect on our business, financial condition, and results of operations.

If the Affiliated Medical Groups are unable to attract and retain high-quality Providers to perform services on our platform, or if we are unable to develop or maintain satisfactory relationships with these Providers or the Affiliated Medical Groups, our business, financial condition, and results of operations may be materially and adversely affected.

Our success depends on our continued ability to maintain customer access to a network of qualified Providers, which includes medical doctors, physician assistants, nurse practitioners, and licensed behavioral health providers. If the Affiliated Medical Groups are unable to recruit and retain licensed physicians and other qualified Providers to perform services on our platform, it could have a material adverse effect on our business and ability to grow and could adversely affect our results of operations. In any particular market, Providers could demand higher payments from the Affiliated Medical Groups or take other actions that could result in higher medical costs, less attractive service for our customers, or difficulty meeting regulatory requirements. Our ability to develop and maintain satisfactory relationships with Providers and the Affiliated Medical Groups also may be negatively impacted by other factors not associated with us, such as pressures on Providers, consolidation activity among hospitals, physician groups, and other healthcare providers, changes in the patterns of delivery and payment for healthcare services, and any perceived liability risks associated with the use of telehealth. The failure to maintain or to secure new cost-effective arrangements with the Affiliated Medical Groups that engage the Providers on our platform may result in a loss of, or inability to grow, our customer base, higher costs, less attractive service for our customers and/or difficulty in meeting regulatory requirements, any of which could have a material adverse effect on our business, financial condition, and results of operations.

The activities and quality of Providers treating our customers and Facilities performing fulfillment and distribution, including any potentially unethical or illegal practices, could damage our brand, subject us to liability, and harm our business and financial results.

Our business entails the risk of professional liability claims against the Affiliated Medical Groups, the Providers they engage on our platform, our Partner Pharmacies, our Facilities (and associated personnel, including pharmacists), the third-party suppliers and manufacturers of certain products on our platform, including prescription pharmaceuticals, over-the-counter drugs, over-the-counter devices, cosmetics, and dietary supplements (collectively, "Manufacturing Suppliers"), and us. Although we carry insurance covering medical malpractice claims in amounts that we believe are appropriate in light of the risks attendant to our business, successful professional liability or other claims could result in substantial damage awards that exceed the limits of our insurance coverage. In addition, professional liability insurance is expensive and insurance premiums may increase significantly in the future, particularly as we expand the scope of our services and the number of conditions for which we provide access to treatment. As a result, adequate professional liability insurance may not be available to the Affiliated Medical Groups, the Providers, our Facilities, our Partner Pharmacies, Manufacturing Suppliers or to us in the future at acceptable costs or at all.

Any claims made against us, our Partner Pharmacies, our Facilities (and associated personnel, including pharmacists), Manufacturing Suppliers, the Affiliated Medical Groups, and/or the Providers that are not fully covered by insurance could be costly to defend against, result in substantial damage awards against us, and divert the attention of our management, our Partner Pharmacies, our Facilities, Manufacturing Suppliers, Affiliated Medical Groups, and/or Providers from their respective operations, which could have a material adverse effect on our business, financial condition, and results of operations. In addition, claims against us, even if covered by insurance, may adversely affect our business, brand, or reputation, and divert the attention of our management, our Partner Pharmacies, our Facilities, Manufacturing Suppliers, Affiliated Medical Groups, and/or Providers. If our customers have negative experiences on our platform as a result of the activities or quality of Providers, including any allegations of potentially unethical or illegal practices, such negative experiences could subject us to liability and negatively affect our brand, our ability to attract new customers, and our ability to retain existing customers.

Any failure to offer high-quality support may adversely affect our relationships with customers and Providers, and in turn our business, financial condition, and results of operations.

In using our platform, our customers depend on our customer support to resolve issues in a timely manner. We may be unable to respond quickly enough to accommodate short-term increases in demand for customer support. We also may be unable to modify the nature, scope, and delivery of our offerings or customer support to compete with changes in solutions provided by our competitors. Increased customer demand for support could increase costs and adversely affect our business, financial condition, and results of operations. Our revenue is highly dependent on our reputation and on positive recommendations from our customers, the Providers on our platform, and partners. Any failure to maintain high-quality customer support, or a market perception that we do not maintain high-quality customer support, could adversely affect our reputation, our ability to sell the offerings on our platform, and in turn our business, financial condition, and results of operations.

Our business could be adversely affected if Providers were classified as employees of the Affiliated Medical Groups instead of independent contractors.

The Affiliated Medical Groups typically engage Providers that perform services through our platform as independent contractors. The Affiliated Medical Groups believe that the Providers are independent contractors because, among other things, they can choose whether, when, and where to provide services on our platform and are free to provide services on our competitors' platforms. Nevertheless, recent legislative and judicial activity have in some jurisdictions created more restrictive standards or enforcement uncertainty with respect to the classification of workers within certain industries. The Affiliated Medical Groups may not be successful in defending the independent contractor status of Providers in some or all jurisdictions in which we and/or they operate. Furthermore, the costs associated with defending, settling, or resolving pending and future lawsuits (including demands for arbitration) relating to the independent contractor status of Providers could be material to the Affiliated Medical Groups. Foreign, state, and local laws governing the definition or classification of independent contractors, or changes thereto, or judicial decisions regarding independent contractor classification, could require classification of Providers as employees (or workers or quasi-employees where those statuses exist) of the Affiliated Medical Groups. If the Affiliated Medical Groups are required to classify Providers as employees (or as workers or quasi-employees where applicable), it could result in significant additional expenses, potentially including expenses associated with the application of wage and hour laws (including minimum wage, overtime, and meal and rest period requirements), employee benefits, social security contributions, taxes, and penalties. Further, any such reclassification could add significant complexity to our business model and could force us to have to modify or renegotiate our relationships with the Affiliated Medical Groups, which may not be possible on mutually agreeable terms, and could have an adverse effect on our business, financial condition, and results of operations.

Acquisitions and investments could result in operating difficulties, dilution, and other harmful consequences that may adversely impact our business, financial condition, and results of operations. Additionally, if we are not able to identify and successfully acquire suitable businesses, our results of operations and prospects could be harmed.

We have made, and may in the future make, acquisitions, potential strategic transactions and investments in the United States as well as in international markets, to add employees, complementary companies, operations, products, solutions, technologies, facilities, revenue, and/or assets to our business. These transactions could be material to our results of operations and financial condition. The identification of suitable acquisition or investment candidates can be difficult, time-consuming, and costly, and we may not be able to complete acquisitions on favorable terms, if at all, and may not realize the expected benefits of any such acquisitions or investments. The process of integrating acquired companies, businesses, or technologies has created, and will continue to create, unforeseen operating difficulties and expenditures. The related areas where we face risks include, but are not limited to:

- diversion of management's time and focus from operating our business to addressing acquisition negotiation and integration challenges;
- loss of key employees of the acquired company and other challenges associated with integrating new employees into our culture, as well as reputational harm if integration is not successful;
- difficulties in integrating and managing the combined operations, technologies, technology platforms, and products of the acquired companies, and realizing the anticipated economic, operational, and other benefits in a timely manner, which could result in substantial costs and delays or other operational, technical, or financial problems;

- regulatory complexities of integrating or managing the combined operations or expanding into other industries or parts of the healthcare industry;
- assumption of contractual obligations that contain terms that are not beneficial to us, require us to license or waive intellectual property rights, or increase our risk for liabilities;
- failure to successfully further develop the acquired technology or realize our intended business strategy;
- uncertainty of entry into markets in which we have limited or no prior experience or in which competitors have stronger market positions;
- unanticipated costs associated with pursuing acquisitions;
- failure to find commercial success with the products or services of the acquired company;
- difficulty of transitioning the acquired technology onto our existing platforms and maintaining the security standards for such technology consistent with our other offerings;
- failure to successfully onboard customers or maintain brand quality of acquired companies;
- responsibility for the liabilities of acquired businesses, including those that were not disclosed to us or exceed our estimates, as well as, without limitation, liabilities arising out of an acquired business' failure to maintain effective data protection and privacy controls and comply with applicable regulations;
- failure to generate the expected financial results related to an acquisition in a timely manner or at all; and
- potential accounting charges to the extent intangibles recorded in connection with an acquisition, such as goodwill, trademarks, client relationships, or intellectual property, are later determined to be impaired and written down in value.

Acquisitions can also result in expenditures of significant cash, issuances of equity or convertible securities (which can be dilutive to our existing stockholders), the incurrence of debt, restrictions on our business, contingent liabilities, amortization expenses, or impairments of goodwill, any of which could harm our financial condition. In addition, any acquisitions or investments could be viewed negatively by customers, Providers, partners, suppliers, or investors.

Additionally, competition within our industry for acquisitions of businesses, technologies and assets is and may continue to be intense. Even if we are able to identify an acquisition or investment that we would like to consummate, we may not be able to complete the transaction on commercially reasonable terms or the target may be acquired by another company. We may enter into negotiations for acquisitions or investments that are not ultimately consummated. Those negotiations could result in diversion of management's time and significant out-of-pocket costs. If we fail to evaluate, execute and integrate acquisitions successfully, including our recently completed or announced acquisitions, we may not be able to realize the benefits of these acquisitions, and our results of operations could be harmed. If we are unable to successfully address any of these risks, our business, financial condition, or results of operations could be harmed.

Expansion into international markets is important for our growth, and as we expand internationally, we will face additional business, political, legal, regulatory, operational, financial, and economic risks, any of which could increase our costs and hinder such growth.

Expanding our business to attract customers, Providers, and suppliers in countries other than the United States is a core pillar of our long-term growth strategy. For instance, in July 2025, we completed the acquisition of Zava, a digital health platform with operations in the United Kingdom, Germany, Republic of Ireland, France, and Spain, and in November 2025, we completed the acquisition of Medici, a digital health platform with operations in Canada. In June 2026, we completed the acquisition of Eucalyptus, an Australia-based digital health company that operates in Australia, the United Kingdom, Germany, Canada, and Japan. An important part of targeting international markets is increasing our brand awareness and establishing relationships with partners internationally. Conducting business internationally involves a number of risks, including:

- uncertain legal and regulatory requirements applicable to telehealth and prescription medication, including compounding and asynchronous care;
- our inability to replicate our domestic business structure consistently outside of the United States, especially as it relates to our contractual arrangement with affiliated professional entities and pharmaceutical fulfillment;
- multiple, conflicting and changing laws and regulations such as healthcare laws, marketing and consumer protection laws, tax laws, privacy and data protection laws and regulations including the use of big data analytics and artificial

intelligence, export and import restrictions, employment laws, regulatory requirements and other governmental approvals, permits and licenses;
- developing and maintaining commercial relationships on favorable terms, or at all;
- obtaining regulatory approvals or clearances where required for the sale of our offerings, products, and services in various countries;
- requirements to maintain data and the processing of that data on servers located within the United States or in other countries;
- protecting and enforcing our intellectual property rights;
- logistics and regulations associated with prescribing medicine online and engaging with pharmacies and other suppliers to compound, distribute, dispense, and/or ship the prescribed medication;
- natural disasters, political and economic instability, including wars, terrorism, social or political unrest, including civil unrest, protests, and other public demonstrations, outbreaks of disease, pandemics or epidemics, boycotts, tariffs, sanctions, curtailment of trade, and other restrictions; and
- regulatory and compliance risks that relate to maintaining accurate information and control over activities subject to regulation under the U.S. Foreign Corrupt Practices Act (the "FCPA"), and comparable laws and regulations in other countries.

Our ability to continue to expand our business and to attract talented employees, customers, Providers, partners, and suppliers in various international markets will require considerable management attention and resources and is subject to the particular challenges of supporting a rapidly growing business in an environment of multiple languages, cultures, customs, legal systems, alternative dispute resolution systems, regulatory systems, and commercial infrastructures. Entering new international markets is expensive, our ability to successfully gain market acceptance in any particular market is uncertain, and the distraction of our senior management team to focus on international expansion could harm our business, financial condition, and results of operations.

Economic uncertainty or downturns, particularly as it impacts particular industries, could adversely affect our business, financial condition, and results of operations.

In recent years, the United States and other significant markets have experienced cyclical downturns and worldwide economic conditions remain uncertain, particularly as a result of inflation and related market and macroeconomic responses, the ongoing conflict arising out of the Russian invasion of Ukraine, the hostilities and conflict in the Middle East, and impacts from tariffs, economic sanctions and trade restrictions. Economic uncertainty and associated macroeconomic conditions, including geopolitical tensions, inflation, trade and supply chain issues and the availability and cost of credit in the United States and other countries have contributed to increased market volatility or market declines, make it extremely difficult for our partners, suppliers, and us to accurately forecast and plan future business activities, could cause our customers to slow spending on our offerings, and could limit the ability of our Partner Pharmacies, the Facilities, and/or Manufacturing Suppliers to purchase sufficient quantities of products from suppliers, which could adversely affect our ability to fulfill customer orders and attract new customers or Providers.

A significant downturn in the domestic or global economy may cause our customers to pause, delay, or cancel spending on our platform or seek to lower their costs by exploring alternative providers or our competitors. To the extent purchases of our offerings are perceived by customers and potential customers as discretionary, our revenue may be disproportionately affected by delays or reductions in general health and wellness spending. Also, competitors may respond to challenging market conditions by lowering prices and attempting to lure away our customers.

We cannot predict the timing, strength, or duration of any economic slowdown or recession, or any subsequent recovery generally, or any industry in particular. If the conditions in the general economy and the markets in which we operate worsen from present levels, our business, financial condition, and results of operations could be materially adversely affected.

If we are unable to deliver a rewarding experience on mobile devices, whether through our mobile website or our mobile applications, we may be unable to attract and retain customers.

We believe that current and prospective customers are increasingly interested in accessing telehealth offerings through mobile devices. Developing and supporting our mobile websites and mobile applications across multiple operating systems and devices requires substantial time and resources. Despite devoting significant time and resources to developing mobile solutions, we may not be able to develop mobile solutions that meet the needs of our customers or consistently provide a rewarding customer experience. As a result, our ability to attract new customers could be impaired, and customers we meet through our mobile websites or mobile applications may not choose to use our offerings at the same rate as customers we meet through our websites.

As new mobile devices and mobile operating systems are released, we may encounter problems in developing or supporting our mobile websites or mobile applications for them. Developing or supporting our mobile website or mobile applications for new devices and their operating systems may require substantial time and resources. The success of our mobile websites and mobile applications could also be harmed by factors outside of our control, such as:

- increased costs to develop, distribute, or maintain our mobile websites or mobile applications;
- changes to the terms of service or requirements of a mobile application store that requires us to change our mobile application development or features in an adverse manner; and
- changes in mobile operating systems, such as Apple's iOS and Google's Android, that disproportionately affect us, degrade the functionality of our mobile websites or mobile applications, require that we make costly upgrades to our technology offerings, or give preferential treatment to competitors' websites or mobile applications.

If our customers experience difficulty accessing or using, or if they elect not to use, our mobile websites or mobile applications, our business and results of operations may be adversely affected.

Our business depends on continued and unimpeded access to the internet and mobile networks.

Our ability to deliver our internet-based and mobile application-based services depends on the development and maintenance of the infrastructure of the internet by third parties. This includes maintenance of a reliable network backbone with the necessary speed, data capacity, bandwidth capacity, and security. Our services are designed to operate without interruption. However, we may experience future interruptions and delays in services and availability from time to time. In the event of a catastrophic event with respect to one or more of our systems or those of our service providers, we may experience an extended period of system unavailability, which could negatively impact our relationship with customers, Providers, partners, and suppliers. To operate without interruption, both we and our service providers must guard against:

- damage from power loss, natural disasters (such as earthquakes, fires, floods, tsunamis and other extreme weather), and other force majeure events outside our control;
- communications failures;
- software and hardware errors, failures, and crashes;
- security breaches, computer viruses, hacking, denial-of-service attacks, and similar disruptive problems; and
- other potential interruptions.

We also rely on software licensed from third parties in order to offer our services. These licenses are generally commercially available on varying terms. However, it is possible that this software may not continue to be available on commercially reasonable terms, or at all. Any loss of the right to use any of this software could result in delays in the provisioning of our services until equivalent technology is either developed by us, or, if available, is identified, obtained and integrated. Furthermore, our use of additional or alternative third-party software would require us to enter into license agreements with third parties, and integration of our software with new third-party software may require significant work and require substantial investment of our time and resources. Also, any undetected errors or defects in third-party software could prevent the deployment or impair the functionality of our software, delay new updates or enhancements to our solution, result in a failure of our solution, and injure our reputation. The occurrence of any of the foregoing events could have an adverse impact on our business, financial condition, and results of operations.

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

Our systems are vulnerable to damage or interruption from the occurrence of any catastrophic event, including climate-related disasters or other extreme weather events such as earthquakes, fires, floods, hurricanes, snow or ice storms, tornadoes or tsunamis, power loss, telecommunications failure, software or hardware malfunction, cyber-attack, war, terrorist attack, or incident of mass violence, which could result in lengthy interruptions in access to our platform. If a climate-related disaster or other extreme weather event occurred in the locations of our Facilities, we could experience fulfillment and distribution delays, among other things, that could have an adverse impact on our results of operations. In addition, acts of war or terrorism, including malicious internet-based activity and supply chain attacks, could cause disruptions to the internet or the economy as a whole. Further, even if our systems are not interrupted or our Facilities are not affected by a catastrophic event, catastrophic events have the potential to impact our employees' and service providers' abilities to commute to work or to stay connected effectively while working remotely.

Even with our disaster recovery arrangements, access to our platform could be interrupted. If our systems or those of our vendors or suppliers, including the Pharmacies, were to fail or be negatively impacted as a result of a climate-related disaster or other catastrophic event, our ability to deliver our platform to our customers 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 could be harmed. We have implemented a disaster recovery program that allows us to move website and mobile application traffic to a backup site 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.

Any disruption of service at Amazon Web Services, Partner Pharmacies, or other third-party service providers could interrupt access to our platform or delay our customers' ability to seek treatment.

We currently host our platform, serve our customers and support our operations in the United States using Amazon Web Services ("AWS"), a provider of cloud infrastructure services, and through Partner Pharmacies, Manufacturing Suppliers, and other third-party service providers, including shipping providers and contract manufacturers. We do not have control over the operations of the facilities of AWS, Partner Pharmacies, or other third-party service providers. Such facilities are vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, cyber security attacks, terrorist attacks, power losses, telecommunications failures, and similar events. The occurrence of any such event, a decision to close the facilities without adequate notice, or other unanticipated problems could result in lengthy interruptions in our ability to generate revenue through customer purchases on the platform. The facilities also could be subject to break-ins, computer viruses, sabotage, intentional acts of vandalism, and other misconduct. Our platform's continuing and uninterrupted performance is critical to our success. Because our platform is used by our customers to engage with Providers who can diagnose, manage, and treat medical conditions, and pharmacies that can fulfill and ship prescription medication, it is critical that our platform be accessible without interruption or degradation of performance. Customers may become dissatisfied by any system failure that interrupts our ability to provide our platform or access to the products and services offered through our platform to them. Outages and pharmacy closures could lead to claims of damages from our customers, Providers on our platform, partners, suppliers, and others. We may not be able to easily switch our AWS operations to another cloud provider if there are disruptions or interference with our use of AWS. Sustained or repeated system failures could reduce the attractiveness of our offerings to customers and result in contract terminations, thereby reducing revenue. Moreover, negative publicity arising from these types of disruptions could damage our reputation and may adversely impact use of our platform. We may not carry sufficient business interruption insurance to compensate us for losses that may occur as a result of any events that cause interruptions in our platform. Thus, any such disruptions could have an adverse effect on our business and results of operations.

None of our call centers, Partner Pharmacies, shipping providers, contract manufacturers, AWS, or other third-party service providers has an obligation to renew their agreements with us on commercially reasonable terms, or at all. If we are unable to renew our agreements with these third-party service providers on commercially reasonable terms, if our agreements with these

providers are prematurely terminated, or if in the future we add additional data, call center, or pharmacy providers, we may experience costs or downtime in connection with the transfer to, or the addition of, such new providers. If these third-party service providers were to increase the cost of their services, we may have to increase the price of our offerings, and our results of operations may be adversely impacted.

We depend on a number of third parties to perform functions critical to our ability to operate our platform, generate revenue from customers, and to perform many of the related functions.

We depend on the Affiliated Medical Groups and their Providers to deliver quality healthcare consultations and services through our platform. We conduct fulfillment and distribution activities through a combination of our Facilities and Partner Pharmacies, and therefore depend on such Partner Pharmacies to provide efficient fulfillment and distribution of prescription medication and other products and services. Finally, we depend on our relationships with Manufacturing Suppliers to supply and/or manufacture certain of our products or product ingredients, including compounded GLP-1s, to the Pharmacies. We cannot control the timing, or ensure the availability, of any such offerings.

Any interruption in the availability of a sufficient number of Providers or supply from our Partner Pharmacies, our Facilities or Manufacturing Suppliers could materially and adversely affect our ability to satisfy our customers and ensure they receive consultation services and any medication that they have been prescribed. If we were to lose our relationship with one of the Affiliated Medical Groups, we cannot guarantee that we will be able to ensure access to a sufficient network of Providers. Similarly, if we were to lose our relationship with one of our Partner Pharmacies or Manufacturing Suppliers, are unable to obtain access for customers to low cost pharmaceutical products through our Partner Pharmacies, Facilities, or Manufacturing Suppliers, or one of our Partner Pharmacies, Facilities or Manufacturing Suppliers was subject to regulatory or legal enforcement, we cannot guarantee that we will be able to find, perform due diligence on, and engage with one or more replacement partners in a timely manner. Our ability to service customer requirements could be materially impaired or interrupted in the event that our relationship with an Affiliated Medical Group, Partner Pharmacy or Manufacturing Supplier is terminated, or any Affiliated Medical Group, Partner Pharmacy, or Manufacturing Supplier experiences a disruption in operations, including as the result of regulatory or legal enforcement. We also depend on cloud infrastructure providers, payment processors, suppliers of prescription and non-prescription products and packaging, shipping and delivery services, and various others that allow our platform to function effectively and serve the needs of our customers. Difficulties with our significant partners and suppliers, regardless of the reason, could have a material adverse effect on our business.

Disruption in our global supply chain, supply chain concentration, and changes to tax or trade policy could negatively impact our business.

The products we sell on our platform and through retailers are sourced from a wide variety of domestic and international vendors, and any future disruption in our supply chain or inability to find qualified vendors and access products that meet requisite quality and safety standards in a timely and efficient manner could adversely impact our business. Our ability to offer access to branded GLP-1 offerings is subject to supply chain constraints, which we expect to continue for the foreseeable future. Our compounded GLP-1 offerings may also be subject to periodic supply chain constraints. Certain of our weight loss offerings are primarily fulfilled by one supplier. If this supplier stops fulfilling purchase orders, it could significantly slow our ability to fulfill these orders until new suppliers are identified and fully onboarded and/or our internal manufacturing capabilities are expanded, which could adversely impact our results of operations and business. While we have not experienced material supply chain issues to date, the loss or disruption of such supply arrangements for any reason, including as a result of ongoing conflict arising out of the Russian invasion of Ukraine and the hostilities and conflict in the Middle East, other acts of war or terrorism, trade sanctions, inflation, health epidemics or pandemics, labor disputes, loss or impairment of key manufacturing sites, inability to procure sufficient raw materials, quality control issues, ethical sourcing issues, a supplier's financial distress, natural disasters, looting or other external factors over which we have no control, could interrupt product supply and, if not effectively managed and remedied, have a material adverse impact on our business, results of operations and financial condition. From time to time, our Facilities have also experienced batch failures. While these failures have not caused a material interruption to our supply arrangements to date, a future material interruption could cause reputational damage and have a material adverse impact on our business, results of operations and financial condition.

Additionally, any major changes in tax or trade policy, such as the imposition of additional tariffs or duties on imported products, or trade sanctions, between the U.S. and countries from which we source merchandise, directly or indirectly, could require us to take certain actions, such as raising prices on our offerings or seeking alternative sources of supply from vendors with whom we have less familiarity, which could adversely affect our reputation, revenue, and our results of operations. U.S.

trade policies continue to be in flux, and trade policies implemented by the second Trump administration, or the consequences of such policies, could have an adverse effect on our business.

Our payments system depends on third-party service providers and is subject to evolving laws and regulations.

We engage third-party service providers to perform underlying card processing, currency exchange, and identity verification for our payments system. If these service providers do not perform adequately or if our relationships with these service providers were to terminate, our ability to accept orders through our platform could be adversely affected and our business could be harmed. In addition, incorrect identity verification data with respect to our current or potential customers received from third-party service providers, including as a result of an individual customer providing untruthful or inaccurate information, has in the past and may in the future result in us inadvertently allowing access to our offerings, including treatments and medications, to individuals who should not be permitted to access them, or otherwise inadvertently denying access to individuals who should be able to access our offerings, in each case based on inaccurate identity determination. These risks may subject us to disciplinary action, fines, lawsuits, and our reputation, business, financial condition and results of operations could be adversely affected. Further, if any of these third-party service providers increase the fees they charge us, our operating expenses could increase and if we respond by increasing the fees we charge to our customers, we could lose some of our customers.

The laws and regulations related to payments are complex and vary across different jurisdictions in the United States and globally. As a result, we are required to spend significant time and effort to comply with those laws and regulations. Any failure or claim of our failure to comply, or any failure by our third-party service providers to comply, could cost us substantial resources, could result in liabilities, or could force us to stop offering third-party payment systems. As we expand the availability of payments via third parties or offer new payment methods to our customers in the future, we may become subject to additional regulations and compliance requirements.

Further, through our agreement with our third-party credit card processor, we are indirectly subject to payment card association operating rules and certification requirements, including the Payment Card Industry Data Security Standard. We are also subject to rules governing electronic funds transfers. Any change in these rules and requirements could make it difficult or impossible for us to comply. Any such difficulties or failures with respect to the payment systems we utilize may have an adverse effect on our business.

Our pricing decisions may adversely affect our ability to attract new customers, Providers, and other partners, or may otherwise impact our revenue and profitability.

We have limited experience determining the optimal prices for certain of our offerings. As competitors introduce new solutions that compete with our offerings, we may be unable to attract new customers, Providers, or other partners at the same price or based on the same pricing models as we have used historically. Pricing decisions may also impact the mix of adoption among the products and services that we make available and negatively impact our overall revenue. As a result, in the future we may adjust our prices to offer more options for our customers or for other strategic reasons. Any pricing decisions including those mentioned above could adversely affect our financial position, including our revenue, gross profit, profitability, and cash flows.

Our success depends on the continuing and collaborative efforts of our management team, and our business may be severely disrupted if we lose their services.

Our success depends largely upon the continued services of our key executive officers. These executive officers are at-will employees and therefore they may terminate employment with us at any time with no advance notice. We rely on our leadership team in the areas of marketing, legal and regulatory compliance, telehealth, operations, finance, public policy and government relations, people operations, investor relations, communications, and other general and administrative functions. From time to time, there have been and may in the future be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. The replacement of one or more of our executive officers or other key employees would likely involve significant time and costs and may significantly delay or prevent the achievement of our business objectives.

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 success depends in large part on our ability to attract and retain high-quality management in marketing, engineering, operations, healthcare, regulatory, legal, finance, accounting, and support functions. 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 results of operations 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.

As we continue to grow, we may be unable to continue to attract or retain the personnel we need to maintain our competitive position. In addition to hiring new employees, we must continue to focus on retaining our best talent. Competition for these resources, particularly for engineers with expertise in areas like machine learning and artificial intelligence, is intense.

We may need to invest significant amounts of cash and equity to attract new and existing employees and we may never realize returns on these investments. If we are not able to effectively increase and retain our talent, our ability to achieve our strategic objectives will be adversely impacted, and our business will be harmed. The loss of one or more of our key employees, and any failure to have in place and execute an effective succession plan for key employees, could seriously harm our business. Employees may be more likely to leave us if the shares of our capital stock they own or the shares of our capital stock underlying their equity incentive awards have significantly changed in value.

We also have a remote-first policy that permits most of our employees to work remotely should their particular positions allow. While we believe that most of our non-fulfillment operations can be performed remotely, there is no guarantee that we will be as effective while working remotely because our team is dispersed and many employees may have additional personal needs to attend to or distractions in their remote work environment. To the extent our current or future remote work policies result in decreased productivity, harm our company culture, or otherwise negatively affect our business, our financial condition and results of operations could be adversely affected.

A significant portion of our inventory is stored in our Facilities, and from time to time with third party logistics providers, and any damage or disruption at any Facility or with any third party logistics provider may harm our business.

Our Facilities, and from time to time certain third-party logistics providers, collectively hold a significant portion of our inventory. From time to time, we order inventory with sufficient lead time in order to ensure our ability to fulfill anticipated customer demand for supply chain, seasonality, or other reasons. We store this inventory at some or all of the previously mentioned facilities, and we may have a significant level of inventory in storage during certain quarters. A natural disaster, fire, power interruption, work stoppage, or other calamity at any of these facilities would significantly disrupt our ability to deliver our products and operate our business, particularly if we had a significant level of inventory stored in a damaged or unusable facility. If a material amount of any facility, machinery, or inventory were damaged or unusable for any reason, we would be unable to meet our obligations to customers and wholesale partners, which could materially adversely affect our business, financial condition, and results of operations.

Risks Related to Laws and Regulations

From time to time, we are subject to legal and regulatory proceedings and inquiries, any of which may be time-consuming and costly to defend and could materially harm our business and results of operations.

From time to time, we are subject to legal proceedings in the ordinary course of business and have faced allegations, lawsuits, and regulatory inquiries, audits, and investigations regarding data privacy, security, labor and employment, consumer protection, investor protection, telehealth, pharmaceuticals, intellectual property infringement, including claims related to privacy, patents, publicity, trademarks, copyrights, and other rights, as well as other areas of law related to our business. Lawsuits, regulatory inquiries, audits, investigations and other legal proceedings can be expensive and disruptive to normal business operations. A portion of the technologies we use incorporates open-source software, and we may face claims claiming ownership of open-source software or patents related to that software, rights to our intellectual property, or breach of open-source license terms, including a demand to release material portions of our source code or otherwise seeking to enforce the terms of the applicable open-source license. We have faced and in the future may face allegations, regulatory inquiries, or litigation related to our acquisitions, securities issuances, or business practices, including public disclosures about our business.

We offer access to compounded pharmaceutical products that are in some cases compounded, fulfilled, and distributed through the Pharmacies, and we, as well as the Pharmacies, Affiliated Medical Groups, and Providers, have faced and in the future may face allegations, litigation, and regulatory investigations under foreign, federal or state laws related to the marketing, fulfillment, distribution, and/or sale of these products.

Litigation, regulatory inquiries, and regulatory proceedings, particularly those involving healthcare, pharmaceuticals, consumer protection, data privacy, securities, or class actions, could be protracted and expensive, and their outcomes are inherently difficult to predict. For example, in October 2023, the FTC issued to us a Civil Investigative Demand requesting information regarding the Company's privacy, advertising, subscription, and cancellation practices as part of a non-public investigation related to the FTC Act and ROSCA. In July 2026, the FTC, along with the Utah Division of Consumer Protection and Los Angeles County on behalf of the People of the State of California, filed a complaint in the United States District Court for the Northern District of California against the Company alleging violations of Section 5 of the FTC Act and certain provisions of ROSCA and analogous state statutes seeking a permanent injunction, monetary relief for an unspecified amount, civil penalties, and other relief as determined by the court. As of June 30, 2026, we had recorded an accrual of approximately $60 million for estimated probable losses in connection with this matter. The amount of the accrual may decrease or increase materially in future periods as the litigation progresses and additional information becomes available. There can be no assurance that we will prevail in the litigation or otherwise achieve a favorable outcome, and the defense or resolution of this matter could involve significant monetary costs or penalties and could materially adversely affect our financial condition or results of operations, or business. In addition, any non-monetary remedies or compliance obligations imposed in connection with the resolution of this matter could adversely affect our business operations. Additionally, in February 2026, we received a letter from the staff of the Securities and Exchange Commission, Division of Enforcement, notifying us that it had opened an investigation and requesting that we preserve certain documents and information concerning our public statements and disclosures regarding compounded semaglutide and related business relationships (the “SEC Investigation”). We are cooperating with the SEC Investigation but are unable to predict when or how this matter will be concluded, including any financial impact.

Certain litigation and regulatory matters may include speculative claims for substantial or indeterminate amounts of damages and include claims for injunctive relief. Additionally, our litigation costs could be significant. Adverse outcomes with respect to litigation or any of these legal proceedings may result in significant settlement costs or judgments, penalties and fines, require us to modify our platform or business practices or require us to stop offering certain features, products, or services, any of which could negatively impact our acquisition of customers and revenue growth. We may also become subject to periodic audits, which could likely increase our regulatory compliance costs and may require us to change our business practices, which could negatively impact our revenue growth. Managing legal proceedings, including litigation, regulatory inquiries, investigations and audits, even if we achieve favorable outcomes, is time-consuming and diverts management’s attention from our business.

The results of legal proceedings, including litigation, regulatory inquiries, investigations and audits cannot be predicted with certainty, and determining reserves for pending litigation and other legal, regulatory, and audit matters requires significant judgment. There can be no assurance that our expectations will prove correct, and even if these matters are resolved in our favor or without significant cash settlements, the time and resources necessary to litigate or resolve them could harm our reputation, business, financial condition, and results of operations.

Our pharmacy business subjects us to additional healthcare laws and regulations beyond those we face with our core telehealth business, and increases the complexity and extent of our compliance and regulatory obligations.

The operations of our Pharmacies, Partner Pharmacies and any affiliated pharmacies are subject to extensive regulation in the United States and internationally. Such statutes and regulations govern various aspects of the pharmacy business, including the distribution of drugs; operation of mail order pharmacies; licensure of facilities and professionals, including pharmacists, technicians, and other healthcare professionals; compounding of prescription medications; packaging, storing, distributing, shipping, and tracking of pharmaceuticals; repackaging of drug products; labeling, medication guides, and other consumer disclosures; interactions with prescribing professionals; counseling of patients; prescription transfers; advertisement of prescription products and pharmacy services; security; and reporting to various enforcement or regulatory authorities.

Many states in the United States have laws and regulations requiring out-of-state mail-order pharmacies to register with that state’s board of pharmacy. In addition, the FDA inspects facilities in connection with procedures to effect recalls of prescription drugs. The Federal Trade Commission also has requirements for mail-order sellers of goods. The U.S. Postal Service (the “USPS”) has statutory authority to restrict the transmission of drugs and medicines through the mail to a degree that may have an adverse effect on our mail-order operations. The USPS historically has exercised this statutory authority only with respect to

controlled substances. However, if the USPS restricts our ability to deliver drugs through the mail, alternative means of delivery are available to us, though such alternative means of delivery could be significantly more expensive. The U.S. Department of Transportation has regulatory authority to impose restrictions on drugs inserted into the stream of commerce. These regulations generally do not apply to the USPS and its operations.

In the United Kingdom, pharmacies, pharmacists, and pharmacy technicians are regulated by the General Pharmaceutical Council (the "GPhC"), which sets standards for the safe and effective provision of pharmacy services, including those provided at a distance (such as online and mail-order pharmacies). Pharmacies must be registered with the GPhC and are subject to regular inspections to ensure compliance with pharmacy standards, including those relating to the storage, dispensing, labeling, and distribution of medicines, as well as patient counseling and record-keeping. UK pharmacies may promote their pharmacy services, including online services, but are strictly prohibited from promoting prescription-only medicines to the general public. Advertising of pharmacy services must comply with the guidance of the GPhC and the Medicines and Healthcare products Regulatory Agency (the "MHRA"). Any promotion of prescription medicines must be directed only to healthcare professionals.

In Canada, pharmacies, pharmacists, and pharmacy technicians are regulated at the provincial and territorial level by pharmacy regulatory authorities. These authorities set standards for the safe and effective provision of pharmacy services, including services provided at a distance, such as online and mail-order pharmacies. Pharmacies must be licensed or accredited by their provincial or territorial regulator and are subject to inspection to ensure compliance with applicable standards, including those relating to the storage, preparation, dispensing, labeling, distribution of medicines, patient counseling, and record-keeping. Canadian pharmacies may promote their pharmacy services, including online services, but are prohibited from advertising prescription drugs to the general public. Any promotion of prescription medicines must be directed only to healthcare professionals and must comply with Health Canada's advertising requirements and applicable provincial and territorial professional conduct rules.
Failure to successfully expand our capabilities, the loss, suspension or other limitation of any license held by a Pharmacy, or any failure or perceived failure by us or the Pharmacies to comply with any applicable federal, state, or local law or regulation, and equivalent foreign law, could have a material adverse effect on our business, financial condition, and results of operations and may expose us to civil and criminal penalties.

If we fail to comply with applicable healthcare and/or other laws and governmental regulations, we could face substantial penalties, our business, financial condition, and results of operations could be adversely affected, and we may be required to restructure our operations.

The healthcare and technology industries are subject to changing political, economic and regulatory influences that may affect companies like ours. During the past several years, the industries in which we operate have been subject to an increase in governmental regulation as well as legislative attention and activity, and subject to potential disruption due to such regulation and legislative initiatives, as well as judicial interpretations thereof. While these regulations may not directly impact us or our offerings in every instance, they have and will affect these industries and may impact customer use of the services we offer on our platform. The healthcare industry in general is also subject to numerous foreign, federal, state, and local laws and regulations that carry substantial criminal and civil fines and penalties.

As an example, under our current business model, in most jurisdictions where we operate, we accept payments only from our customers, and not from any third-party payors, such as government healthcare programs or health insurers. Because of this approach, we are not currently subject to many of the laws and regulations that impact many other participants in the healthcare industry. However, if we begin accepting reimbursement from insurance providers or other third parties in these jurisdictions, or if the government asserts broader regulatory control over companies like ours, the complexity of our operations and our compliance obligations will materially increase. Failure to comply with any applicable foreign, federal, state and local laws and regulations could have a material adverse effect on our business, financial condition and results of operations.

Even within the narrowed band of applicable healthcare laws and regulations, because of the breadth of these laws and the narrowness of available statutory and regulatory exemptions, it is possible that some of our activities could be subject to challenge under one or more of such laws. Any action brought against us for violations of these laws or regulations, even if successfully defended, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business.

In the United States, our compounding activities are subject to FDA and state oversight, and we may face regulatory, compliance, or enforcement risks in connection with our compounded offerings. For instance, compounding pharmacies and

503B outsourcing facilities have been subject to increased scrutiny of their compounding activities by the FDA and state governmental agencies. In December 2025, our Outsourcing Facility received a warning letter noting the failure to submit an adverse event report and a deficiency with the Outsourcing Facility's procedures for reporting adverse events in violation of Section 503B of the Federal Food, Drug, and Cosmetic Act (the "FDCA"), to which we timely responded. While we do not expect this inquiry will have a material impact on our business or operations, there can be no assurance that the FDA will be satisfied with the adequacy of our responses.

In particular, the regulatory landscape applicable to compounded GLP-1s continues to rapidly evolve, which could result in penalties, changes to our business practices or other adverse consequences. We began offering certain compounded GLP-1 offerings in May 2024 as part of our U.S. weight loss offering. We currently only use 503A compounding pharmacies for the fulfillment and dispensing of compounded GLP-1 products. In February 2026, the FDA issued a statement indicating that the agency intends to restrict GLP-1 active pharmaceutical ingredients intended for use in non-FDA-approved compounded drugs that are being mass-marketed as similar alternatives to FDA-approved drugs. We were directly named in the FDA Statement. Also in February 2026, the General Counsel of HHS issued a statement on X indicating that HHS had referred us to the DOJ for investigation for potential violations of the Federal Food, Drug, and Cosmetic Act and applicable Title 18 provisions. At this time, it is unclear what actions the FDA, HHS, or DOJ may take; however, any such actions could require significant resources to address and may result in reputational harm, operational disruptions, or increased costs.

In March 2026, we announced a strategic shift for our U.S. weight loss offering. As a result, we evolved our United States weight loss offering to match our global approach towards providing access to branded GLP-1 medications, and offering access to compounded GLP-1 products through the platform on a limited scale. In addition, we launched a membership program for our weight loss offerings. In connection with the strategic shift and membership program, we face risks related to customer acquisition, pricing, and retention. Customers who previously accessed compounded alternatives may be unwilling or unable to transition to branded therapies, which could adversely affect demand, conversion rates, and revenue. In addition, our margins may be impacted by the cost of procuring branded medications and limitations on our ability to pass through price increases. We may also experience operational and financial variability during this transition, including changes in customer behavior, increased churn, or reduced engagement. Further, our reliance on third-party manufacturers and supply chains for branded GLP-1 products exposes us to potential supply disruptions, pricing changes, and contractual limitations outside of our control. Governmental inquiries or actions or litigation brought against us, a Partner Pharmacy, Pharmacy or other Facility, or Manufacturing Supplier relating to our compounding activities, including with respect to GLP-1 products, whether or not such inquiry, action or litigation ultimately results in penalties, changes to our business practices or other consequences, could have an adverse effect on our brand, reputation and business.

Many of the compounded drugs available through our platform are produced by our Pharmacies, and the promotion and advertising of these compounded drugs is subject to FDA regulation. In particular, we rely on, or have relied on, exemptions from FDA's premarket approval and certain labeling requirements to market our compounded products, which requires or has required us to comply with the conditions in the exemptions set forth in Sections 503A and 503B of the FDCA. In addition, FDA will object to any promotional activity that is false or misleading, including the failure to disclose material facts. For example, FDA will expect adequate substantiation for an efficacy claim and some information related to the product's risks. Failure by us or any third-party collaborators (including social media influencers) we contract with to comply with these requirements may result in enforcement by the FDA, such as warning letters requiring that remedial measures be taken, or state authorities. This could result in adverse publicity and may affect our ability to promote or sell our products, which could have material adverse impacts on our business. In addition, FDA findings of misleading promotional statements and practices can lead to private litigation under federal and state consumer protection and unfair trade practices laws, such as the Lanham Act or similar state laws.

Further, in February 2025, we acquired a peptide manufacturing facility (and related assets). This is an operational area where we have not operated previously as an organization. As an FDA-registered API manufacturer, we are subject to regulatory requirements, including provisions governing FDA-registered API manufacturers, as well as federal regulations regarding cGMP applicable to API manufacturers. We are also subject to California Department of Public Health ("CDPH") Food & Drug Branch oversight as a CDPH-registered drug manufacturer and are required to comply with certain rules and regulations from the departments of health, boards of pharmacy, or other regulatory authorities of other states to which we ship or otherwise introduce API.

Additionally, we began offering laboratory testing services in November 2025, which subjects us to licensure and certification requirements and federal, state, and local laws and regulations applicable to laboratory testing, including the FDCA, the Clinical Laboratory Improvement Amendments (the "CLIA"), and similar state laws. This also results in additional oversight by various

regulatory agencies, including the Centers for Medicare & Medicaid Services (the "CMS") and the FDA within HHS on the federal side, as well as state and local departments of health responsible for regulating clinical laboratory testing within the jurisdictions where we will conduct laboratory testing or from which we receive specimens. We may also become subject to additional state licensure requirements applicable to entities engaging in the distribution of prescription medical devices and products depending on how we integrate the laboratory testing services into our current customer offerings.

Furthermore, we may also become subject to certain FDA premarket review requirements relating to laboratory testing products, including sample collection kits and related components, that are used in the laboratory testing services, including but not limited to 510(k) clearance, de novo classification, premarket approval, and others. Certain sample collection kits may be regulated as medical devices, may be considered prescription devices, or may require 510(k) clearance, de novo classification, premarket approval, or other FDA authorization. In some cases, it may be unclear whether the kits we use—or kits sourced from third-party suppliers—require such authorization or are being used in a manner consistent with their cleared, exempt, or authorized intended use. If the FDA or state regulators determine that any such kits or components require premarket review or are being used outside the scope of an existing authorization, we could be required to seek new or supplemental marketing authorization, modify our workflows or labeling, suspend or discontinue use of certain kits, or identify and validate alternative suppliers. Replacement kits may not be readily available, may require their own FDA review, or may be difficult or costly to integrate into our testing operations. If we are unable to comply with the regulatory regime, we may be subject to fines, enforcement actions, or other regulatory orders, which may adversely affect our business.

In addition, as a result of international acquisitions and expansion, we currently have operations in the United States, the United Kingdom, Australia, Japan, Canada, and the European Union (in Germany, the Republic of Ireland, France, and Spain). The foregoing jurisdictions impose varying legal and regulatory requirements relating to, among other things, the provision of telehealth services and pharmacy services, the advertising of prescription products, compounding, and data protection. Failure to appropriately manage compliance across these jurisdictions could result in consequences such as enforcement actions, reputational harm, or limitations on our ability to operate or expand in these markets, which could adversely affect our business, financial condition or results of operations.

Although we have adopted policies and procedures designed to comply with applicable laws and regulations and conduct internal reviews of our compliance with these laws, our compliance is also subject to governmental review. The growth of our business and sales organization and our continued expansion outside of the United States may increase the potential of violating these laws or our internal policies and procedures. The risk of our being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. If our operations or those of the Pharmacies or Affiliated Medical Groups are found to be in violation of any of the federal, state, and foreign laws described above or any other current or future fraud and abuse or other healthcare laws and regulations that apply to us, we may be subject to penalties, including significant criminal, civil and administrative penalties, damages and fines, disgorgement, additional reporting requirements and oversight, imprisonment for individuals, and exclusion from the ability to participate in government healthcare programs, such as Medicare and Medicaid, as well as contractual damages and reputational harm. We could also be required to curtail or cease our operations. Any of the foregoing consequences could have a material adverse effect on our business and our financial condition.

Our ability to offer access to our products and services internationally is subject to the applicable laws governing the sale of such products and services, including remote care and the practice of medicine in the applicable jurisdiction. Each country's interpretation and enforcement of these laws is evolving and could vary significantly. We cannot provide assurance that we have accurately interpreted each such law and regulation. Moreover, these laws and regulations may change significantly as this manner of providing products and services evolves. New or revised laws and regulations (or interpretations thereof) could have a material adverse effect on our business, financial condition, and results of operations.

We have been, and in the future may be, subject to actions and public statements by U.S. federal and state government officials and agencies, which could materially and adversely affect our business, financial condition, results of operations and reputation.

We have recently been, and in the future may be, the subject of public statements and actions by U.S. government officials and agencies. For instance, in September 2025, we received warning letters from the U.S. Food and Drug Administration with respect to statements on our websites regarding compounded semaglutide products and the statements' compliance with the

Federal Food, Drug, and Cosmetic Act, in February 2026 the U.S. Department of Health and Human Services ("HHS") issued a statement on X indicating that it had referred us to the Department of Justice for investigation for potential violations of the Federal Food, Drug, and Cosmetic Act and applicable Title 18 provisions, and in February 2026 the FDA issued a statement, directly naming our company, that the agency intends to restrict GLP-1 active pharmaceutical ingredients intended for use in non-FDA-approved compounded drugs that are being mass-marketed as similar alternatives to FDA-approved drugs.

We cannot predict the timing, scope or outcome of any investigation, enforcement action or other proceeding that results from, or is related to, such public statements and actions. Any such investigation, enforcement action or other proceeding could require significant management attention and resources, result in substantial legal fees and other costs, and divert attention from our business operations. In addition, the public nature of statements by U.S. government officials and agencies and the pendency of any investigation, enforcement action or other proceeding related thereto may prompt additional regulatory scrutiny, including investigations, enforcement actions, or other proceedings, by other governmental officials and agencies at the federal or state level. These investigations, enforcement actions, and other proceedings by other state and federal governmental officials and agencies could be broader in scope than public statements and actions currently suggest and impact other parts of our business and operations. Further, such public statements and the pendency of any investigation, enforcement action or other proceeding related thereto may negatively affect our public reputation and relationships with customers, healthcare providers, investors, and business partners. If any investigation, enforcement action, or proceeding results in findings adverse to us, we could be subject to civil or criminal penalties, fines, injunctions, consent decrees, restrictions on our ability to operate our business, exclusion from participation in certain programs, or other sanctions. Any such outcome could have a material adverse effect on our business, financial condition, and results of operations.

Furthermore, the public nature of these government statements may encourage additional regulatory scrutiny of our business, inspire private litigation, or prompt negative media coverage, any of which could harm our reputation and adversely affect our stock price. Even if we are ultimately able to resolve these matters favorably, the uncertainty created by these government actions and statements may continue to have a negative impact on our business and stock price for an extended period.

FDA has issued warning letters related to specimen-collection kits, and similar enforcement activity directed at our products or suppliers could materially and adversely affect our business.

The FDA has taken the position that many specimen-collection kits used for at-home collection of biological samples—such as dried blood-spot cards, saliva tubes, urine collection devices, and stool collection tools—are in vitro diagnostic ("IVD") medical devices that require FDA clearance, approval, authorization, or compliance with other device requirements. FDA has issued warning letters alleging that companies distributed such specimen-collection kits without required marketing authorization. For example, in 2025, FDA issued two warning letters alleging that manufacturers were distributing specimen-collection kits without clearance or approval, including a warning letter to Blackfly Investments, LLC d/b/a Molecular Testing Labs, in which FDA stated that an HIV dried blood-spot self-collection kit was being offered without the necessary premarket authorization and rejected the company's claims that the product was exempt from premarket review.

Certain workflows offered through our platform rely on at-home sample collection kits, including kits used for the collection of blood specimens. Depending on their design, components, labeling, and intended use, these kits may be considered medical devices subject to FDA regulatory requirements, and in some circumstances may require 510(k) clearance, de novo classification, premarket approval, or other authorization. It may not always be clear whether a particular kit used by us or by third-party suppliers requires such authorization or is being used in a manner consistent with its cleared, exempt, or authorized intended use. If FDA were to determine that any sample-collection kits used in connection with our testing services require premarket review, or that we or our suppliers are distributing or using such kits without required authorization, FDA could issue warning letters, request corrective actions, or require us or our suppliers to seek clearance or approval, discontinue distribution, modify labeling or instructions for use, or undertake additional validation.

Such FDA enforcement directed at any of the collection kits used by us or our suppliers could require us to identify and qualify alternative suppliers, update laboratory workflows, or modify instructions to customers. Suitable alternatives may not be immediately available, may require FDA review, or may be costly or operationally disruptive to implement.

Any enforcement action relating to specimen-collection kits—whether directed at us or at our suppliers—could delay or limit our ability to offer certain diagnostic testing services, increase compliance costs, negatively affect customer experience, disrupt laboratory operations, or otherwise materially and adversely affect our business, financial condition, and results of operations.

FDA regulation of laboratory developed tests ("LDTs") and regulation by other countries of diagnostic offerings could materially and adversely affect our business.

The operations of our recently launched laboratory business could subject us to additional and evolving regulatory requirements. The FDA has regulatory authority over instruments, test kits, reagents, sample-collection devices, and other articles used by clinical laboratories, and enforces laws governing the development, testing, manufacturing, performance, labeling, advertising, marketing, distribution, and post-market surveillance of diagnostics. The FDA also inspects and reviews the manufacturing processes and performance of such diagnostics.

Historically, high-complexity clinical laboratories have offered LDTs under the CLIA regulatory framework administered by CMS without FDA premarket clearance or approval. On April 29, 2024, the FDA released a final rule seeking to phase out its long-standing enforcement discretion for LDTs over a multi-year period, asserting that LDTs are medical devices subject to the Federal Food, Drug, and Cosmetic Act's premarket review and quality-system requirements. On March 31, 2025, the U.S. District Court for the Eastern District of Texas vacated the rule, concluding that LDTs developed and used within a single clinical laboratory fall outside FDA's statutory authority. FDA did not appeal, and the final rule was rescinded on September 19, 2025. It remains uncertain whether and how FDA may seek to regulate LDTs that are developed across multiple laboratories, used outside traditional clinical settings, or offered through digital-health or direct-to-consumer channels.

Additionally, the legal framework governing LDTs remains in flux. Legislative proposals—such as prior versions of the VALID Act—have sought to expressly grant FDA statutory authority over LDTs. If Congress were to enact legislation providing FDA with clear jurisdiction over LDTs, our laboratory operations could become subject to new premarket review requirements, manufacturing and quality-system obligations, adverse-event reporting rules, or other device-related controls. Such legislation could require us to obtain FDA authorization for tests currently offered as LDTs, modify or discontinue certain testing services, incur significant compliance costs, or adjust our diagnostic service offerings. Failure to comply with applicable or newly imposed requirements, or disruptions associated with required changes to our diagnostic products or laboratory workflows, could have a material adverse effect on our business, financial condition, and results of operations.

Regulation of diagnostic offerings outside the United States may also affect our laboratory operations. For example, the European Union In Vitro Diagnostics Regulation (EU IVDR) establishes a new classification system and imposes enhanced conformity-assessment, quality-system, and post-market obligations for in vitro diagnostic devices. Where applicable to our services, these requirements may increase compliance costs, limit the types of diagnostic services we can provide, or result in administrative or legal actions.

If any of the sample collection kits we use are considered prescription medical devices, we may be required to obtain additional state licenses to distribute such devices, and failure to obtain or maintain these licenses could adversely affect our operations.

Certain sample collection kits used in connection with our laboratory testing services may be classified as prescription medical devices depending on their design, components, intended use, labeling, and claims. Many states regulate the distribution, shipment, or sale of prescription medical devices and require distributors, third-party logistics providers, manufacturers, or repackagers of such devices to obtain and maintain state-issued device distribution licenses, permits, or registrations. State requirements vary widely and may apply regardless of whether devices are dispensed directly to consumers, shipped to laboratories, or distributed through affiliated or third-party facilities.

To the extent any of our sample collection kits are deemed prescription medical devices, we may be required to obtain state device-distribution licenses in multiple jurisdictions in order to lawfully store, ship, or distribute these kits to customers or to our laboratory. In addition, if our third-party manufacturers or suppliers are required to hold state device-distribution licenses, but fail to obtain or maintain them, we may be unable to continue sourcing certain kits from those suppliers without disruption. Licensing requirements may impose obligations relating to facility standards, recordkeeping, reporting, personnel qualifications, inspection preparedness, and ongoing compliance. Some states also require separate licenses for each physical location involved in device distribution activities.

If we fail to obtain or maintain any required state device-distribution licenses, or if regulators determine that our distribution activities fall within licensing categories for which we are not registered, we could be subject to fines, penalties, cease-and-desist orders, or other enforcement actions. We may also be prohibited from distributing certain collection kits in specific states until the appropriate licenses are obtained. Additionally, delays or denials in licensure, or the need to establish new licensed distribution channels, may increase our operational costs, impede our ability to provide certain diagnostic testing services, or

require changes to our fulfillment and logistics workflows. Any such developments could adversely affect our business, financial condition, and results of operations.

If our business practices are found to violate federal or state anti-kickback, physician self-referral, or false claims laws, we may incur significant penalties and reputational damage that could adversely affect our business.

In the United States, the healthcare industry is subject to extensive federal and state regulation with respect to kickbacks, physician self-referral arrangements, false claims, and other fraud and abuse issues. For example, the Anti-Kickback Law prohibits, among other things, knowingly and willfully offering, paying, soliciting, receiving, or providing remuneration, directly or indirectly, in exchange for or to induce or reward either the referral of an individual, or the furnishing, arranging for, or recommending of an item or service that is reimbursable, in whole or in part, by a federal healthcare program. "Remuneration" is broadly defined under the Anti-Kickback Law to include anything of value, such as, for example, cash payments, gifts or gift certificates, discounts, or the furnishing of services, supplies, or equipment. The Anti-Kickback Law is broad, and it prohibits many arrangements and practices that are lawful in businesses outside of the healthcare industry.

The penalties for violating the Anti-Kickback Law can be severe. Violations of the Anti-Kickback Law may be established without proving specific intent to violate the statute, and may be punishable by civil, criminal and administrative fines and penalties, damages, imprisonment, and exclusion from participation in federal healthcare programs. Many states have adopted laws similar to the Anti-Kickback Law, and some apply to items and services reimbursable by any payor, including private insurers.

In addition, the federal ban on physician self-referrals, commonly known as the "Stark Law," prohibits, subject to certain exceptions, physician referrals of Medicare patients to an entity providing certain "designated health services" if the physician or an immediate family member of the physician has any financial relationship with the entity. A "financial relationship" is created by an investment interest or a compensation arrangement. Penalties for violating the Stark Law include the return of funds received for all prohibited referrals, fines, civil monetary penalties, and exclusion from participation in federal healthcare programs. In addition to the Stark Law, many states have their own self-referral bans, which may extend to all self-referrals, regardless of the payor.

The federal False Claims Act (the "False Claims Act") generally prohibits anyone from knowingly and willingly presenting, or causing to be presented, a false or fraudulent claim for payment of federal funds, or knowingly making, or causing to be made, a false record or statement to get a false claim paid. A claim resulting from a violation of the Anti-Kickback Law constitutes a false or fraudulent claim. The False Claims Act also permits a private individual acting as a "whistleblower" to bring actions on behalf of themselves and the federal government alleging violations of the statute and to share in any monetary recovery. Penalties for violating the False Claims Act include substantial monetary penalties and fines, the imposition of a corporate integrity agreement and exclusion from participation in federal healthcare programs. Many states have adopted laws similar to the False Claims Act.

In the United States, because we do not accept payments from third-party payors, our current operations are not subject to the Stark Law, the Anti-Kickback Law, or the False Claims Act. If the scope of any of the Anti-Kickback Law, the Stark Law, or the False Claims Act changes or a state analog of any of the Anti-Kickback Law, the Stark Law, or the False Claims Act includes a broader spectrum of activities than the respective federal statute, or if we change our business model to accept payments from third-party payors such as a government program, our failure to comply with such laws, or an allegation that we have not complied, could have a material adverse effect on our business, financial condition, and results of operations.

State-based laws governing kickbacks and physician self-referrals can apply in some cases regardless of whether it is a third-party payor or the customer paying. The interpretation, application, and enforcement of these laws by governmental authorities is a developing area, and there is little precedent to determine how these laws would be applied to companies like ours. Moreover, the safe harbors and exceptions to these laws are often not as well developed as they are at the federal level. Our business practices and marketing activities include certain components that are common among e-commerce and other technology companies, such as the use of social media influencers. While we have structured our business practices and marketing activities in ways that we believe comply with state laws governing kickbacks and physician self-referrals and the policies behind those laws, given the lack of healthcare regulatory precedent specific to these practices, a governmental authority could disagree with our position. If a governmental authority alleged or determined we are not in compliance with these laws, or if new laws or changes to these laws created additional limits on our business practices or marketing activities,

we could face fines or other penalties or damages and we may need to modify or terminate certain arrangements, any of which could have a material adverse effect on our business, financial condition, and results of operations.

Legislative and regulatory changes specific to the area of telehealth or pharmacy law may present the Affiliated Medical Groups and/or the Pharmacies with additional requirements and state compliance costs, which may create additional operational complexity and increase costs.

The Affiliated Medical Groups and their Providers' ability to provide telehealth services to patients in a particular jurisdiction is dependent upon the laws that govern the provision of remote care, professional practice standards, and healthcare delivery in general in that jurisdiction. Likewise, the ability of the Pharmacies to fulfill prescriptions and distribute pharmaceutical products, including compounded pharmaceutical products, is dependent upon the laws that govern licensed pharmacies and the fulfillment and distribution of prescription medication and other pharmaceutical products, which include in some cases requirements relating to telehealth. Laws and regulations governing the provision of telehealth services and the compounding, fulfillment, and/or distribution of pharmaceutical products are evolving at a rapid pace and are subject to changing political, regulatory, and other influences. Some states' regulatory agencies or medical boards may have established rules or interpreted existing rules in a manner that limits or restricts Providers' ability to provide telehealth services or for physicians to supervise nurse practitioners and physician assistants remotely. Additionally, there may be limitations placed on the modality through which telehealth services are delivered. For example, some states specifically require synchronous (or "live") communications and restrict or exclude the use of asynchronous telehealth modalities, which is also known as "store-and-forward" telehealth. However, other states do not distinguish between synchronous and asynchronous telehealth services. Similarly, the FDA as well as certain other regulatory agencies or pharmacy boards have established rules or interpreted existing rules in a manner that limits or restricts the manner in which prescription medications, including compounded products, can be marketed, dispensed, and sold.

Because these are developing areas of law and regulation, we monitor our compliance in every jurisdiction in which we operate. However, we cannot be assured that our or the Affiliated Medical Groups', Providers', or Pharmacies' activities and arrangements, if challenged, will be found to be in compliance with the law or that a new or existing law will not be implemented, enforced, or changed in a manner that is unfavorable to our business model. We cannot predict the regulatory landscape for those jurisdictions in which we operate and any significant changes in law, policies, or standards, or the interpretation or enforcement thereof, could occur with little or no notice. The majority of the consultations provided through our platform are asynchronous consultations for customers located in jurisdictions that permit the use of asynchronous telehealth (noting that in the United Kingdom, asynchronous consultations are permissible, but additional safeguards are required when prescribing certain prescription medicines). If there is a change in laws or regulations related to our business, or the interpretation or enforcement thereof, that adversely affects our structure or operations, including greater restrictions on the use of asynchronous telehealth or remote supervision of nurse practitioners or physician assistants, or limitations on the ability to develop or distribute compounded pharmaceutical products, it could have a material adverse effect on our business, financial condition, and results of operations.

Evolving government regulations and enforcement activities 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. This risk is especially acute in the healthcare industry given the level of government spending, oversight, and control over the industry as a whole. Compliance with these evolving laws, regulations, and interpretations may require us to change our practices at an indeterminable and possibly significant initial monetary and annual expense. These additional monetary expenditures may increase future overhead, which could have a material adverse effect on our results of operations.

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.

Due to uncertainty and other factors in the regulatory environment, certain states, federal agencies or other national regulatory agencies may determine that we are in violation of their laws and regulations. If we must remedy such violations, we may be required to modify our business and services in a manner that undermines our platform's attractiveness to customers, we may become subject to fines or other penalties or, if we determine that the requirements to operate in compliance in certain states are

overly burdensome, we may elect to terminate our operations in such states or eliminate certain products or services. In each case, our revenue may decline and our business, financial condition, and results of operations could be adversely affected.

Additionally, the introduction of new products, services or solutions to our platform may require us to comply with additional, yet undetermined, laws and regulations. Compliance may require obtaining appropriate federal, state, or local or national licenses or certificates, increasing our security measures and expending additional resources to monitor developments in applicable rules and ensure compliance. The failure to adequately comply with these future laws and regulations may delay or possibly prevent our products or services from being offered to customers, which could have a material adverse effect on our business, financial condition, and results of operations.

Changes in public policy, including those that mandate or enhance healthcare coverage, could have a material adverse effect on our business, operations, and results of operations.

Our mission is to help the world feel great through the power of better health. It is reasonably possible that our business operations and results of operations could be materially adversely affected by public policy changes at the federal, state, or local level, which include mandatory or enhanced healthcare coverage. Such changes may present us with new marketing and other challenges, which may, for example, cause use of our products and services to decrease or make doing business in particular states less attractive. If we fail to adequately respond to such changes, including by implementing effective operational and strategic initiatives, or do not do so as effectively as our competitors, our business, financial condition, and results of operations may be materially adversely affected.

We cannot predict the enactment or content of new legislation and regulations or changes to existing laws or regulations or their enforcement, interpretation or application, or the effect they will have on our business or results of operations, which could be materially adverse. Even if we could predict such matters, we may not be able to reduce or eliminate the potential adverse impact of legislative or enforcement changes that could fundamentally change the dynamics of our industry.

Changes in insurance and healthcare laws in the United States, as well as the potential for further healthcare reform legislation and regulation, have created uncertainty in the healthcare industry and could materially affect our business, financial condition, and results of operations.

The Patient Protection and Affordable Care Act as amended by the Health Care and Education Reconciliation Act, each enacted in March 2010, generally known as the "Health Care Reform Law," significantly expanded health insurance coverage to uninsured Americans and changed the way healthcare is financed by both governmental and private payors. Since then, the Health Care Reform Law has prompted legislative efforts to significantly modify or repeal it, which may impact how the federal government responds to lawsuits challenging the Health Care Reform Law. We cannot predict what further reform proposals, if any, will be adopted, when they may be adopted, or what impact they may have on our business. While we currently only accept payments from customers—not any third parties or insurance providers—if we were to start accepting reimbursement from insurance providers or other third parties in the future, our business model could be impacted by healthcare reform whether or not we begin taking reimbursement or payments from third parties other than customers. If we are required to comply with the Health Care Reform Law and fail to comply or are unable to effectively manage such risks and uncertainties, our financial condition and results of operations could be adversely affected.

Failure to comply with anti-bribery, anti-corruption, and anti-money laundering laws could subject us to penalties and other adverse consequences.

We are subject to the FCPA and other anti-corruption, anti-bribery, and anti-money laundering laws in the jurisdictions in which we do business, both domestic and abroad. These laws generally prohibit us and our employees from improperly influencing government officials or commercial parties in order to obtain or retain business, direct business to any person, or gain any improper advantage. The FCPA and similar applicable anti-bribery and anti-corruption laws also prohibit our third-party business partners, representatives, and agents from engaging in corruption and bribery. We and our third-party business partners, representatives, and agents may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We may be held liable for the corrupt or other illegal activities of these third-party business partners and intermediaries, our employees, representatives, contractors, channel partners, and agents, even if we do not explicitly authorize such activities. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. While we have policies and procedures to address

compliance with such laws, we cannot assure that our employees and agents will not take actions in violation of our policies or applicable law, for which we may be ultimately held responsible. Our exposure for violating these laws will increase as we continue to expand internationally and as we commence sales and operations in foreign jurisdictions. Any violation of the FCPA or other applicable anti-bribery, anti-corruption, and anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, imposition of significant legal fees, loss of export privileges, severe criminal or civil sanctions, or suspension or debarment from U.S. government contracts, substantial diversion of management's attention, drop in stock price, or overall adverse consequences to our business, all of which may have an adverse effect on our reputation, business, financial condition, and results of operations.

The products we sell and our third-party suppliers are subject to FDA regulations and other international, federal, state and local requirements and if we or our third-party suppliers fail to comply with international, federal, state, and local requirements, our ability to fulfill customers' orders through our platform could be impaired.

The products available through our platform, and the third-party suppliers and manufacturers of these products, including our Manufacturing Suppliers, are subject to extensive regulation by the FDA and international, federal, state and local authorities, including prescription drug products, over-the-counter drugs, prescription medical devices, over-the-counter medical devices, cosmetics and dietary supplements. These authorities can enforce regulations related to methods and documentation of the testing, production, compounding, control, safety, quality assurance, labeling, packaging, sterilization, storage, shipping, marketing, and sale of products. Government regulations specific to pharmaceuticals and medical devices are wide ranging and govern, among other things: the ability to bring a pharmaceutical to market, the conditions under which it can be compounded, the conditions under which it can be sold, the conditions under which it must be manufactured, and permissible claims that may be made for such product. Failure to meet, or changes to any international, federal, state, or local requirements attendant to the testing, compounding, production, distribution, labeling, packaging, handling, sales and marketing, continued safety and/or other aspects of a regulated product, including any changes to the interpretation or enforcement of such requirements or any exemptions from such requirements, could result in enforcement actions, impede our ability to provide access to affected products, and have a material adverse effect on our business, financial condition, and operations.

We may be subject to fines, penalties, and injunctions if we are determined to be promoting the use of products for unapproved uses, unapproved drugs, or in a false or misleading manner, or if the FDA determines that any of our compounded products do not meet the requirements for exemption under Section 503A or Section 503B of the FDCA, as applicable.

The prescription drug and medical device products available through our platform require approval or authorization by the FDA (and equivalent regulatory authorities in the United Kingdom, the European Union, and Canada) and are subject to the limitations placed by the FDA (or equivalent regulatory authorities in the United Kingdom, the European Union, and Canada) on the approved or authorized uses in the product prescribing information. FDA has the authority to impose significant restrictions on approved drug products and medical devices through regulations on advertising, promotional and distribution activities. Some of these products are prescribed by Providers on the platform for "off-label" uses. While we believe our product promotion is conducted in material compliance with FDA and other regulations, if the FDA determines that our product promotion constitutes promotion of an unapproved use of an approved product or of an unapproved product, or is otherwise inconsistent with applicable FDA laws and regulations, the FDA could request that we modify our product promotion or subject us to regulatory and/or legal enforcement actions, including the issuance of a warning letter, injunction, seizure, civil fine, and criminal penalties.

It is also possible that other federal, state, or foreign enforcement authorities might take action if they consider the product promotion to constitute promotion of an unapproved use of an approved product or of an unapproved product, or with respect to the United Kingdom, the European Union, and Canada, the promotion of prescription only medicines to the general public (which is prohibited), and could result in significant fines or penalties under other statutes, such as laws prohibiting false claims for reimbursement or local advertising requirements in the United Kingdom, the European Union, and Canada. In addition, certain of the products available through our platform are compounded drug products under Section 503A of the FDCA. While we believe the compounded drug products available through our platform meet the requirements for exemption under Section 503A of the FDCA, if the FDA determines that such products do not meet the requirements for exemption, the FDA could subject us, our Facilities, Partner Pharmacies, Affiliated Medical Groups, Providers, or Manufacturing Suppliers to regulatory and/or legal enforcement actions, such as the issuance of a warning letter, injunction, seizure, civil fine, and criminal penalties. Our product offerings include proprietary product formulas that we market as cosmetic products. In recent years, the FDA has issued warning letters to several cosmetic companies alleging improper claims regarding their cosmetic products, and we could

similarly be subject to enforcement action if we market our cosmetic products using drug claims or otherwise promote them for non-cosmetic purposes. Other federal, state, or foreign enforcement authorities might also take action against us or our Facilities, Partner Pharmacies, Affiliated Medical Groups, Providers or Manufacturing Suppliers if they determine that compounded drug products available through our platform do not meet applicable legal or regulatory requirements. In addition, Section 503A requires the pharmacy to obtain individual prescriptions establishing that the compounded drug is necessary for each drug prescribed for each of our customers, and also limits compounded drugs that are "essentially copies" of commercially available FDA-approved drugs, including those with the same route of administration. These restrictions create limitations on our ability to market compounded drugs that have the same active ingredients and route of administration as FDA-approved drugs.

Further, we previously sourced certain compounded GLP-1 products that we provided access to on our platform from 503B outsourcing facilities, which was permitted based on a previous shortage with respect to FDA-approved injectable semaglutide. A 503B outsourcing facility must meet certain conditions under Section 503B of the FDCA that are in some cases more stringent than under Section 503A of the FDCA. Following resolution of the shortage, we currently only use 503A compounding pharmacies for the fulfillment and dispensing of compounded GLP-1 products. In March 2026, we announced a strategic shift for our U.S. weight loss offering. As a result, we evolved our United States weight loss offering to match our global approach towards providing access to branded GLP-1 medications, and offering access to compounded GLP-1 products through the platform on a limited scale. Although we believe our products meet the applicable requirements of the FDCA, additional changes to the regulatory requirements for compounding GLP-1 products may adversely impact our financial conditions and business operations, and we cannot predict such changes.

In addition, FDA regulates all labeling and advertisements for prescription and over-the-counter drugs and medical devices. FDA prohibits false or misleading promotional statements and has broad authority to determine whether a communication is "false or misleading", including taking into account whether a communication fails to disclose material facts in light of the representations made. These restrictions may be more limiting for compounded products as compared with FDA-approved products regarding efficacy and safety claims, which may impact our ability to compete against the sale of comparable FDA-approved products. If the FDA determines that our product promotion or a communication is "false or misleading", or is otherwise inconsistent with applicable FDA laws and regulations, the FDA could request that we modify our product promotion or subject us to regulatory and/or legal enforcement actions, including the issuance of a warning letter, injunction, seizure, civil fine, and criminal penalties. While we believe our product promotion is in material compliance with FDA and other regulations, we have previously received warning letters from FDA related to promotion of our compounded products and could be subject to other actions by the FDA or other federal, state, or foreign enforcement authorities in the future. See the risk factor titled "—If we are unable to expand or maintain the scope of our offerings, including the number and type of products and services that we offer, the number and quality of Providers serving our customers, and the number and types of conditions capable of being treated through our platform, our business, financial condition, and results of operations may be materially and adversely affected."

Any regulatory or legal enforcement actions by the FDA or other federal, state, or foreign enforcement authorities against us, our Facilities, Partner Pharmacies, Manufacturing Suppliers, Affiliated Medical Groups or Providers could result in lawsuits, which even if unfounded can be costly and distracting, harm our reputation, and have a material adverse effect on our business, financial condition, and results of operations.

We face the risk of product liability claims and may not be able to maintain or obtain insurance.

Our business involves third-party Providers performing medical consultations and prescribing medication to our customers, as well as the fulfillment and distribution of pharmaceuticals, including compounded pharmaceuticals, by the Pharmacies and Partner Pharmacies. This activity, as well as the sale of other products on our platform, exposes us to the risk of product liability claims. In addition, the products that we sell could become subject to contamination, product tampering, mislabeling, recall or other damage, and errors in the dispensing and packaging of drugs and consuming drugs in a manner that is not prescribed could lead to serious injury or death. We may be subject to product liability claims if products obtained or prescribed through our platform cause, or merely appear to have caused, an injury. Claims may be made by customers, third-party service providers or manufacturers of products and services we make available. Although we have product liability insurance that we believe is appropriate, this insurance is subject to deductibles and coverage limitations. Our current product liability insurance may not continue to be available to us on acceptable terms, if at all, and, if available, the coverage may not be adequate to protect us against any future product liability claims. If we are unable to obtain insurance at an acceptable cost or on acceptable terms with adequate coverage or otherwise protect against potential product liability claims, we will be exposed to significant

liabilities, which may harm our business. A product liability claim, recall or other claim with respect to uninsured liabilities or for amounts in excess of insured liabilities could result in significant costs and significant harm to our business.

We may be subject to claims against us even if the apparent injury is due to the actions of others or misuse of the prescribed medication or other product. These liabilities could prevent or interfere with our growth and expansion efforts. Defending a suit, regardless of merit, could be costly and could divert management attention, and any product liability claims, recalls or suits, even if without merit or limited in scope and operational impact, may result in adverse publicity or result in reduced acceptance of our platform and offerings.

Perceptions regarding the safety, efficacy, and quality of compounded drugs may significantly harm our business, financial condition, and results of operations.

Compounded drug products, unlike FDA approved drugs, are exempt from certain FDA premarket review for safety, efficacy, or quality. As a result, healthcare professionals, patients, policymakers, and the media may perceive compounded drugs, including our products, as presenting greater safety or efficacy risks than FDA-approved alternatives. These perceptions may arise from the inherent nature of compounding, from adverse events associated with compounded drugs generally, or from safety concerns involving us or other market participants, even if unrelated to our operations. In addition, negative perceptions can arise from other matters related to us or other developments in the industry, including recent communications issued by the FDA and HHS. See the risk factor titled "We may be subject to fines, penalties, and injunctions if we are determined to be promoting the use of products for unapproved uses, unapproved drugs, or in a false or misleading manner, or if the FDA determined that any of our compounded products do not meet the requirements for exemption under Section 503A or Section 503B of the FDCA, as applicable." Heightened scrutiny of compounded drugs, which could stem from FDA safety alerts, adverse event reports, product recalls, contamination incidents at compounding facilities, or publicized enforcement actions, whether related to us, our products or otherwise, may lead to reduced physician and patient confidence in compounded products. This could decrease demand for our compounded offerings, including our GLP-1 products, or prompt customers to transition to FDA-approved drugs.

Negative perceptions regarding compounded drugs may also increase the likelihood of regulatory inquiries by the FDA or other federal or state government agencies, inspections, or enforcement actions, as well as civil product liability or consumer litigation. Perceptions regarding these or other matters, including the recent communications issued by the FDA and HHS, have led and may continue to lead to increased scrutiny, inquiries, or adverse action by our business partners or third-party service providers, even where no deficiency exists in our practices or the practices of a Partner Pharmacy, Pharmacy or other Facility, or Manufacturing Supplier. If negative perceptions regarding compounded drugs or the recent FDA and HHS communications persist or intensify, our ability to maintain existing customer relationships, acquire new customers, or expand our compounded drug portfolio could be materially impaired, which would significantly harm our business, financial condition, and results of operations.

The information that we provide to Providers, customers, and our partners could be inaccurate or incomplete, which could harm our business, financial condition, and results of operations.

We collect and transmit healthcare-related information to and from our customers, Providers on our platform, Pharmacies and Partner Pharmacies in connection with the telehealth consultations conducted by the Providers and prescription medication fulfillment by the Pharmacies and our Partner Pharmacies, which may be assisted by artificial intelligence tools in certain instances. If the data or suggestions that we provide to our customers, Providers on our platform, Pharmacies or Partner Pharmacies, which may be aided by artificial intelligence tools, are incorrect or incomplete or if mistakes are made in the capture or input of such data, our reputation may suffer and we could be subject to claims of liability for resulting damages. While we maintain insurance coverage, this coverage may prove to be inadequate or could cease to be available to us on acceptable terms, if at all. Even unsuccessful claims could result in substantial costs and the diversion of management resources. A claim brought against us that is uninsured or under-insured could harm our business, financial condition, and results of operations.

Our use, disclosure, and other processing of personal information, including health information, is subject to federal, provincial, state, and foreign privacy and security regulations, and our failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, a material adverse effect on our customers, the Affiliated Medical Groups and/or their Providers, the Pharmacies, our revenue, our business, and/or our financial condition.

Numerous U.S. federal, state, provincial, and foreign laws and regulations govern the collection, dissemination, use, privacy, confidentiality, security, availability, integrity, and other processing of health information and other types of personal data or personal information. We have developed and maintain policies and procedures with respect to health information and personal information that we use or disclose in connection with our operations, including the adoption of administrative, physical, and technical safeguards to protect such information. As our business operations continue to develop, including through the launch of new product offerings or the development of new services, we may collect additional sensitive health and personal information from our customers that could create additional compliance obligations and may increase our exposure to compliance and regulatory risks regarding the protection and dissemination of such information.

In the United States, the Health Insurance Portability and Accountability Act ("HIPAA"), which establishes a set of national privacy and security standards for the protection of protected health information by health plans, healthcare clearinghouses, and certain healthcare providers, referred to as covered entities, and the business associates with whom such covered entities contract for services. We believe that, because of our operating processes, in relation to our customers, we are not a covered entity or a business associate under HIPAA. However, to the extent we begin accepting payment from third parties or insurance providers, we may become subject to HIPAA in relation to our customers and could face penalties and fines if we fail to comply with applicable requirements of HIPAA and its implementing regulations. Regardless of whether or not we meet the definition of a covered entity or business associate under HIPAA, we have executed business associate agreements with certain other parties and have assumed obligations that are based upon HIPAA-related requirements.

In addition to HIPAA, numerous other federal, state, and foreign laws and regulations protect the confidentiality, privacy, availability, integrity, and security of health information and other types of personal information. These laws establish differing requirements regarding, among other things, the collection, use, disclosure, retention, safeguarding, breach notification, cross-border transfer, and other processing of personal information, including health information. This complex, dynamic legal landscape regarding privacy, data protection, information security, and, in particular, artificial intelligence creates significant compliance burdens for us, the Affiliated Medical Groups, the Pharmacies, and the Providers, and potentially exposes us to additional expense, adverse publicity, and liability. For example, in July 2026, the FTC filed a complaint against the Company alleging violations of Section 5 of the FTC Act and certain provisions of ROSCA and analogous state statutes with respect to the Company's privacy, advertising, subscription, and cancellation practices. The defense or resolution of this matter could materially adversely affect the Company's financial condition, results of operations, or business.

While we have implemented data privacy and security measures in an effort to comply with applicable laws and regulations relating to privacy and data protection, some health information and other personal or confidential information is transmitted to us by third parties, who may not implement adequate security and privacy measures, and it is possible that laws, rules, and regulations relating to privacy, data protection, or information security may be interpreted and applied in a manner that is inconsistent with our practices or those of third parties who transmit health information and other personal or confidential information to us. If we or these third parties are found to have violated such laws, rules, or regulations, it could result in government-imposed fines, orders requiring that we or these third parties change our or their practices, or criminal charges, which could materially and adversely affect our business. Complying with these various laws and regulations could cause us to incur substantial costs or require us to change our business practices, systems, and compliance procedures in a manner adverse to our business.

For example, the California Consumer Privacy Act and the California Privacy Rights Act require, among other things, covered companies to provide certain disclosures to California consumers and afford such consumers abilities to opt-out of certain sales of personal information. Similar legislation has been proposed or adopted in other states.
In Australia, the Privacy Act 1988 (Cth), together with applicable health information, cybersecurity, and consumer protection laws, governs the collection, use, disclosure, and protection of personal information, including health information, which is afforded additional protections under Australian law. These laws impose obligations relating to governance, transparency, security, accountability, and breach response, and Australian regulators, including the Office of the Australian Information Commissioner ("OAIC") and the Australian Competition and Consumer Commission ("ACCC"), have broad investigative and

enforcement powers with respect to privacy and certain consumer protection matters. Actual or alleged noncompliance may result in regulatory investigations, substantial penalties, complaints, class action litigation, increased compliance and operational costs, reputational harm, and restrictions on our ability to collect, use, disclose, or otherwise process personal information in Australia.

In Canada, the Personal Information Protection and Electronic Documents Act ("PIPEDA"), together with applicable provincial privacy and health information laws, governs the collection, use, disclosure, safeguarding, and, in certain circumstances, breach reporting of personal information, including personal health information. Actual or alleged noncompliance may result in regulatory investigations, fines, penalties, private rights of action, increased compliance costs, and reputational harm.

In the European Union, the General Data Protection Regulation ("GDPR") imposes strict obligations on the ability to process health-related and other personal data, including in relation to security (which requires the adoption of administrative, physical and technical safeguards designed to protect such information), collection, use and transfer of personal data. These obligations include, without limitation, several transparency requirements relating to communications with data subjects regarding the processing of their personal data, ensuring an appropriate legal basis or condition applies to the processing of personal data, limitations on the retention of personal data, increased requirements pertaining to health data, notification of data processing obligations or security incidents to the competent national data protection authorities and/or data subjects, the security and confidentiality of the personal data, and various rights that data subjects may exercise with respect to their personal data.

The GDPR has been implemented in the United Kingdom as the "UK GDPR" and sits alongside the UK Data Protection Act 2018 which implements certain United Kingdom-specific provisions and derogations to the GDPR into UK law. Under the UK GDPR, companies not established in the United Kingdom but who process personal data in relation to the offering of goods or services to individuals in the United Kingdom, or to monitor their behavior, are subject to the UK GDPR, the requirements of which are (at this time) largely aligned with those under the GDPR and may lead to significant compliance and operational costs.

The EU GDPR and UK GDPR impose strict rules on the transfer of personal data out of the European Economic Area (the "EEA") and the United Kingdom, respectively, to other regions outside the EEA/UK, or third countries, that have not been deemed to offer "adequate" privacy protections by the competent data protection authorities, including the United States in certain circumstances, unless a derogation exists or adequate international transfer safeguards are put in place. Violations of the EU GDPR or UK GDPR may result in significant administrative fines, regulatory investigations, and claims by regulators, data controllers, or data subjects.

In Japan, the Act on the Protection of Personal Information ("APPI") governs the processing of personal information and imposes obligations relating to, among other things, transparency, consent, third-party disclosures, security, breach reporting, and cross-border transfers of personal information. Health and medical information is generally treated as "special care-required personal information" and is subject to heightened protections under the APPI. Actual or alleged noncompliance may require changes to our systems, practices, and privacy disclosures and may result in regulatory action, penalties, and other liability. We also publish statements to our customers through our privacy policy that describe how we handle health information or other personal information. If federal or state regulatory authorities or private litigants consider any portion of these statements to be untrue, we may be subject to claims of deceptive practices, which could lead to significant liabilities and consequences, including, without limitation, costs of responding to investigations, defending against litigation, settling claims, and complying with regulatory or court orders. Any of the foregoing consequences could seriously harm our business and our financial results. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, and policies that are applicable to us may limit customers' use and adoption of, and reduce the overall demand for, our platform. Any of the foregoing consequences could have a material adverse impact on our business and our financial results.

Public scrutiny of internet privacy and security issues may result in increased regulation or enforcement and/or different industry standards, which could deter or prevent us from providing services to our customers, thereby harming our business.

The regulatory framework for privacy and security issues worldwide is rapidly evolving and is likely to remain in flux for the foreseeable future, including the intersection of such issues with the integration of artificial intelligence. Various government and consumer agencies have also called for new regulation and changes in industry practices. Practices regarding the registration, collection, processing, storage, sharing, disclosure, use, and security of personal and other information by

companies offering an online service like our platform have recently come under increased public scrutiny, and federal and state governmental authorities have increased their enforcement activity and demonstrated varying interpretations of existing laws.

For example, aspects of the California Consumer Privacy Act, the California Privacy Rights Act, and similar state privacy laws continue to evolve through legislative developments, regulatory guidance, and enforcement. These laws and regulations each require particular assessment for compliance, and we may be required to modify our practices in an effort to comply with them, which may impact demand for our offerings.

In Canada, the legal and regulatory framework governing privacy, including health information privacy, is evolving rapidly, particularly with respect to the use of artificial intelligence and digital health technologies. Federal and provincial regulators, as well as consumer advocacy groups, have called for new legislation and amendments to existing laws, increased regulatory oversight and enforcement, and have advanced differing interpretations of current requirements. The expanding and increasingly complex patchwork of Canadian privacy and health privacy laws may increase our compliance obligations and expose us to significant fines, penalties, regulatory investigations, and private rights of action in the event of actual or alleged noncompliance, including breaches or improper handling of personal health information. Compliance with these evolving requirements may require us to modify our business practices, systems, and controls, resulting in increased operational costs, potential limitations on our products and services, and adverse effects on demand for our offerings in Canada.

Additionally, in the European Union and the United Kingdom, the legal and regulatory framework governing privacy, data protection, and international data transfers continues to evolve through legislative developments, judicial decisions, regulatory guidance, and enforcement activity. For example, in July 2023, the European Commission adopted an adequacy decision concluding that the United States ensures an adequate level of protection for personal data transferred from the EEA to the United States under the EU-U.S. Data Privacy Framework (which was followed in October 2023 with the adoption of an adequacy decision in the United Kingdom for the UK-United States Data Bridge). However, the adequacy decision does not foreclose, and continues to face, legal challenges, and the ongoing legal uncertainty may increase our costs and our ability to efficiently process personal data from the EEA or the UK. Under the EU GDPR and UK GDPR, data protection authorities in these territories have the power to impose significant administrative fines for violations, which may also lead to damages claims by data controllers and data subjects.

In Australia, the legal and regulatory framework governing privacy, health information, cybersecurity, consumer protection, and artificial intelligence continues to evolve and has become increasingly enforcement-driven. Recent and proposed reforms to the Privacy Act 1988 (Cth) have expanded the powers of the OAIC increased available penalties, introduced additional enforcement mechanisms, and strengthened expectations regarding governance, transparency, security, and accountability. Regulators, including the OAIC and the ACCC, are increasingly scrutinizing digital products, customer acquisition channels, online choice architecture, subscription models, profiling, personalized marketing, and the development and deployment of artificial intelligence systems. These developments may require us to modify our products, services, systems, or business practices, increase our compliance costs, or subject us to increased regulatory scrutiny, investigations, litigation, penalties, or other liability.

In Japan, the APPI is subject to periodic review and amendment. Most recently, amendments promulgated in July 2026 are expected to strengthen available enforcement measures, including through the introduction of a surcharge regime for certain violations, with additional implementing rules, cabinet orders, and regulatory guidance expected to follow. As these requirements continue to develop, we may be required to modify our systems, products, services, privacy practices, or compliance programs, which could increase our compliance costs or expose us to additional regulatory scrutiny or liability.

Our business, including our ability to operate and to continue to expand internationally, could be adversely affected if legislation or regulations are adopted, interpreted, or implemented in a manner that is inconsistent with our current business practices and that require changes to these practices, the design of our websites, mobile applications, offerings, or our privacy policies. In particular, the success of our business has been, and we expect will continue to be, driven by our ability to responsibly gather and use data from data subjects. Therefore, our business could be harmed by any significant change to, or actual or perceived non-compliance with, applicable laws or regulations (or the interpretation or enforcement thereof), or industry standards or practices, including regarding the storage, use, disclosure, or other processing of data our customers or the Providers on our platform share with us, or regarding the manner in which the express or implied consent of customers or Providers for such collection, analysis, and disclosure is obtained. Such changes may require us to modify our platform, possibly in a material manner, and may limit our ability to develop new offerings, functionality, or features.

Security breaches, loss of data, and other disruptions could compromise sensitive information related to our business or customers, or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation.

In the ordinary course of our business, we collect, store, use and disclose sensitive data, including health information and other types of personal information. We also process and store, and use additional third parties to process and store, confidential and proprietary information such as intellectual property and other proprietary business information, including that of our customers, the Providers on our platform, and partners. Our customer information is encrypted but not always de-identified. We manage and maintain our platform and data utilizing a combination of managed data center systems and cloud-based computing center systems.

We are highly dependent on information technology networks and systems, including the internet, to securely process, transmit, and store this critical information. Security breaches of this infrastructure, including physical or electronic break-ins, computer viruses, attacks by hackers and similar breaches, and employee or contractor error, negligence or malfeasance, can create system disruptions, shutdowns, or unauthorized disclosure or modifications of information, causing sensitive, confidential or proprietary information to be accessed or acquired without authorization, or to become publicly available. We utilize vendors and other third-party service providers for important aspects of the collection, storage, transmission, and verification of customer information and other confidential, and sensitive information, and therefore rely on third parties to manage functions that have material cybersecurity risks. Because of the nature of the sensitive, confidential, and proprietary information that we and our service providers collect, store, transmit, and otherwise process, the security of our and our vendors' technology platforms and other aspects of our services, including those provided or facilitated by third-party service providers, are important to our operations and business strategy. We take certain administrative, legal, physical, and technological safeguards to address these risks, such as requiring outsourcing subcontractors who handle customer, user, and patient information for us to enter into agreements that contractually obligate those subcontractors to use reasonable efforts to safeguard sensitive, confidential, and proprietary information. Measures taken to protect our systems, those of our vendors or other third-party service providers, or sensitive, confidential, and proprietary information that we or such third-party service providers process or maintain, may not adequately protect us from the risks associated with the collection, storage, and transmission of such information. We and certain of our vendors have experienced security breaches or other disruptions in the past, and we expect that other vendors or third-party service providers will experience such breaches or other disruptions in the future. While no incidents have had a material impact on our business, financial condition, or results of operations to date, we cannot guarantee that material incidents will not occur in the future. Although we take steps to help protect sensitive, confidential, and proprietary information from unauthorized access or disclosure, our information technology and infrastructure may be vulnerable to attacks by hackers or viruses, failures or breaches due to third-party action, employee negligence or error, malfeasance, or other disruptions.

Increased global IT security threats and more sophisticated and targeted computer crime pose a risk to the security of our systems and networks and the confidentiality, availability, and integrity of our data. There have been several recent, highly publicized cases in which organizations of various types and sizes have reported the unauthorized disclosure of customer or other confidential information, as well as cyberattacks involving the dissemination, theft and destruction of corporate information, intellectual property, cash, or other valuable assets. There have also been several highly publicized cases in which hackers have requested "ransom" payments in exchange for not disclosing customer or other confidential information or for not disabling the target company's computer or other systems. A security breach or privacy violation that leads to disclosure or unauthorized use or modification of, or that prevents access to or otherwise impacts the confidentiality, security, or integrity of, sensitive, confidential, or proprietary information we or our vendors or other third-party service providers maintain or otherwise process, could harm our reputation, compel us to comply with breach notification laws, and cause us to incur significant costs for remediation, fines, penalties, notification to individuals and governmental authorities, implementation of measures intended to repair or replace systems or technology, and to prevent future occurrences, potential increases in insurance premiums, and forensic security audits or investigations. As a result, a security breach or privacy violation could result in material increased costs or loss of revenue.

While we have not experienced any material cybersecurity threats or incidents in recent years, there can be no guarantee that we will not be the subject of future threats or incidents. Like other companies, we are subject to cybersecurity threats and cybersecurity incidents from time to time. For example, in early February 2026, we identified a cybersecurity incident (the "Incident") in which an unauthorized third party gained access to certain of our systems by means of a social engineering attack on two employees. In response to the Incident, we promptly initiated our cybersecurity response plans and took steps to assess, contain, and remediate the unauthorized activity, including isolating the affected systems, launching an investigation with the

assistance of external cybersecurity advisors, and coordinating with law enforcement. We have completed the required regulatory and individual notifications.

If we are unable to prevent other such security breaches or privacy violations or implement satisfactory remedial measures, or if it is perceived that we have been unable to do so, our operations could be disrupted, we may be unable to provide access to our platform, and could suffer a loss of customers or Providers or a decrease in the use of our platform, and we may suffer loss of reputation, adverse impacts on customer, Provider, and partner confidence, financial loss, governmental investigations or other actions, regulatory or contractual penalties, and other claims and liability. In addition, security breaches and other inappropriate access to, or acquisition or processing of, information can be difficult to detect, and any delay in identifying such incidents or in providing any notification of such incidents may lead to increased harm.

Any such breach or interruption of our systems or any of our third-party information technology partners, could compromise our networks or data security processes and sensitive, confidential, or proprietary information could be inaccessible or could be accessed by unauthorized parties, publicly disclosed, lost, or stolen. Any such interruption in access, improper access, disclosure or other loss of such information could result in legal claims or proceedings, liability under laws and regulations that protect the privacy of customer information or other personal information, and regulatory penalties. Unauthorized access, loss or dissemination could also disrupt our operations, including our ability to operate our platform and perform our services, provide customer assistance services, conduct research and development activities, collect, process, and prepare company financial information, provide information about our current and future offerings, and engage in other user and clinician education and outreach efforts. Any such breach or disruption could also result in the compromise of our trade secrets and other proprietary information, which could adversely affect our business and competitive position. We may also not be fully indemnified for the costs we may incur as a result of any such breach at one of our vendors or other third-party service providers.

While we maintain insurance covering certain security and privacy damages and claim expenses, we may not carry insurance or maintain coverage sufficient to compensate for all liability and in any event, insurance coverage would not address the reputational damage that could result from a security incident. In addition, cyber liability insurance is expensive and insurance premiums may increase significantly and/or we may have trouble obtaining adequate cyber insurance in the future based upon increasing global IT security threats. Any data privacy or security claims made against us or relating to our business that are not fully covered by insurance could be costly to defend against, result in substantial damage awards against us, and divert the attention of our management, which could have a material adverse effect on our business, financial condition, and results of operations.

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

Our intellectual property includes the content of our websites, software code, electronic medical records system, mobile applications, unregistered copyrights, trademarks, and trade secrets. We believe that our intellectual property is an essential asset of our business. If we do not adequately protect our intellectual property, our brand and reputation could be harmed and competitors may be able to use our technologies and erode or negate any competitive advantage we may have, which could materially harm our business, negatively affect our position in the marketplace, limit our ability to commercialize our technology, and delay or render impossible our achievement of profitability. A failure to protect our intellectual property in a cost-effective and meaningful manner could have a material adverse effect on our ability to compete. We regard the protection of our trade secrets, copyrights, trademarks, trade dress, databases, and domain names as critical to our success. We strive to protect our intellectual property rights by relying on federal, state, and common law rights and other rights provided under foreign laws. These laws are subject to change at any time and could further restrict our ability to protect or enforce our intellectual property rights. In addition, the existing laws of certain foreign countries in which we operate may not protect our intellectual property rights to the same extent as do the laws of the United States. We also have a practice of entering into confidentiality and invention assignment agreements with our employees and contractors, and often enter into confidentiality agreements with parties with whom we conduct business in order to limit access to, and disclosure and use of, our proprietary information. In addition, from time to time we make our technology and other intellectual property available to others under license agreements, including open-source license agreements and trademark licenses under agreements with our partners for the purpose of co-branding or co-marketing our products or services. However, these contractual arrangements and the other steps we have taken to protect our intellectual property rights may not prevent the misappropriation of our proprietary information, infringement of our intellectual property rights, or disclosure of trade secrets and other proprietary information, or

deter independent development of similar or competing technologies or duplication of our technologies, and may not provide an adequate remedy in the event of such misappropriation or infringement.

Obtaining and maintaining effective intellectual property rights is expensive, as are the costs of defending our rights. We make business decisions about when to file applications or registrations to protect our intellectual property and rely upon trade secret protection, and the approach we select may ultimately prove to be inadequate. We are seeking or may seek to protect certain of our intellectual property rights through filing applications for copyrights, trademarks, and domain names in a number of jurisdictions, a process that is expensive and may not be successful in all jurisdictions. Even where we have intellectual property rights, they may later be found to be unenforceable or have a limited scope of enforceability. In addition, we may not seek to pursue such protection in every jurisdiction. In particular, we believe it is important to maintain, protect, and enhance our brand.

Accordingly, we pursue the registration of domain names and our trademarks and service marks in the United States and in some jurisdictions outside of the United States. We may, over time, increase our investment in protecting innovations through investments in filings, registrations or similar steps to protect our intellectual property, and these processes are expensive and time-consuming.

In order to protect our intellectual property rights, we may be required to spend significant resources to monitor and protect these rights. We may not always detect infringement of our intellectual property rights, and defending or enforcing our intellectual property rights, even if successfully detected, prosecuted, enjoined, or remedied, could result in the expenditure of significant financial and managerial resources. Litigation may be necessary to enforce our intellectual property rights, protect our proprietary rights, or determine the validity and scope of proprietary rights claimed by others. 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. We may also incur significant costs in enforcing our trademarks against those who attempt to imitate our brand and other valuable trademarks and service marks. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, countersuits, and adversarial proceedings such as oppositions, inter partes review, post-grant review, re-examination, or other post-issuance proceedings, that attack the validity and enforceability of our intellectual property rights. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation. In addition, during the course of litigation, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our Class A common stock.

If we fail to maintain, protect, and enhance our intellectual property rights, our business, financial condition, and results of operations may be harmed.

We are, and may in the future be, subject to claims that we violated intellectual property rights of others, which are extremely costly to defend and could require us to pay significant damages and limit our ability to operate.

Companies in our industry, and other intellectual property rights holders seeking to profit from royalties in connection with grants of licenses, own large numbers of patents, copyrights, trademarks, and trade secrets, and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. In addition, intellectual property rights, including use of an individual's likeness and related trademarks, are a key asset of the influencers we work with and any use by us of such assets is often heavily negotiated. Our future success depends in part on not infringing upon the intellectual property rights of others and being successful in overcoming any claims of infringement brought against us. We have in the past and may in the future receive notices or be subject to lawsuits that claim we have misappropriated, infringed, or otherwise misused other parties' intellectual property rights. The intellectual property disputes that we face may increase in number and/or materiality as a result of our expansion, product categories, and competitive dynamics. Additionally, we may be unaware of the intellectual property rights of others that may cover some or all of our technology. 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 our technology.

Any intellectual property claim against us or parties indemnified by us, regardless of merit, could be time consuming and expensive to settle or litigate and could divert our management's attention and other resources. These claims also could subject us to significant liability for damages and could result in our having to stop using technology, content, branding or business

methods found to be in violation of another party's rights. We might be required or may opt to seek a license for rights to intellectual property held by others, which may not be available on commercially reasonable terms, or at all. Even if a license is available, we could be required to pay significant royalties, which would increase our operating expenses. We may also be required to develop alternative non-infringing technology, content, branding or business methods, which could require significant effort and expense, be infeasible, or make us less competitive in the market. Such disputes could also disrupt our business, which would adversely impact our customer satisfaction and ability to attract customers. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. If we cannot license or develop technology, content, branding or business methods for any allegedly infringing aspect of our business, we may be unable to compete effectively. Additionally, we may be obligated to indemnify our customers in connection with litigation and to obtain licenses or refund subscription fees, which could further exhaust our resources. In the case of infringement or misappropriation caused by technology that we obtain from third parties, any indemnification or other contractual protections we obtain from such third parties, if any, may be insufficient to cover the liabilities we incur as a result of such infringement or misappropriation. Any of these results could harm our results of operations.

Risks Related to Our Results of Operations and Capital Resources

We may not be able to maintain our profitability in any given period.

Fiscal year 2024 represented our first full year of profitability on a net income basis. For the year ended December 31, 2025, we had net income of $128.4 million, and Adjusted EBITDA of $318.0 million, compared to net income of $126.0 million and Adjusted EBITDA of $176.9 million for the year ended December 31, 2024. There can be no assurance that we will be able to maintain our profitability in any given period. For example, for the three and six months ended June 30, 2026, we had net loss of $86.3 million and $178.4 million, respectively. We have incurred more losses than profits since our inception, and have an accumulated deficit of $292.2 million as of June 30, 2026. We expect our costs will increase in the foreseeable future and we may not be able to maintain profitability in any given period as we expect to continue to invest significant additional funds towards growing our platform, including through acquisitions, growing our Provider network, growing the capabilities of the Pharmacies and enhancing our pharmacy fulfillment system, operating as a public company, increasing our customer base, hiring certain employees, and developing new products and technological capabilities to enhance our customers' experience on our platform. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. To date, we have financed our operations principally from the sale of equity and convertible debt instruments, revenue from our platform, and the incurrence of indebtedness. While we had positive cash flows from operations for the years ended December 31, 2025, 2024, and 2023, we may not generate positive cash flows from operations in any given period.

We have encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing and highly regulated industries, including increasing expenses as we continue to grow our business. If we are not able to maintain positive cash flow in the long term, we may require additional financing, which may not be available on favorable terms or at all and which may be dilutive to our stockholders. If we are unable to successfully address these risks and challenges as we encounter them, our business, results of operations, and financial condition could be adversely affected.

Our results of operations, as well as the performance of our key metrics, may fluctuate on a quarterly and annual basis, which may result in us failing to meet the expectations of industry and securities analysts or our investors.

Our results of operations have in the past, and could in the future, vary significantly from quarter-to-quarter and year-to-year and may fail to match the expectations of securities analysts because of a variety of factors, many of which are outside of our control and, as a result, should not be relied upon as an indicator of future performance. As a result, we may not be able to accurately forecast our results of operations and growth rate. Any of these events could cause the market price of our Class A common stock to fluctuate. Factors that may contribute to the variability of our results of operations include:

- new developments on our platform or in our product offerings;
- our ability to attract and retain customers and Providers to our platform;

- changes in our pricing policies and those of our competitors;
- our ability to execute our plans to add treatment options, testing services, and Provider expertise for additional medical conditions;
- long-term treatment outcomes of customers on our platform;
- medical, technological, or other innovations in our industry or in connection with specific products that we make available on our platform;
- our ability to maintain relationships with customers, partners, and suppliers;
- our ability to retain key members of our executive leadership team;
- successful expansion of licensure and capabilities of the Pharmacies, our peptide manufacturing facility and our laboratory testing facility;
- successful expansion into international markets;
- breaches of security or privacy;
- the amount and timing of operating costs and capital expenditures related to the expansion of our business;
- our ability to complete acquisitions on commercially reasonable terms and integrate acquired businesses;
- costs and the diversion of management attention related to litigation, investigations, regulatory enforcement actions, or settlements;
- changes in the legislative or regulatory environment, including with respect to practice of medicine, telehealth, pharmaceuticals or compounding, consumer protection, privacy or data protection, or enforcement by government regulators, including fines, orders, or consent decrees;
- announcements by competitors or other third parties of significant new products or acquisitions or entrance into certain markets;
- our ability to make accurate accounting estimates and appropriately recognize revenue for our platform and offerings for which there are no relevant comparable products;
- instability in the financial markets;
- global economic and trade conditions, including tariffs, economic sanctions, and trade restrictions; and
- political, economic, and social instability, including as a result of ongoing conflict arising out of the Russian invasion of Ukraine, the hostilities and conflict in the Middle East, or other war or terrorist activities, and any disruption these events may cause to the global economy.

The impact of one or more of the foregoing and other factors may cause our results of operations to vary significantly. As such, we believe that quarter-to-quarter comparisons of our results of operations may not always be meaningful and should not necessarily be relied upon as an indication of future performance.

We rely significantly on revenue from customers purchasing subscription-based prescription products and services in the United States and may not be successful in expanding our offerings.

To date, the significant majority of our revenue in the United States has been, and we expect it to continue to be, derived from customers who purchase subscription-based prescription products and services through our platform. In our subscription arrangements, customers select a cadence at which they wish to receive product shipments and services. Any material decline in the use of such offerings could have a pronounced impact on our future revenue and results of operations, particularly if we are unable to expand our offerings overall. The introduction of competing offerings with lower prices for consumers, fluctuations in prescription prices, changes in consumer purchasing habits, including an increase in the use of mail-order prescriptions, changes in the regulatory landscape, and other factors could result in changes to our contracts or a decline in our subscription revenue, which may have an adverse effect on our business, financial condition, and results of operations.

The requirements of being a public company have and may continue to strain our resources, divert management's attention, and may result in litigation.

As a public company, we are subject to the reporting requirements of the Exchange Act, the listing standards of the New York Stock Exchange ("NYSE"), the Sarbanes-Oxley Act, and other applicable securities rules and regulations. Complying with

these rules and regulations has increased and will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems, and resources. As a result of the complexity involved in complying with the rules and regulations applicable to public companies, our management's attention may be diverted from other business concerns, which could harm our business, results of operations, and financial condition.

In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time-consuming. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to continue investing in substantial resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from business operations to compliance activities.

If our efforts to comply with new or existing laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. In addition, pursuant to SEC rules, we are required to make certain cybersecurity disclosures, including related to material cybersecurity incidents and the reasonably likely impact of such an incident. Determining whether a cybersecurity incident is reportable may not be straightforward and any such disclosures could be costly and lead to negative publicity, loss of customer confidence, diversion of management's attention, and government investigations.

Further, in addition to being costly and time-consuming, any environmental, social and governance ("ESG")-related disclosures we make may not meet investor expectations or attract additional investments in us, which could result in a decrease in the market price for our Class A common stock.

The rules and regulations applicable to public companies have made it more expensive for us to obtain director and officer liability insurance. These factors could also make it more difficult for us to attract and retain qualified members of our Board of Directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

As a result of disclosure of information in filings required of a public company, there may be an increased risk of threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and results of operations could be harmed, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and harm our business, results of operations, and financial condition.

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

Accounting rules and interpretations for certain aspects of our financial reporting 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 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 financial statements from prior periods. Any of these circumstances could have an adverse effect on our business, prospects, liquidity, financial condition, and results of operations.

Our plans for funding the Eucalyptus acquisition may be adversely affected to the extent there are lower-than-expected operating results or significant financial market disruptions.

In connection with our acquisition of Eucalyptus, which closed on June 1, 2026, we agreed to pay up to $1.15 billion of aggregate consideration, subject to certain adjustments. The consideration includes deferred payments payable through December 1, 2027 and potential earn-out consideration payable through early 2029. We expect to fund any cash portion of our future payment obligations with cash on hand, including cash generated from future operations, and may choose to obtain additional financing by accessing the capital markets, which may include the issuance of equity or convertible debt securities. We also have the ability, at our option, to satisfy a significant majority of our deferred and earn-out consideration obligations through issuances of equity to certain former Eucalyptus equityholders rather than cash payments. If our operating results are

lower than expected or significant market disruptions occur, our cash on hand and available liquidity may be insufficient to fund the consideration in cash, or may limit our ability to issue debt or equity securities. In that case, we may choose to issue equity to certain Eucalyptus equityholders to satisfy some of our payment obligations, which would be dilutive to our existing shareholders. See the risk factors titled "Risks Related to Our Business—Acquisitions and investments could result in operating difficulties, dilution, and other harmful consequences that may adversely impact our business, financial condition, and results of operations. Additionally, if we are not able to identify and successfully acquire suitable businesses, our results of operations and prospects could be harmed" and "Risks Related to Our Results of Operations and Capital Resources—We may require additional capital to support business growth, and this capital might not be available on acceptable terms, if at all."

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 products or services, or enhance our existing platform and associated offerings, enhance our operating infrastructure and acquire complementary businesses and technologies. In order to achieve these objectives, we may make future commitments of capital resources. Accordingly, we may need to engage in equity or debt financings to secure additional funds. For example, in February 2025, we entered into a Revolving Credit and Guaranty Agreement with certain lenders and JPMorgan Chase Bank, N.A., as administrative and collateral agent, which provides for a three-year senior secured revolving line of credit in an amount up to $175.0 million. In May 2025, we issued $1.0 billion aggregate principal amount of 0% convertible senior notes due 2030, the total net proceeds from which were $968.7 million. In May 2026, we issued $402.5 million aggregate principal amount of 0% convertible senior notes due 2032, the total net proceeds from which were $389.5 million. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our Class A common stock. Any other debt financing secured by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all. The possibility of a significant economic downturn, increased interest rates, or disruptions in the global financial markets may make it more difficult to access available capital and may reduce our ability to secure financing on favorable terms. 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 limited.

Our indebtedness and liabilities could limit the cash flow available for our operations, expose us to risks that could adversely affect our business, financial condition and results of operations and impair our ability to satisfy our obligations under the Convertible Notes.

As of June 30, 2026, we had $12.6 million in letters of credit outstanding under our revolving credit facility sub-limit and $1.4 billion principal amount of indebtedness under the Convertible Notes. We may also incur additional indebtedness, including under our revolving credit facility, to meet future financing needs. Our indebtedness could have significant negative consequences for our securityholders and our business, results of operations and financial condition by, among other things:

- increasing our vulnerability to adverse economic and industry conditions;
- limiting our ability to obtain additional financing;
- requiring the dedication of a substantial portion of our cash flow from operations to service our indebtedness, which will reduce the amount of cash available for other purposes;
- limiting our flexibility to plan for, or react to, changes in our business;
- diluting the interests of our existing stockholders as a result of issuing shares of our Class A common stock upon conversion of the Convertible Notes; and
- placing us at a possible competitive disadvantage with competitors that are less leveraged than us or have better access to capital.

Our business may not generate sufficient funds, and we may otherwise be unable to maintain sufficient cash reserves, to pay amounts due under our indebtedness, including the Convertible Notes, and our cash needs may increase in the future. In addition, our revolving credit facility contains, and any future indebtedness that we may incur may contain, financial and other restrictive covenants that limit our ability to operate our business, raise capital or make payments under our other indebtedness. If we fail to comply with these covenants or to make payments under our indebtedness when due, then we would be in default under that indebtedness, which could, in turn, result in that and our other indebtedness becoming immediately payable in full.

We may be unable to raise the funds necessary to repurchase the Convertible Notes for cash following a fundamental change or to pay any cash amounts due upon maturity or conversion of the Convertible Notes, and our other indebtedness may limit our ability to repurchase the Convertible Notes or to pay any cash amounts due upon their maturity or conversion.

Holders of our Convertible Notes may, subject to limited exceptions, require us to repurchase their notes following a fundamental change at a cash repurchase price generally equal to the principal amount of the Convertible Notes to be repurchased, plus accrued and unpaid special and additional interest, if any. Upon maturity of the Convertible Notes, we must pay their principal amount and accrued and unpaid special and additional interest in cash, unless they have been previously repurchased, redeemed or converted. In addition, upon conversion, we will satisfy part or all of our conversion obligation in cash unless we elect to settle conversions solely in shares of our Class A common stock. We may not have enough available cash or be able to obtain financing at the time we are required to repurchase the Convertible Notes or pay any cash amounts due upon their maturity or conversion. In addition, applicable law, regulatory authorities and the agreements governing our other indebtedness may restrict our ability to repurchase the Convertible Notes or to pay any cash amounts due upon their maturity or conversion. Our failure to repurchase Convertible Notes or to pay any cash amounts due upon their maturity or conversion when required will constitute a default under the indentures governing the Convertible Notes. A default under the indentures or the fundamental change itself could also lead to a default under agreements governing our other indebtedness, which may result in that other indebtedness becoming immediately payable in full. We may not have sufficient funds to satisfy all amounts due under the other indebtedness and the Convertible Notes.

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

The preparation of financial statements in conformity with U.S. 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. 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 valuation and recognition of stock-based compensation expense, initial and subsequent valuation of contingent consideration in business combinations or asset acquisitions, purchase price allocation for business combinations, valuation of assets acquired in an asset acquisition, estimates used in determining the useful lives of intangible assets, valuation of deferred tax assets, estimating the net realizable value of inventory, valuation of refund reserve, and estimates used in the capitalization of website development and internal-use software costs. 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.

Adverse tax laws or regulations could be enacted or existing laws could be applied to us or our customers, which could subject us to additional tax liability and related interest and penalties, increase the costs of our offerings, and adversely impact our business.

The application of federal, state, local, and international tax laws to services provided electronically is evolving. New income, sales, use, value-added, or other tax laws, statutes, rules, regulations, or ordinances could be enacted at any time (possibly with retroactive effect) and could be applied solely or disproportionately to services provided over the internet or could otherwise materially affect our financial position and results of operations.

In addition, state, local, and foreign tax jurisdictions have differing rules and regulations governing sales, use, value-added, and other taxes, and these rules and regulations can be complex and are subject to varying interpretations that may change over time. Existing tax laws, statutes, rules, regulations, or ordinances could be interpreted, changed, modified, or applied adversely to us (possibly with retroactive effect). If we are required to collect and pay back taxes and associated interest and penalties, and if the amount we are required to collect and pay exceeds our estimates and reserves, or if we are unsuccessful in collecting such amounts from our customers, we could incur potentially substantial unplanned expenses, thereby adversely impacting our results of operations and cash flows. Imposition of such taxes on our services going forward or collection of sales tax from our customers in respect of prior sales could also adversely affect our sales activity and have a negative impact on our results of operations and cash flows.

One or more jurisdictions may seek to impose incremental or new sales, use, value added, or other tax collection obligations on us, including for past sales by us or our retail partners and other partners. A successful assertion by a state, country, or other jurisdiction that we should have been or should be collecting additional sales, use, value added, or other taxes on our solutions could, among other things, result in substantial tax liabilities for past sales, create significant administrative burdens for us, discourage users from utilizing our solutions, or otherwise harm our business, results of operations, and financial condition.

Certain U.S. state tax authorities may assert that we have state nexus and seek to impose state and local income taxes which could harm our results of operations.

There is a risk that tax authorities in certain states where we do not currently file a state income tax return could assert that we are liable for state and local income taxes based upon income or gross receipts allocable to such states. States are becoming increasingly aggressive in asserting nexus for state income tax purposes. If a state tax authority successfully asserts that our activities give rise to a nexus, we could be subject to state and local taxation, including penalties and interest attributable to prior periods. Such tax assessments, penalties, and interest may adversely impact our results of operations.

Risks Related to Ownership of our Securities

Our dual class common stock structure has the effect of concentrating voting power with our Chief Executive Officer and Co-Founder, Andrew Dudum, which limits an investor's ability to influence the outcome of important transactions, including a change in control.

Shares of our Class V common stock have 175 votes per share, while shares of our Class A common stock have one vote per share. Mr. Dudum, our Chief Executive Officer, Co-Founder and Chairman of our Board of Directors, including his affiliates and permitted transferees, hold all of the issued and outstanding shares of Class V common stock. Accordingly, Mr. Dudum holds, directly or indirectly, approximately 90% of the outstanding voting power and will be able to control matters submitted to our stockholders for approval, 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 transactions. Mr. Dudum may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentrated control may have the effect of delaying, preventing or deterring a change in control, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale, and might ultimately affect the market price of shares of Class A common stock.

As a "controlled company" within the meaning of NYSE listing standards, we qualify for exemptions from certain corporate governance requirements. We have the opportunity to elect any of the exemptions afforded a controlled company.

Because Mr. Dudum controls more than a majority of our total voting power, we are a "controlled company" within the meaning of NYSE listing standards. Under NYSE Listing Rules, a company of which more than 50% of the voting power is held by another person or group of persons acting together is a "controlled company" and may elect not to comply with the following NYSE rules regarding corporate governance:

- the requirement that a majority of its board of directors consist of independent directors;
- the requirement to have a nominating and corporate governance committee composed entirely of independent directors and a written charter addressing the committee's purpose and responsibilities;
- the requirement to have a compensation committee composed entirely of independent directors and a written charter addressing the committee's purpose and responsibilities; and
- the requirement of an annual performance evaluation of the nominating and corporate governance and compensation committees.

Currently, seven of our nine directors have been determined by our Board of Directors to be independent. We also have an independent compensation committee in addition to an independent audit committee. For as long as the "controlled company" exemption is available, our Board of Directors in the future may not consist of a majority of independent directors and may not have an independent nominating and corporate governance committee or compensation committee. As a result, you may not have the same protections afforded to stockholders of companies that are subject to all of the NYSE rules regarding corporate governance.

Delaware law and our certificate of incorporation and bylaws contain certain provisions, including anti-takeover provisions, that limit the ability of stockholders to take certain actions and could delay or discourage takeover attempts that stockholders may consider favorable.

Our certificate of incorporation, bylaws and the Delaware General Corporation Law (the "DGCL") contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition deemed undesirable by our Board of Directors and therefore depress the trading price of our Class A common stock. These provisions could also make it difficult for stockholders to take certain actions, including electing directors who are not nominated by the current members of our Board of Directors or taking other corporate actions, including effecting changes in our management. Among other things, our certificate of incorporation and/or bylaws include provisions regarding:

- Class V common stock that is entitled to 175 votes per share;
- the ability of our stockholders to take action by written consent in lieu of a meeting for so long as Mr. Dudum and his affiliates and permitted transferees beneficially own a majority of the voting power of the then-outstanding shares of our capital stock;
- the ability of our Board of Directors to issue shares of preferred stock, including "blank check" preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the limitation of the liability of, and the indemnification of, our directors and officers;
- the requirement that a special meeting of stockholders may be called only by a majority of the entire Board of Directors, the chairperson of the Board of Directors or the Chief Executive Officer which could delay the ability of stockholders to force consideration of a proposal or to take action, including the removal of directors;
- controlling the procedures for the conduct and scheduling of Board of Directors and stockholder meetings;
- the ability of our Board of Directors to amend the bylaws, which may allow our Board of Directors to take additional actions to prevent an unsolicited takeover and inhibit the ability of an acquirer to amend the bylaws to facilitate an unsolicited takeover attempt; and
- advance notice procedures with which stockholders must comply to nominate candidates to our Board of Directors or to propose matters to be acted upon at a stockholders' meeting, which could preclude stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our Board of Directors.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our Board of Directors or management.

In addition, our certificate of incorporation includes a provision substantially similar to Section 203 of the DGCL, which may prohibit certain stockholders holding 15% or more of our outstanding capital stock from engaging in certain business combinations with us for a specified period of time. The indentures governing our Convertible Notes contain certain provisions that could also make a third-party attempt to acquire us more difficult or expensive, including in a transaction that our securityholders may view as favorable.

Our certificate of incorporation designates a state or federal court located within the State of Delaware as the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, stockholders, employees, or agents.

Our certificate of incorporation provides 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 (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any current or former director, officer, employee, agent, or stockholder, (iii) any action arising pursuant to any provision of the DGCL or our certificate of incorporation or bylaws (as either may be amended from time to time), or (iv) any action asserting a claim against us governed by the internal affairs doctrine. The foregoing provisions will not apply to any claims arising under the Securities Act, and, 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 action asserting a claim arising under the Securities Act. Notwithstanding the foregoing, the provisions of Article XII of our certificate of incorporation will not apply to suits brought to enforce any liability

or duty created by the Exchange Act, or any other claim for which the federal district courts of the United States of America shall be the sole and exclusive forum.

These choice of forum provisions in our certificate of incorporation may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find the choice of forum provision contained in our certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition.

The market price of our Class A common stock has been and may continue to be volatile.

The market price of our Class A common stock has fluctuated and may continue to fluctuate due to a variety of factors, including:

- changes in the industries in which we operate;
- variations in our operating performance and the performance of our competitors in general;
- actual or anticipated fluctuations in our quarterly or annual results of operations;
- publication of research reports by securities analysts about us or our competitors or our industry;
- commencement of, involvement in, or public statements with respect to, litigation or governmental action involving us;
- the public's reaction to our press releases, our other public announcements, statements by our company or our management team, and our filings with the SEC;
- negative publicity and/or short-seller reports that make allegations against us or our Facilities or Affiliated Medical Groups, or our Manufacturing Suppliers, even if unfounded;
- the public's reaction to the press releases or other public announcements or statements of our competitors or regulators that may or may not directly relate to our business or operations;
- our failure or the failure of our competitors to meet analysts' projections or guidance that we or our competitors may give to the market;
- additions and departures of key personnel;
- changes in laws and regulations, or enforcement thereof, affecting our business;
- changes in our capital structure, such as future issuances of securities or the incurrence of debt;
- the volume of shares of our Class A common stock available for public sale; and
- general economic and political conditions such as recessions, interest rates, fuel prices, inflation, foreign currency fluctuations, tariffs, economic sanctions and trade restrictions, social, political and economic risks, pandemics or epidemics, and acts of war or terrorism or other geopolitical conflicts.

These market and industry factors may materially reduce the market price of our Class A common stock regardless of our operating performance.

The sale or the perception of future sales of a substantial number of shares of our Class A common stock could cause the market price of our Class A common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our Class A common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares intend to sell shares, could reduce the market price of our Class A common stock.

Reports published by analysts, including projections in those reports that differ from our actual results, could adversely affect the market price and trading volume of our Class A common stock.

Securities research analysts have and may continue to establish and publish their own periodic projections for us. These projections may vary widely and may not accurately predict the results we actually achieve. The share price of our Class A common stock may decline if our actual results do not match the projections of these securities research analysts. Similarly, if one or more of the analysts who write reports on us downgrades our stock or publishes inaccurate or unfavorable research about our business, our stock price could decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, the market price and volume for shares of our Class A common stock could be adversely affected.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

There were no repurchases of our Class A common stock under the authorized 2025 Share Repurchase Program during the three months ended June 30, 2026.

Item 5. Other Information

(c) Insider trading arrangements.

During the fiscal quarter ended June 30, 2026, none of our directors or officers adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K, except as described in the table below:

Name and Title of Insider	Adoption, Modification or Termination	Applicable Date	Duration of Trading Arrangement	Rule 10b5-1 Trading Arrangement? (Y / N) [1]	Aggregate Number of Securities Subject to the Trading Arrangement
Deborah Autor, Director and Chief Policy Officer	Termination	5/20/2026	12/15/2025 - 12/21/2026	Y	14,109
Deborah Autor, Director and Chief Policy Officer	Adoption	5/20/2026	8/18/2026 - 5/18/2028	Y	277,466
Oluyemi Okupe, Chief Financial Officer	Adoption	5/20/2026	9/1/2026 - 9/1/2027	Y	819,730
Soleil Boughton, Chief Legal Officer	Termination	5/21/2026	2/27/2026 - 2/5/2027	Y	645,000
Soleil Boughton, Chief Legal Officer	Adoption	5/21/2026	8/19/2026 - 6/1/2027	Y	723,206

(1) Denotes whether the trading plan is intended to satisfy the affirmative defense of Rule 10b5-1(c) when adopted.

Item 6. Exhibits

Exhibit No.	Description
4.1	Indenture, dated as of May 21, 2026, between Hims & Hers Health, Inc. and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on May 21, 2026).
4.2	Form of certificate representing the 0.00% Convertible Senior Notes due 2032 (included as Exhibit A to Exhibit 4.1) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the SEC on May 21, 2026).
10.1	Deed of Amendment, effective June 1, 2026, to Securities Sale Deed, dated as of February 19, 2026, by and among Horizon BidCo Pty Ltd ACN 694 778 375, Hims & Hers Health, Inc., Hims, Inc. and the sellers named therein.*
10.2	Form of Confirmation of Base Call Option Transaction (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on May 21, 2026).
10.3	Form of Confirmation of Additional Call Option Transaction (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on May 21, 2026).
10.4	Amendment No. 3 dated as of May 29, 2026 by and among Hims & Hers Health, Inc. and JPMorgan Chase Bank, N.A., as administrative agent to that certain Credit Agreement dated as of February 18, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on June 2, 2026).
10.5	Amendment No. 4 dated as of June 26, 2026 by and among Hims & Hers Health, Inc. and JPMorgan Chase Bank, N.A., as administrative agent to that certain Credit Agreement dated as of February 18, 2025 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on July 1, 2026).
10.6	Master Receivables Purchase Agreement, dated as of July 1, 2026, among XeCare LLC and Apostrophe Pharmacy LLC, as sellers, and JPMorgan Chase Bank, N.A., as purchaser (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on July 1, 2026).
31.1	Certification of the Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a).*
31.2	Certification of the Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a).*
32.1	Certification of the Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. 1350**
32.2	Certification of the Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. 1350**
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase

101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File - The cover page from this Quarterly Report on Form 10-Q is formatted in iXBRL

* Filed herewith
** Furnished herewith

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

August 10, 2026

Hims & Hers Health, Inc.

By: /s/ Oluyemi Okupe
Name: Oluyemi Okupe
Title: Chief Financial Officer
(Principal Financial Officer)

Deed of Amendment – Sale Deed

Contents **Page**

Date: 1 June 2026

Parties

1 Each party listed in Schedule 1 of the Transaction Deed (including as amended by this deed)

2 Each party listed in Schedule 2 of the Transaction Deed (including as amended by this deed)

3 Horizon BidCo Pty Ltd (ACN 694 778 375) C/- MinterEllison, Level 40, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000 (**Purchaser**)

4 Hims, Inc. (**Guarantor**)

5 Hims & Hers Health, Inc. (**Purchaser Parent**)

The parties agree

Background

A On 19 February 2026, the Vendors, the EST Holders, the Key Persons, the Purchaser, the Guarantor and the Purchaser Parent entered into the Securities Sale Deed (**Transaction Deed**).

B The parties now wish to amend the Transaction Deed as set out in this Deed in accordance with clause 21.1(a) of the Transaction Deed.

1 Defined terms and interpretation

1.1. Definitions in the Dictionary

A term or expression starting with a capital letter:

(a) which is defined in this Deed, has the meaning given to it in this Deed;

(b) which is not defined in this Deed but is defined in the Transaction Deed, has the meaning given to it in the Transaction Deed; and

(c) which is defined in the Corporations Act, but is not defined in this Deed or the Transaction Deed, has the meaning given to it in the Corporations Act.

1.2. Interpretation

The interpretation clause in clause 1.2 of the Transaction Deed sets out rules of interpretation for this Deed.

2 Amendment

2.1. Amendment

In accordance with clause 21.1(a) of the Transaction Deed, with effect on and from the date of this Deed (Effective Date) the provisions of the Transaction Deed set out in Attachment A are amended as set out in that Attachment (with text underlined added and text ~~struck out~~deleted).

2.2 Effect of amendment

The parties acknowledge and agree that:

(a) the effect of this Deed is to amend the Transaction Deed on and from the Effective Date;

(b) this Deed is only intended to vary the Transaction Deed in the manner set out in clause 2.1 and does not to terminate, discharge, rescind or replace the Transaction Deed; and

(c) this amendments proposed to the Transaction Deed in this Deed do not, and are not intended to, affect the validity or enforceability of, or rescind or terminate the Transaction Deed.

2.3. Compliance with the Transaction Deed

The parties acknowledge and agree that this Deed complies with clause 21.1(a) *(Alterations*) of the Transaction Deed.

2.4 Ratification and confirmation

On and from the Effective Date, other than as expressly amended by this Deed, the Transaction Deed remains in full force and effect.

2.5 Conflict

If there is a conflict between the Transaction Deed and this Deed, the terms of this Deed prevail.

2.6 Amendment not to affect rights or obligations

Nothing in this Deed:

(a) prejudices or adversely affects any right, power, authority, discretion or remedy which arose under, or in connection with, the Transaction Deed before the Effective Date; or

(b) discharges, releases or otherwise affects any liability or obligation which arose under, or in connection with, the Transaction Deed before the Effective Date.

3 Incorporation by reference

3.1. Incorporation by reference

The following clauses of the Transaction Deed apply as if set out in full, as if references to “this deed” were to this Deed:

(a) clause 21.8 (**Counterparts**);

(b) clause 21.9 (**Counterparts and electronic execution**); and

(c) clause 21.24 (**Governing law and jurisdiction**).

Execution page

Executed as a deed.

Vendors

[***]

Key Employee Vendors

[***]

Purchaser, Guarantor and Purchaser Parent

Executed by **Horizon BidCo Pty Ltd** in accordance with Section 127 of the *Corporations Act 2001* (Cth)

/s/ Andrew Richard Dudum	/s/ Oluyemi Okupe
Signature of director	Signature of director
Andrew Richard Dudum	Oluyemi Okupe
Name of director (print)	Name of director (print)

Executed by **Hims, Inc.** by the following authorised officer)

/s/ Andrew Richard Dudum
Signature of authorised officer

who states that he or she is authorised to sign this document on behalf of the company

Andrew Richard Dudum
Name of authorised officer

Executed by **Hims & Hers Health, Inc.** by the following authorised officer)

/s/ Andrew Richard Dudum
Signature of authorised officer

who states that he or she is authorised to sign this document on behalf of the company

Andrew Richard Dudum
Name of authorised officer

Attachment A Amendments to the Transaction Deed

Actual Adjustment Payment Date means the date that is 20 Business Days after the date on which the Adjustment Statement and each of the Actual Net Debt, the Actual Working Capital and the Actual Adjustment Amount become final and binding on the Vendors and the Purchaser pursuant to this deed.

Actual Net Debt means the Net Debt as set out in the Adjustment Statement (which, for the avoidance of doubt, includes the Actual Payroll Tax Amount and actual amount of payroll Taxes in other jurisdictions) that is final and binding on the Vendors and the Purchaser pursuant to this deed.

Actual Payroll Tax Amount means the amount of Payroll Tax included in Net Debt as set out in the Adjustment Statement that is final and binding on the Vendors and the Purchaser pursuant to this deed.

Actual Working Capital means the Working Capital as set out in the Adjustment Statement that is final and binding on the Vendors and the Purchaser pursuant to this deed.

Adjustment Statement means the statement, in the form set out in Part B of Schedule 7 and prepared in accordance with the Accounting Principles, that is final and binding on the Vendors and the Purchaser pursuant to this deed.

Aggregate Earnout Amount means in relation to:

(a) a Key Employee Vendor, an amount equal to 60% of that Key Employee Vendor's Respective Proportion of the Completion Amount;

(b) a KEV EST Holder, an amount equal to 60% of the KEV EST Holder's Respective Proportion of the Completion Amount;

(c) an OV EST Holder, an amount equal to 10% of the OV EST Holder's Respective Proportion of the Completion Amount;

(d) an Other Vendor, an amount equal to 10% of that Other Vendor's Respective Proportion of the Completion Amount

(e) each KEV CCO Holder, an amount equal to 60% of that KEV CCO Holder's Respective Proportion of the Completion Amount; and

(f) each OV CCO Holder, an amount equal to 10% of that OV CCO Holder's Respective Proportion of the Completion Amount.

Aggregate CCO Exercise Price means the aggregate exercise price for all CCO Options.

Aggregate Upfront Payment Amount means the aggregate of all Upfront Payments.

Agreed Form means, in respect of a document, at any time:

(a) prior to the execution of this deed, the form of that document agreed in writing by the Appointed Representative and the Purchaser prior to the execution of this deed; and

(b) after the execution of this deed and prior to Completion, if any amendments are requested or required to be made prior to Completion to the Agreed Form of the document as described in paragraph (a) of this definition (whether to complete any blanks, to correct any matters or otherwise), the form of that document agreed in writing by the Appointed Representative and the Purchaser prior to Completion (each acting reasonably).

Allowed Delay has the meaning given to that expression in clause 6.7(c).

Appointed Representative means any person or persons from time to time nominated and acting as 'Appointed Representative' in accordance with clause 20.1, being as at the execution of this deed the Initial Appointed Representatives.

ASIC means the Australian Securities and Investments Commission.

Assets means all of the assets owned or used by a Target Group Member and/or used by the Target Group in connection with the Business.

Assignee has the meaning given to that expression in clause 21.3(c).

Associate has the meaning given to that expression by sections 10 to 17 of the Corporations Act.

(e) in the case of a Key Employee Vendor, a KEV EST Holder or a KEV CCO Holder, the Earnout Payment 1 Amount may be reduced to nil in accordance with, or increased by reallocations to that Key Employee Vendor, KEV EST Holder or KEV CCO Holder (as applicable) under, clause 1.1 of Part A of Schedule 1:

$$Earnout\ Payment\ 1\ Amount = \left(42\% \times \left(\left(Aggregate\ Earnout\ Amount \times \left(\left(\frac{Revenue\ 1}{[\bullet\bullet\bullet]}\right) \times 60\%\right)\right) + \left(Aggregate\ Earnout\ Amount \times \left(\left(\frac{EBITDA\ Amount\ 1}{[\bullet\bullet\bullet]}\right) \times 40\%\right)\right)\right)\right)$$

Earnout Payment 1 Cap means in relation to:

(a) a Key Employee Vendor, the amount equal to 42% of that Key Employee Vendor's Aggregate Earnout Amount;

(b) a KEV EST Holder, the amount equal to 42% of the KEV EST Holder's Aggregate Earnout Amount;

(c) an OV EST Holder, the amount equal to 42% of the OV EST Holder's Aggregate Earnout Amount;

(d) an Other Vendor, the amount equal to 42% of that Other Vendor's Aggregate Earnout Amount;

(e) a KEV CCO Holder, the amount equal to 42% of that KEV CCO Holder's Aggregate Earnout Amount; and

(f) a OV CCO Holder, the amount equal to 42% of that OV CCO Holder's Aggregate Earnout Amount.

Earnout Payment 1 Date means the date which is the later of:

(a) the date which is 30 Business Days after the date on which the Form 10-K for the financial year ended 31 December 2026 is publicly filed with the SEC; and

(b) the date which is 7 Business Days after the First Earnout Statement becomes final under clause 8,

and in any event by no later than 29 June 2031.

Earnout Payment 2 Amount means, in respect of a Vendor, an EST Holder or a CCO Holder, an amount set out in the Second Earnout Statement that is final and binding (after following the disputes process provided for in this deed, if applicable) on the Vendors, the EST Holders, the CCO Holders and the Purchaser pursuant to this deed, which amount shall be calculated in accordance with the following formula and the Earnout Principles, provided that:

(a) the Aggregate Earnout Amount is the Aggregate Earnout Amount for that Vendor, EST Holder, or CCO Holder (as applicable);

(b) subject to paragraph (c) of this definition, notwithstanding the values of Revenue 2 and EBITDA Amount 2 below, in no circumstances will the Earnout Payment 2 Amount exceed the Earnout Payment 2 Cap, in each case, for that Vendor, EST Holder, or CCO Holder (as applicable);

(c) if the (1) Earnout Payment Amount 1 was lower than the Earnout Payment 1 Cap and (2) value of:

(i) Revenue 2 exceeds US$700,000,000, Earnout Payment Amount 1 shall be recalculated on the basis that Revenue 1 was increased by the excess of Revenue 2 over US$700,000,000; and/or

(ii) EBITDA Amount 2 exceeds US$28,000,000, Earnout Payment Amount 1 shall be recalculated on the basis that EBITDA Amount 1 was increased by the excess of EBITDA Amount 2 over US$28,000,000,

and the difference between (on the one hand) the Earnout Payment Amount 1 as so recalculated and (on the other hand) the Earnout Payment Amount 1 actually paid (if any) shall be added to Earnout Payment Amount 2; and

(d) in the case of a Key Employee Vendor, the KEV EST Holders and KEV CCO Holders, the Earnout Payment 2 Amount payable to the Key Employee Vendor, EST or KEV CCO

Holder (as applicable) may be reduced to nil in accordance with, or increased by reallocations to that Key Employee Vendor, the EST or KEV CCO Holder under, clause 1.1 of Part A of Schedule 9:

$$\text{Earnout Payment 2 Amount} = \left(33\% \times \left(\left(\text{Aggregate Earnout Amount} \times \left(\frac{\text{Revenue 2} - [\bullet\bullet\bullet]}{[\bullet\bullet\bullet]}\right) \times 60\%\right) + \left(\text{Aggregate Earnout Amount} \times \left(\frac{\text{EBITDA Amount 2} - [\bullet\bullet\bullet]}{[\bullet\bullet\bullet]}\right) \times 40\%\right)\right)\right)$$

Earnout Payment 2 Cap means in relation to:

(a) a Key Employee Vendor, the amount equal to 33% of that Key Employee Vendor's Aggregate Earnout Amount;

(b) a KEV EST Holder, an amount equal to 33% of the KEV EST Holder's Aggregate Earnout Amount;

(c) a OV EST Holder, an amount equal to 33% of the OV EST Holder's Aggregate Earnout Amount;

(d) an Other Vendor, the amount equal to 33% of that Other Vendor's Aggregate Earnout Amount;

(e) a KEV CCO Holder, the amount equal to 33% of that KEV CCO Holders' Aggregate Earnout Amount; and

(f) a OV CCO Holder, the amount equal to 33% of that OV CCO Holders' Aggregate Earnout Amount.

Earnout Payment 2 Date means the date which is the later of:

(a) the date which is 30 Business Days after the date on which the Form 10-K for the financial year ended 31 December 2027 is publicly filed with the SEC; and

(b) the date which is 7 Business Days after the Second Earnout Statement becomes final under clause 8,

and in any event by no later than 29 June 2031.

Earnout Payment 3 Amount means, in respect of a Vendor, EST Holder or CCO Holder, an amount set out in the Third Earnout Statement that is final and binding (after following the disputes process provided for in this deed, if applicable) on the Vendors, the EST Holders, the CCO Holders and the Purchaser pursuant to this deed, which amount shall be calculated in accordance with the following formula and the Earnout Principles, provided that:

(a) the Aggregate Earnout Amount is the Aggregate Earnout Amount for that Vendor, EST Holder, or CCO Holder;

(b) subject to paragraphs (c) and (d) of this definition, notwithstanding the values of Revenue 3 and EBITDA Amount 3 below, in no circumstances will the Earnout Payment 3 Amount exceed the Earnout Payment 3 Cap, in each case, for that Vendor, EST Holder, or CCO Holder;

(c) if the (1) Earnout Payment Amount 1 plus any amount paid pursuant to paragraph (c) of the definition of Earnout Payment Amount 2 was lower than the Earnout Payment 1 Cap and (2) value of:

(i) Revenue 3 exceeds US$1,000,000,000, Earnout Payment Amount 1 shall be recalculated on the basis that Revenue 1 was increased by the excess of Revenue 3 over US$1,000,000,000; and/or

(ii) EBITDA Amount 3 exceeds US$40,000,000, Earnout Payment Amount 1 shall be recalculated on the basis that EBITDA Amount 1 was increased by the excess of EBITDA Amount 3 over US$40,000,000,

and the difference (if any) between:

(iii) (on the one hand) the Earnout Payment Amount 1 as so recalculated; and

(iv) (on the other hand) the Earnout Payment Amount 1 actually paid (if any) plus any amount paid pursuant to paragraph (c) of the definition of Earnout Payment Amount 2,

least 10 years' post-qualification experience as an accountant and has the requisite knowledge and expertise in determining completion adjustment disputes, who is appointed pursuant to clause 7.5(f) or clause 7.5(g) (as the case may be) as the 'Independent Accountant'.

Independent Lawyer means, in respect of:

(a) any Australian jurisdiction, a King's Counsel or Senior Counsel; or

(b) any other jurisdiction, a partner of a reputable law firm,

who has at least 10 years' qualification experience as a lawyer and has the requisite knowledge and expertise in determining matters relating to payroll Tax in the relevant jurisdiction who is appointed pursuant to clause 7.5(i)(iii) as the 'Independent Lawyer.

Initial Appointed Representative means each of Tim Doyle and Nick Crocker.

Insolvency Event means:

(a) in relation to an entity:

(i) the entity is unable to pay its debts as and when they fall due or has stopped or suspended, or threatened to stop or suspend, payment of all or a class of its debts;

(ii) the entity goes, or proposes to go, into liquidation;

(iii) the entity:

(A) receives a deregistration notice under section 601AB of the Corporations Act or any communication from ASIC that might reasonably be expected to lead to such a notice; or

(B) applies for deregistration under section 601AA of the Corporations Act;

(iv) an order is made or an effective resolution is passed for the winding up or dissolution without winding up (otherwise than for the purposes of reconstruction or amalgamation) of the entity;

(v) a receiver, receiver and manager, judicial manager, liquidator, administrator or like Official is appointed, or threatened or expected to be appointed, over the whole or a substantial part of the undertaking or property of the entity;

(vi) the holder of a Security Interest takes possession of the whole or substantial part of the undertaking or property of the entity;

(vii) a writ of execution is issued against the entity or any of the entity's assets;

(viii) the entity proposes or takes any steps to implement a scheme or arrangement or other compromise with its creditors or any class of them; or

(ix) the entity is declared or taken under applicable law to be insolvent, or the entity's board of directors resolve that it is, or is likely to become insolvent; and

(b) in relation to a natural person, the person is made bankrupt, declared bankrupt or files a petition for relief under bankruptcy laws.

Insurances has the meaning given to that expression in Warranty 14.3.

Intellectual Property Rights means any and all intellectual property and proprietary rights (whether registered or unregistered) rights, similar rights and forms of protection with comparable effect, including all legal rights, title or interest, irrespective of the country in which such rights were granted and regardless of whether they are or could be recorded in a public register, including applications and renewals for rights including all:

(a) business names and any and all goodwill associated with and symbolized by the foregoing;

(b) trade or service marks, trade names, logos, and related registrations and applications as well as business designations and geographical indications of origin and any and all goodwill associated with and symbolized by the foregoing;

(c) any right to have information (including Confidential Information) kept confidential; and

(d) all patents, patent applications, utility models, drawings, discoveries, inventions, disclosures, (whether patented or not) improvements, trade secrets, technical data,

(b) any contract, commitment or arrangement (or series of contracts, commitments or arrangement) to which a Target Group Member is a party and which:

(i) is reasonably likely over its term to generate aggregate revenue or incur aggregate expenses for that Target Group Member in excess of AU$1,000,000 (exclusive of GST); or

(ii) has an initial term of 12 months or greater (and contracts, commitments or arrangements with no time period are presumed to have a form in excess of that period),

excluding all Lease Agreements and any contract of employment in respect of any Employee and Material Contract means any one of them.

Material Vendor means any Vendor that holds in excess of 2% of the Sale Shares (and any Vendor that is affiliate of such Vendor) as at the date of this deed, the Blackbird SAFE Holder and 1V.

Mighty Partners Loan Agreement means the 'Letter of Offer' between the Target (as 'borrower), MP Loan SPV 1 Pty Ltd ACN 691 059 328 (as lender) and others dated 17 October 2025.

Necessary Approvals means, in respect of any contract, all approvals, amendments, consents, notifications or waivers required under, or in connection with, the terms of that contract in order to effect the Transaction without:

(a) breaching, or causing a breach of, the terms of the contract; or

(b) giving rise to, or permitting any party to the contract, any right under the relevant contract which will or may arise as a result of the consummation of the Transaction (or any part of the Transaction), including any right to terminate the contract, to limit or restrict any rights in respect of the contract and/or the right to require the payment, repayment or reimbursement of any applicable amounts under the contract.

Negative Response means either:

(a) the Secretary of State for the UK Cabinet Office:

(i) notifying the Purchaser or any person who has or is to have control of the Purchaser (within the meaning given to that term in Part XII of FSMA) (or any of their representatives or advisors) that it will not approve the Purchaser (or such person) acquiring, directly or indirectly, control over the Target; or

(ii) making a final order permitting the transaction contemplated by this deed subject to such remedies or requirements that are not acceptable to the Purchaser, acting reasonably; and

(b) the Treasurer of the Commonwealth of Australia (or his or her agent) provides notice to the Purchaser that it:

(i) objects; or

(ii) does not object but on conditions that are not acceptable to the Purchaser, acting reasonably,

in each case, under the FATA, to the acquisition of the Sale Securities by the Purchaser in the manner contemplated by this deed.

Net Debt means:

(a) Cash; less

(b) Debt,

which may, for the avoidance of doubt, produce an amount that is a negative amount if Debt is greater than Cash.

Nominated Account means the ~~Australian~~bank account notified in writing by the Appointed Representative to the Purchaser (with such notice to specify all relevant details in respect of the bank account) in accordance with clause 4.5(b).

Non-Earnout Amount means, in relation to:

(a) an Other Vendor, the amount equal to 90% of that Other Vendor's Respective Proportion of the Completion Amount;

(b) an OV EST Holder, an amount equal to 90% of that OV EST Holder's Respective Proportion of the Completion Amount; and

(c) an OV CCO Holder, an amount equal to 90% of that OV CCO Holder's Respective Proportion of the Completion Amount.

Non-Exchanging SAFE means the Simple Agreement for Future Equity entered into between the Target and Blackbird HP Pty Limited ACN 621 829 534 as trustee for Blackbird Hostplus Trust, dated 28 October 2025.

Notice has the meaning given to that expression in clause 18.1.

NSIA Condition means the Condition set out in clause 2.1(e).

NSIA21 means the UK National Security and Investment Act 2021.

Old Street Leases means:

(a) the lease between Moorhead Holdings Limited (as landlord) and Fill Function (as tenant) in respect of 4th Floor, City Cloisters East, 196 Old Street, London EC1V 9FR; and

(b) the lease between Moorhead Holdings Limited (as landlord) and Fill Function (as tenant) in respect of 5th Floor, City Cloisters East, 196 Old Street, London EC1V 9FR.

Option Cancellation Amount means the amount of cash consideration payable by the Target for the cancellation of the Options pursuant to clause 4.2 funded by the CCO Loan.

Options means an option to acquire a fully paid ordinary share in the capital of the Target issued pursuant to an Equity Plan.

Options Tax Ruling means the tax ruling referred to in Step 3 of the steps advised in writing in the email from to MinterEllison dated 12 February 2026 at 1.17pm.

Other Vendor means a Vendor other than a Key Employee Vendor or the EST.

OV CCO Holders means CCO Holders which are not KEV CCO Holders.

OV EST Holders means persons for whom the EST holds Sale Shares on trust that are designated "Other Vendors" by the EST as specified in Part C of Schedule 1.

Owned Intellectual Property means:

(a) all Intellectual Property Rights and Know How that are owned, or purported by the Vendor in the Due Diligence Materials to be owned, by any Target Group Member; and

(b) the Registered Intellectual Property.

Payroll Tax means the amount of payroll Tax payable under payroll Tax Laws in any Australian jurisdiction by the Target Group in connection with the exercise or cash cancellation of Options in connection with this Transaction (whether paid or unpaid).

Permitted Security Interest means:

(a) any Security Interest registered by the Purchaser;

(b) the Security Interest registered on the PPS Register as at the date of this deed as listed in Schedule 15;

(c) any lien or charge that arises by the operation of law in the ordinary course of business;

(d) right of set-off included in a contract entered in the ordinary course of business that does not secure financial indebtedness;

(e) provided that, in the case of Permitted Security Interests arising after the date of this deed (i) the obligation secured arose in accordance with clause 5 of this deed and (ii) would not, were it to be given by a member of the Purchaser Group breach any covenants under the Purchaser Parent Credit Agreement:

(i) any retention of title arrangement under which title is retained by a supplier over goods supplied to any Target Group Member until payment for such goods is

or omission of, or occurrence affecting or transaction entered into by, a Target Group Member and/or in connection with the Business on or before Completion and as a result of which a Target Group Member or any Purchaser Group Member is liable to make a payment for Tax.

Tax Funding Agreement means any agreement whereby a Target Group Member may be required to pay an amount or be entitled to receive an amount calculated by reference to Tax.

Tax Indemnity means the indemnity contained in clause 11.1.

Tax Indemnity Claim means a claim under the Tax Indemnity.

Tax Law means any law in relation to any Tax and/or the administration of any Tax, including the Tax Act.

Tax Liability means any Tax payable by a Target Group Member in respect of any assessment relating to a period before the Effective Time.

Tax Loss means any tax deduction or credit for any carry forward operating loss or capital loss anywhere in the world and includes a 'Tax Loss' as defined in the ITAA 1997.

Tax Relief means any relief (including any corporate reconstruction or ex gratia relief), allowance, exemption, exclusion, concession, set off, deduction, offset, credit, loss, rebate, recoupment, compensation, Tax Loss or similar loss for income tax purposes in a jurisdiction outside Australia, refund, right to repayment or other benefit or saving in relation to Tax under any law and includes any amount otherwise payable which reduces, offsets, discharges or satisfies a Tax Liability.

Tax Return means any return or application relating to Tax including any document, declaration, report, refund claim, information returns or other statement referring to Taxes which must be lodged with a Governmental Authority or which a taxpayer must prepare and retain under a Tax Law (such as an activity statement, schedule or election and any attachment), including any amendment thereof.

Tax Ruling has the meaning given to that expression in clause 15.4(a)(i).

Tax Sharing Agreement means a valid tax sharing agreement entered into in accordance with section 721-25 of the 1997 Tax Act.

Tax Subject Claim means a Claim:

(a) by the Purchaser arising as a direct or indirect result of a breach of a Tax Warranty; or

(b) under the Business Warranty Indemnity in relation to, or in connection with, a Tax Warranty,

but excludes any Tax Indemnity Claim.

Tax Warranties means the Warranties that comprise Warranty 12 and Tax Warranty means any one of them.

Third Earnout Period means the period commencing on 1 January 2028 and ending 31 December 2028.

Third Earnout Statement means the Earnout Statement prepared in respect of the Third Earnout Period and setting out the calculation of the Earnout Payment 3 Amount.

Third Earnout Statement Preparation Date means the date which is 12 Business Days after the date on which the Form 10-K for the year ending 31 December 2027 is publicly filed with the SEC.

Third Party means a person that is not a party to this deed or an Associate of a party to this deed.

Third Party Claim means a Claim made by a Third Party against a Target Group Member that is reasonably likely to result in a Subject Claim or a Tax Indemnity Claim.

Title and Capacity Subject Claim means a Claim:

(a) by the Purchaser against one or more Vendors and/or EST Holders (as the case may be) arising as a result of a breach of a Title and Capacity Warranty or otherwise as a result of a Title and Capacity Warranty being untrue, incorrect, inaccurate or misleading; and/or

(b) under the Title and Capacity Warranty Indemnity.

Title and Capacity Warranties means the Warranties that comprise Warranty 1 and Warranty 2 and **Title and Capacity Warranty** means any one of them.

Title and Capacity Warranty Indemnity means the indemnity contained in clause 9.4(a).

Trading Day means any day on which Purchaser Parent Shares are actually traded on the Principal Exchange.

Transaction means the sale and purchase of the Sale Securities under this deed and all other related transactions referred to in, or contemplated by, this deed.

Transaction Bonuses means any bonuses, incentives, retention payments or other fees or entitlements payable by a Target Group Member in connection with the completion of the Transaction (but are unpaid, as at the Effective Time) to any current or former executive, employee or contractor (including any such bonuses, incentives, retention payments or other fees or entitlements in connection with Completion occurring), grossed up for any applicable superannuation contributions or guarantee charges, Taxes (including any payroll Taxes and/or fringe benefits Taxes), workers' compensation insurance premiums and any other direct employee expenses or on-costs for which an employer and/or engaging party is liable in relation to the payment of any such bonuses, incentives, retention payments or other fees or entitlements.

Transaction Costs means all third party costs, fees and expenses (including any applicable GST payable) payable by the Target Group (including on behalf of a Vendor Party) to any person engaged to provide:

(a) data room services in connection with the Transaction; or

(b) professional advice of any type, including corporate advisory, legal, accounting, tax, insurance, industry, business advisory or other consulting or financial advice directly or indirectly in connection with the Transaction, including (without limitation) the negotiation, preparation, execution and completion of this deed,

but are unpaid as at the Effective Time.

Trustee Parties means each trustee of a Relevant Trust (excluding, for the avoidance of doubt, each Key Person, unless and to the extent the Key Person is a trustee of a Relevant Trust) and Trustee Party means any one of them.

Unaccredited Investor has the meaning given to it in clause 6.6(a).

US Title and Capacity Warranties means the Warranties that comprise Warranty 1.9 and Warranty 1.17, inclusive.

~~**UK Liability Proportion** means the proportion that a Vendor or EST Holder's Upfront Payment bears to the aggregate Upfront Payment to be received by all Vendor and EST Holders.~~

~~**UK Loan Amount** has the meaning given to that term in clause 4.6(b)(i).~~

~~**UK Option Holder** means a holder of Options (excluding any KEV CCO Holder or KEV EST holder) to which, following the cancellation or exercise of such Options (other than Unvested Options) in accordance with Schedule 13, a part of the UK Option Tax Liability will apply.~~

~~**UK Option Tax Liability** means the aggregate amount payable by the Target group to HM Revenue & Customs under sections 477 and 478 of the *Income Tax (Earnings and Pensions) Act 2003* in relation to the cancellation of Options (other than Unvested Options) in accordance with Schedule 13.~~

~~**UK Option Tax Proportion** means a percentage equal to:~~

$$(\text{Del}).(\frac{A}{B})$$

~~where:~~

~~*A* equals the amount payable by the Target Group to HM Revenue & Customs 477 and 478 of the Income Tax (Earnings and Pensions) Act 2003 in relation to the cancellation or exercise of the UK Option Holder's Options (excluding Unvested Options); and~~

~~*B* equals the aggregate amount of the Upfront Payment, Deferred Payment1, Deferred Payment 2, Deferred Payment 3, Deferred Payment 4, Deferred Payment 5 and Deferred payment 6 to be~~

~~made to the UK Option Holder for their Options *excluding Unvested Options) (ignoring the effect of clauses 2(c)(i) and 2(d) of Schedule 13.~~

~~**UK Withheld Amounts** has the meaning given to it in Schedule 13.~~

Unvested Option means an Option which has not vested in accordance with the terms of its issue.

Upfront Payment means in relation to:

(a) a Key Employee Vendor, the amount equal to 40% of that Key Employee Vendor's Respective Proportion of the Completion Amount;

(b) an Other Vendor, the amount equal to 20% of that Other Vendor's Non-Earnout Amount;

(c) a KEV EST Holder, the amount equal to 40% of the KEV EST Holder's Respective Proportion of the Completion Amount;

(d) an OV EST Holder, the amount equal to 20% of the OV EST Holder's Non-Earnout Amount;

(e) each KEV CCO Holder, the amount equal to 40% of that KEV CCO Holders' Respective Proportion of the Completion Amount, /ess the aggregate Exercise Price applicable to all Options held by the KEV CCO Holder that are cancelled by the Target; and

(f) each OV CCO Holder, the amount equal to 20% of that OV CCO Holders' Non-Earnout Amount, /ess the amount of the Exercise Price payable in respect of the Options held by an OV CCO Holder that are cancelled by the Target (calculated in accordance with Schedule 13).

Unreleased Bank Guarantee has the meaning given to it in clause 5.10(c).

US GAAP means generally accepted accounting principles, policies, practices and procedures in the U.S.

Vendor Affiliates means, in respect of a Vendor, any person or trust that is:

(a) a fund manager, asset manager, investment advisor, general partner, ultimate general partner, managing member, trustee (to the extent that the trustee is affiliated with the fund manager, asset manager, or investment advisor in respect of the Vendor) or other similar person in respect of the Vendor;

(b) a Related Body Corporate of the Vendor or of a person described in paragraph (a) in relation to the Vendor (other than a Target Group Member or any other Vendor);

(c) an Associate of the Vendor or of any of the persons referred in paragraphs (a) or (b) of this definition (other than a Target Group Member); and

(d) any company, entity or other person owned by the Vendor or by any of the persons referred to in paragraphs (a), (b) or (c) of this definition (other than a Target Group Member);

(e) any trust or settlement of which the Vendor is a trustee (whether individually or jointly) or a beneficiary; and

(f) any person or trust managed or advised by any of the persons referred to in paragraphs (a), (b), (c), or (d) of this definition,

and **Vendor Affiliate** means any one of them.

Vendor Note has the meaning given to that term in clause 4.8.

Vendor Parties means:

(a) each Vendor Side Party;

(b) each Related Body Corporate of any of the persons referred to in paragraph (a) of this definition (other than a Target Group Member or any Vendor);

(c) each Associate of any of the persons referred to in paragraphs (a) or (b) of this definition (other than a Target Group Member); and

(u) a reference in this deed to Key Persons performing or refraining from performing an action, or procuring another party perform or refrain from performing an action in their capacity as a Key Person:

(i) will be taken to be satisfied if that Key Person takes all reasonable steps that are within his, her or its power, having regard to that Key Person's involvement in the Business (whether as an employee, director, consultant or otherwise) and the voting rights in the Target that it or its corresponding Vendor or EST Holder (as applicable) controls; and

(ii) does not operate to or in any way render the Key Person personally liable for any failure to procure performance of an action or inaction, provided that:

(A) the Key Person satisfies the requirements of paragraph (i); and

(B) this clause 1.2(u) shall not derogate from the Liability that any Key Person has under this deed as a Warrantor; and

(v) to the extent that a party (Relevant Party) enters into this deed in more than one capacity (for example that party is a KEV CCO Holder as well as being a Key Employee Vendor) (each such capacity a Relevant Capacity), that Relevant Party has the same obligations, and is entitled to the same rights, as each other party who enters into this deed in the same capacity as that Relevant Capacity, provided that to the extent the Relevant Party has a right or an obligation where such right or obligation is calculated by reference to their Respective Proportion, the Relevant Party's right or obligation (as applicable) will be limited to the Respective Proportion applicable to the specified Relevant Capacity to which the right or obligation relates.

1.3 Headings

Headings are for ease of reference only and do not affect interpretation.

1.4 Accounting and mathematical conventions

Except as otherwise expressly provided in this deed, when undertaking any calculation under this deed, customary mathematical and accounting conventions relevant to that calculation must be applied.

1.5 Deed

In connection with the entry into this deed, the parties have also entered into the deed included as Exhibit F.

1.6 Conversion rate

(a) All payments under or in connection with this deed shall be paid in ~~AUD~~USD.

() Unless expressly provided otherwise, where a calculation under, in connection with, or for the purposes of, this deed (including a calculation to comply with clause 1.6(a)) involves one or more amounts which are denominated in a currency other than ~~AUD~~USD, the calculation shall be performed~~,~~ or if. no calculation other than conversion is required, the payment will be made, in USD using, for such ~~non-AUD~~non-USD currency amounts, the ~~AUD~~USD equivalent of them determined by converting such other currency to ~~AUD~~USD on the basis of the exchange rate as published by the Reserve Bank of Australia at 4:00pm on the day that is two Business Days preceding the date of the anticipated payment -and, in the event the resulting conversion yields a number that extends beyond two decimal points, rounded down to the nearest cent.

() For the avoidance of doubt:

(i) any Debt, Cash, general ledger accounts and other components within the Estimated Working Capital, Estimated Adjustment Amount, Actual Adjustment Amount and Aggregate CCO Exercise Price will be calculated in AUD (and to the extent that any such amount is denominated in a currency other than AUD, such amount will be converted to AUD using the daily exchange rate as published by the

Reserve Bank of Australia for the day that is two Business Days preceding the Completion Date);

(ii) the Estimated Adjustment Amount and Aggregate CCO Exercise Price will be initially calculated in AUD under clause 1.6(c)(i) and, once calculated, converted to USD using the daily exchange rate as published by the Reserve Bank of Australia for the day that is two Business Days preceding the Completion Date (and the Completion Amount calculated using such amounts shall remain fixed in USD for all purposes under this deed);

(iii) the Actual Adjustment Amount will be initially calculated in AUD and once a calculated, converted to USD using the same daily exchange rate used to calculate the USD equivalent of the Estimated Adjustment Amount under clause 1.6(c)(i); and

(iv) the amounts in clause 4.3 must be converted from AUD to USD using the same daily exchange rate used to calculate the USD equivalent of the Estimated Adjustment Amount under clause 1.6(c)(i).

1.7 EST and EST Holders

Each EST Holder and its Key Person must:

(a) not give the EST any instruction or direction in relation to Sale Shares held by the EST on their behalf that would, or might reasonably be expected to, cause the EST to act in a manner that is inconsistent with, or in contravention of, any obligation of the EST under this deed; and

(b) give the EST such instructions or directions in relation to Sale Shares held by the EST on their behalf as are required to ensure compliance with this deed by the EST and the EST Holder.

1.8 Accession by OV EST Holders

The parties acknowledge and agree that following the date of this deed, a person who exercises their Options and acquires beneficial title to Shares which are legally owned by the EST, will be required as a condition precedent to receiving beneficial title to such Shares, to accede to this deed by duly executing a deed poll in substantially the same form as that annexed in Exhibit B and shall have no entitlement to any part of the Purchase Price until such executed deed poll has been provided to the Purchaser.

1.9 Target Shareholder approvals

By signing this deed, each Key Person, Vendor, KEV EST Holder and OV EST Holder irrevocably approves the transactions contemplated by this deed for the purposes of paragraph (g) of Part B, Schedule 2 of the Target Shareholders' Agreement and for all other purposes whether arising under the Target Shareholders' Agreement, the constitution of the Target or otherwise.

2. Conditions

2.1 Conditions

Completion must not occur unless and until all of the following Conditions are satisfied or waived in accordance with clause 2.2:

Condition (Column 1)			**Party entitled to benefit** (Column 2)
(a)	FIRB: (i)	Either the Treasurer of the Commonwealth of Australia (or his or her applicable. agent) has given a notice in writing to the effect that there are no objections under the FATA to the acquisition of the Sale Securities by the Purchaser in the manner contemplated by this deed, either	Not applicable.

(iii) pay to each OV EST Holder, that OV EST Holder's Earnout Payment 1 Amount (if any);

(iv) pay to each Key Employee Vendor that Key Employee Vendor's Earnout Payment 1 Amount; and

(v) procure that the Target pays to each CCO Holder that CCO Holder's Earnout Payment 1 Amount (if any) subject to and in accordance with Schedule 13 together with any additional payments required to be made to an OV CCO Holder for the purposes of clause 3(g)(i) of Schedule 13 (if applicable);

(d) subject to the conditions set out in Schedule 9 on the Earnout Payment 2 Date, the Purchaser must:

(i) pay to each Other Vendor that Other Vendor's Earnout Payment 2 Amount (if any);

(ii) pay to each KEV EST Holder, that KEV EST Holder's Earnout Payment 2 Amount (if any);

(iii) pay to each OV EST Holder, that OV EST Holder's Earnout Payment 2 Amount (if any);

(iv) pay to each Key Employee Vendor that Key Employee Vendor's Earnout Payment 2 Amount (if any); and

(v) procure that the Target pays to each CCO Holder that CCO Holder's Earnout Payment 2 Amount (if any) subject to and in accordance with Schedule 13 together with any payments required to be made to an OV CCO Holder for the purposes of clause 3(g)(i) of Schedule 13 (if applicable);

(e) subject to the conditions set out in Schedule 9, on the Earnout Payment 3 Date, the Purchaser must:

(i) pay to each Other Vendor that Other Vendor's Earnout Payment 3 Amount (if any);

(ii) pay to each KEV EST Holder, that KEV EST Holder's Earnout Payment 3 Amount (if any);

(iii) pay to each OV EST Holder, that OV EST Holder's Earnout Payment 3 Amount (if any);

(iv) pay to each Key Employee Vendor that Key Employee Vendor's Earnout Payment 3 Amount (if any); and

(v) procure that the Target pays to each CCO Holder that CCO Holder's Earnout Payment 3 Amount (if any) subject to and in accordance with Schedule 13 together with any additional payments required to be made to an OV CCO Holder for the purposes of clause 3(g)(i) of Schedule 13 (if applicable); and

(f) on the Actual Adjustment Payment Date, if clause 4.3 requires:

(i) the Purchaser to pay the Actual Adjustment Amount, the Purchaser must pay such amount in accordance with clause 4.3(a)(ii) to the Vendors, EST Holders and CCO Holders; or

(ii) the Vendors, EST Holders and CCO Holders to pay the Actual Adjustment Amount, the Vendors must pay such amount in accordance with clause 4.3(b),

provided that payments made pursuant to clauses 4.2(b) to 4.2(e) shall be rateably reduced by any applicable employment tax on-costs (including Payroll Tax and payroll Taxes in other jurisdictions) in respect of the cancellation for cash or exercise of the Options in connection with the Transaction that becomes or that the Purchaser reasonably expects to become payable in connection with the payment the subject of the rateable reduction after the Completion Date (but excluding any amounts already ~~taking~~taken into account in the definition of Debt for the purpose of the Adjustment Statement).

4.3 True-up following finalisation of the Adjustment Statement

Subject to clause 4.6, on the Actual Adjustment Payment Date, if the Actual Adjustment Amount is:

(a) a positive number which is:

(i) less than $50,000, then no payment is required to be made by any party in respect of the Actual Adjustment Amount; or

(ii) greater than or equal to $50,000, then the Purchaser must pay to each Vendor and EST Holder and procure that the Target pays to each CCO Holder (or as directed by each Vendor, EST Holder and CCO Holder as applicable) the amount equal to that party's Respective Proportion of the Actual Adjustment Amount in accordance with clause 4.5;

(b) a negative number, the absolute value of which is:

(i) less than $50,000, then no payment is required to be made by any party in respect of the Actual Adjustment Amount; or

(ii) greater than or equal to $50,000, then the Vendors, EST Holders and ~~KEV~~CCO Holders' obligations to pay such amount to the Purchaser must be satisfied:

(A) in the first instance, by way of a deduction of the relevant amount in each such party's Respective Proportion from the Deferred Payments otherwise payable but not yet paid to each such party (as applicable), and if such amount is not sufficient (or the Vendor, EST Holder or ~~KEV~~CCO Holder, as applicable, has no entitlement to a Deferred Payment), by way of deduction of the relevant amount in each such party's Respective Proportion from the Earnout Payments otherwise payable to that Vendor, EST Holder or ~~KEV~~CCO Holder (and for the purpose of making a deduction against an Earnout Payment Amount under this clause only, each Vendor, EST Holder and ~~KEV~~CCO Holder (as applicable) will be taken to have received an amount equal to the Earnout Payment Cap for each Earnout Payment Amount payable but not yet paid and such deduction will be deemed to be good discharge of the obligation to pay such amount to the Purchaser even if the Earnout Payment Amount that would otherwise have been payable to the Vendor, EST Holder and/or ~~KEV~~CCO Holder (as applicable) is ultimately determined to be less than the Earnout Payment Cap), and if the Purchaser makes a deduction from a Deferred Payment or Earnout Payment Amount under this clause, the Purchaser will procure that the Target deduct from a Deferred Payment or Earnout Payment Amount payable but not yet paid to an OV CCO Holder an amount equal to the OV CCO Holder's Respective Proportion of the relevant amount (and for the purpose of making a deduction against an Earnout Payment Amount under this clause only, each OV CCO Holder will be taken to have received an amount equal to the Earnout Payment Cap for each Earnout Payment Amount, even if the Earnout Payment Amount that would otherwise have been payable to the OV CCO Holder is ultimately determined to be less than the Earnout Payment Cap); and

(B) in respect of any balance, by the Warrantor making a payment in immediately available funds without counter-claim or set off on the Actual Adjustment Payment Date; or

(c) zero, then no payment is required to be made by any party in respect of the Actual Adjustment Amount.

4.4 Key Employee Vendors paid as an Other Vendor

If prior to Earnout Payment 3 Date a Key Employee Vendor (or that Key Employee Vendor's Key Person, as applicable), KEV EST Holder (or that KEV EST Holder's Key Person as applicable) or KEV CCO Holder (or that KEV CCO Holder's Key Person as applicable) ceases to be employed or engaged by a Purchaser Group Member (**Termination Date**) because:

ALTERNATIVE EXEMPTION FROM REGISTRATION UNDER THE ACT, THESE SHARES MAY NOT BE SOLD, REOFFERED, PLEDGED, ASSIGNED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF."

(g) Notwithstanding clause 4.5(c), the Purchaser shall not have the right to satisfy any obligation to make any payment to an Equity Settled Vendor of all or any portion of any Deferred Payment or Earnout Payment arising in respect of that Equity Settled Vendor's Cancelled Options by procuring that the Purchaser Parent issue Purchaser Parent Shares.

4.6 Vendor and EST Holder directions

Each Vendor and EST Holder irrevocably and unconditionally:

(a) Each Vendor and EST Holder irrevocably and unconditionally:

(i) subject to the clauses 1.1(a), nominates, for the purposes of clauses 4.2, 4.3, 4.4 and 4.5, and all other purposes under this deed, the Nominated Account as the account into which any amount payable under this deed by the Purchaser to the Vendor or EST Holder is to be paid;

(ii) subject to the clause 1.1(a), directs the Purchaser to pay to the Nominated Account any amount payable under this deed by the Purchaser to the Vendor or EST Holder; and

(iii) acknowledges and agrees that the payment by the Purchaser to the Nominated Account of any amount payable under this deed by the Purchaser to the Vendor or EST Holder will constitute good and sufficient discharge of, and will be in full and final satisfaction of, the Purchaser's obligation to pay any such paid amount to the Vendor or EST Holder.

(b) ~~Each Vendor and EST Holder irrevocably and unconditionally:~~Not used.

~~(c) directs the Purchaser to pay to the Target (as an interest free loan from that Vendor or EST Holder, as applicable) an amount from the Vendor's and EST Holder's Upfront Payment which is equal to that Vendor's or EST Holder's UK Liability Proportion of the following amount:~~

~~(d)~~ 

~~(e) where:~~

~~(f) *A* equals the UK Option Tax Liability~~

~~(g) *B* equals the aggregate Upfront Payment to be paid by the Target to UK Option Holders (ignoring the effect of clause 2(e)(i) of Schedule 13); and~~

~~(h) *C* equals the UK Option Tax Proportion,~~

~~(i) (the aggregate amount directed by each Vendor and EST Holder being the **UK Loan Amount**);~~

~~(j) acknowledges and agrees that the payment by the Purchaser to the Target of the amount specified in clause 4.6(b)(i) will constitute good and sufficient discharge of, and will be in full and final satisfaction of, the Purchaser's obligation to pay that part of the Vendor's or the EST Holder's Upfront Payment which equals the UK Loan Amount of the Vendor or EST Holder.~~

(c) ~~(k)~~ Each EST Holder irrevocably and unconditionally directs the Purchaser to pay to the Target an amount equal to the aggregate Exercise Price for all Options exercised by the EST Holder from the EST Holder's Upfront Payment, and to the extent the Exercise Price exceeds the Upfront Payment, from each subsequent Deferred Payment an amount equal to the outstanding balance of the Exercise Price, until such time that the full amount of the Exercise Price has been directed to the Target.

4.7 Not used.

~~4.7 Payment of the UK Option Tax Liability~~

~~4.8 The Purchaser must procure that amounts equal to any UK Withheld Amounts that are withheld by the Target Group after Completion pursuant to paragraph 2(d) of Schedule 13 are paid by the Target to the Vendors and EST Holders in repayment of the UK Loan Amounts advanced under clause 4.6(b)(i).~~

~~4.9 Each Vendor and EST Holder irrevocably and unconditionally:~~

~~4.10 nominates the Nominated Account as the account into which any amounts payable under clause 43.7(a) to the Vendor or EST Holder is to be paid; and~~

~~4.11 directs the Purchaser to procure the payment to the Nominated Account of any amount payable under clause 4.47A9) to the vendor or EST Holder; and~~

~~4.12 acknowledges and agrees that the payment by the Purchaser to the Nominated Account of any amount payable under clause 4.7(a) to the Vendor or EST holder will constitute good and sufficient discharge of, and will be in full and final satisfaction of, the UK Loan Amounts advanced under clause 43.6(b)(i).~~

4.8 ~~4.13~~Certain US income tax matters

(a) Notwithstanding anything to the contrary in this deed, each party to this deed agrees:

(i) that any instalment obligation, earnout note, or other deferred payment obligation issued pursuant to this deed (each, a **Vendor Note**) will be in registered form within the meaning of Sections 871(h) and 881(c) of the Code; and

(ii) to use reasonable endeavours to (i) ensure that any stated or unstated interest (including original issue discount or interest deemed to arise under Sections 453, 483, or 1274 of the Code) payable on any Vendor Note may qualify as portfolio interest within the meaning of Sections 871(h) and 881(c) of the Code, to the maximum extent permitted by applicable law (with the parties acknowledging that the Vendor Notes may or may not so qualify), and at the sole discretion of Purchaser (ii) if such Vendor Notes do so qualify (each, a Qualifying Vendor Note) and subject to compliance by the Vendors with clause 4.8(b), to administer each **Qualifying Vendor Note** in a commercially reasonable manner, consistent with applicable law. The Appointed Representative shall be entitled, upon reasonable notice, to observe or be reasonably informed of the Purchaser's assessment process regarding such determination; provided that such observation shall not obligate the Purchaser to adopt any particular position or take any action contrary to its obligations as withholding agent or applicable law.

(b) Each Vendor shall deliver, and the Purchaser shall be permitted to rely upon, valid and properly completed IRS Forms W-8BEN, W-8BEN-E, W-8IMY, W-8EXP, or any applicable successor forms, together with any additional certifications reasonably requested by the Purchaser to establish eligibility for portfolio interest treatment.

(c) If the Purchaser reasonably determines that it is required to deduct or withhold any such taxes on interest paid on a Vendor Note, the Purchaser shall provide prompt written notice to the applicable Vendor of any missing, deficient, or expiring documentation and shall afford the Vendor a reasonable opportunity to cure prior to withholding. Moreover, the Purchaser shall use reasonable endeavours to avoid or reduce any withholding, including by cooperating in good faith with any reasonable restructuring or documentation requested by the Vendor that preserves portfolio interest treatment, only to the extent permitted under applicable law.

(b) For the purposes of this clause 5.10, 'reasonable steps' includes the Target or (at the request of the relevant Third Party) another Target Group Member providing the relevant Third Party with a replacement for the Bank Guarantee or other collateral effective from Completion with an equivalent face value and otherwise on terms satisfactory to the Third Party, where the original Bank Guarantee is delivered to the issuer of the original Bank Guarantee, or the Cash-Backing is released, at Completion.

(c) If a Bank Guarantee or Cash-Backing (as applicable) has not been released by the Third Party in whose favour the Bank Guarantee has been issued by Completion (such Bank Guarantee being an Unreleased Bank Guarantee):

(i) the Purchaser indemnifies the Warrantors in relation to any Liability incurred by the Warrantors in relation to a Claim against the Unreleased Bank Guarantee for any obligation of a Target Group Member arising on or after the Completion Date; and

(ii) the parties to this deed must each continue to take reasonable steps to ensure such release is obtained as soon as practicable after the Completion Date and, in respect of Cash-Backing, the Purchaser procures that the Target pays to the Warrantors, in their Respective Proportion, the amount of the cash the subject of the Cash-Backing within five Business Days of the release of the Cash-Backing.

(d) For the purposes of this clause 5.10, 'reasonable steps' includes the Purchaser providing the relevant Third Party with a replacement guarantee or security on terms the same or substantially the same as the terms of the Unreleased Bank Guarantee.

5.11 Vendors' Completion Certificate

(a) On the day being 7 Business Days prior to the Scheduled Completion Date, the Vendors must deliver to the Purchaser a certificate, in substantially the form set out in Schedule 8, signed by the Appointed Representative (**Vendors' Completion Certificate**) certifying and setting out each of the following:

(i) the Vendor Side Parties' bona fide and reasonable estimate of each of the following:

(A) the Working Capital (**Estimated Working Capital**);

(B) the Cash (**Estimated Cash**); and

(C) the Debt (which, for the avoidance of doubt, includes estimated amounts of Payroll Tax and payroll Taxes in other jurisdictions) (**Estimated Debt**); and

(ii) the amount equal to:

(A) the Estimated Net Debt;

(B) the Estimated Adjustment Amount;

(C) the Completion Amount;

(D) the Option Cancellation Amount; and

(E) in respect of each Vendor, EST Holder and CCO Holder:

(I) the Upfront Payment relating to that party; and

(II) the maximum of each Earnout Payment related to that party; and

(F) in respect of each Other Vendor, OV EST Holder and OV CCO Holder, the amount of each Deferred Payment relating to that party.

(b) Without limiting clause 5.6, prior to the delivery of the Vendors' Completion Certificate by the Appointed Representative to the Purchaser pursuant to clause 5.11(a), the Vendor Side Parties must and must procure the Appointed Representative:

(i) consult with the Purchaser and its Representatives in connection with the Vendor Side Parties preparation of the Vendors' Completion Certificate (including the calculation and/or determination of any estimates or other amounts required to be set out in the Vendors' Completion Certificate) and incorporate in the Vendors' Completion Certificate:

(c) The Appointed Representative and the Purchaser must negotiate in good faith with a view to resolve the Disputed Matters within 10 Business Days of the Purchaser giving the Response to the Appointed Representative (or within such longer period as may be agreed in writing by the Appointed Representative and the Purchaser) (**Dispute Settlement Period**).

(d) If all of the Disputed Matters are resolved by agreement between the Appointed Representative and the Purchaser within the Dispute Settlement Period, the draft Adjustment Statement (together with any amendments agreed by the Appointed Representative and the Purchaser during the Dispute Settlement Period) will be taken to be agreed by the Vendor Side Parties and the Purchaser as the final Adjustment Statement and each of the Actual Net Debt, the Actual Working Capital and the Actual Adjustment Amount set out in that final Adjustment Statement will be final and binding on the Vendor Side Parties and the Purchaser.

(e) If the Appointed Representative and the Purchaser have not resolved all of the Disputed Matters within the Dispute Settlement Period, those of the Disputed Matters that have not been resolved (**Remaining Disputed Matters**) must, promptly following the expiry of the Dispute Settlement Period, be submitted for determination to the Independent Accountant.

(f) The Independent Accountant must be appointed by agreement between the Appointed Representative and the Purchaser. If the Appointed Representative and the Purchaser cannot agree on the appointment of the Independent Accountant within 10 Business Days of the expiry of the Dispute Settlement Period, then either the Appointed Representative or the Purchaser must request that the RI President nominates the Independent Accountant.

(g) If either the Appointed Representative or the Purchaser requests that the RI President nominate the Independent Accountant, the Appointed Representative and the Purchaser must comply with all requirements of the RI President for the provision of that nomination, including by providing the RI President with:

(i) a copy of relevant provisions of this deed;

(ii) a description of the Remaining Disputed Matters; and

(iii) the approximate value of each of, and the technical area or areas involved in respect of, the Remaining Disputed Matters.

(h) The person nominated by the RI President to be the Independent Accountant must be appointed by the Vendor Side Parties (acting through the Appointed Representative) and the Purchaser as the Independent Accountant. If the RI President nominates a list of persons to be appointed as the Independent Accountant rather than one particular person, the first person named on that list must be appointed as the Independent Accountant.

(i) The Remaining Disputed Matters and a determination regarding the Independent Accountant's costs must be referred to the Independent Accountant by written submission which must include:

(i) the draft Adjustment Statement, the Dispute Notice, the Response and an extract of the relevant provisions of this deed; ~~and~~

(ii) separate written submissions of the Vendor Side Parties (acting through the Appointed Representative) and the Purchaser setting out their positions on the Remaining Disputed Matters~~,~~ including submissions amended with the benefit of the Independent Lawyer's opinion received under clause 7.5(i)(iii);

(iii) if a Remaining Disputed Matter relates to payroll Taxes owing or payable in any jurisdiction by the Target Group in connection with options exercised and held by the EST, or cancelled, under this Transaction, at either the Purchaser or Appointed Representative's request, the Independent Account must obtain, in respect of each such jurisdiction, an opinion from an Independent Lawyer as to the correct application of relevant payroll Tax Law to the facts and circumstances underpinning or related to this Remaining Disputed Matter on the balance of probabilities.

(j) The Independent Accountant must also be instructed to finish its determination as soon as reasonably practicable, but no later than 30 Business Days after the Independent

Accountant's appointment (or such other period as may be agreed in writing by the Appointed Representative and the Purchaser).

(k) The Independent Accountant must make its determination based solely on the information provided to or procured by them under clause 7.5(i), and not by independent review. All correspondence between the Independent Accountant and the Vendor Side Parties must be copied to the Purchaser and all correspondence between the Independent Accountant and the Purchaser must be copied to the Appointed Representative.

(l) The Independent Accountant must act as an expert and not as an arbitrator. To the extent the Independent Accountant's determination purports to make any determination with respect to anything other than the Remaining Disputed Matters or which is inconsistent with an Independent Lawyer's opinion received under clause 7.5(i)(iii), any such determination will be disregarded by the Vendor Side Parties and the Purchaser for all purposes in connection with the Adjustment Statement.

(m) The Independent Accountant's determination with regards to each Remaining Disputed Matter must be in the form of a single value that the Independent Accountant determines should be reflected in the Adjustment Statement. If the Independent Accountant provides its determination with regards to any Remaining Disputed Matter in the form of a range of values, the mid-point of the range of values that the Independent Accountant determined will be used instead.

(n) The written determination of the Independent Accountant will be final and binding on the Vendor Side Parties and the Purchaser in the absence of manifest error and subject to the Tax Ruling.

(o) The draft Adjustment Statement will be deemed to be amended:

(i) to reflect any amendments agreed by the Appointed Representative and the Purchaser in respect of the Disputed Matters during the Dispute Settlement Period; and

(ii) in accordance with the written determination of the Independent Accountant in respect of the Remaining Disputed Matters,

and taken to be agreed by the Vendor Side Parties and the Purchaser as the final Adjustment Statement and each of the Actual Net Debt, the Actual Working Capital and the Actual Adjustment Amount set out in that final Adjustment Statement will be final and binding on the Vendor Side Parties and the Purchaser.

7.6 Costs

(a) Subject to clause 7.6(b), the Vendor Side Parties and the Purchaser will each bear their own respective costs in relation to the preparation and settlement of the Adjustment Statement and the determination of the Independent Accountant in relation to the Adjustment Statement.

(b) The costs of:

(i) the RI President (if requested) in providing his or her nomination of the Independent Accountant relating to the Adjustment Statement will be borne equally by the Purchaser, on the one hand (i.e. as to half the costs) and the Vendor Side Parties, on the other (i.e. as to half the costs); and

(ii) the Independent Accountant (if instructed),

will be borne by Purchaser, on the one hand, and by the Vendor Side Parties, on the other, in accordance with the determination provided by the Independent Accountant, and the parties will instruct the Independent Accountant to provide such a determination regarding its costs. If the Independent Accountant does not provide any determination regarding the allocation of its costs, the costs will be borne equally by the Purchaser, on the one hand (i.e. as to half the costs), and the Vendor Side Parties, on the other (i.e. as to half the costs).

(vi) to the extent that Qualifying Claims exceed the Deductible, the Purchaser may make a Claim against the Warrantors (in their Respective Proportions) in respect of an amount equal to US$718,750. In the event that a Warrantor is liable to pay an amount to the Purchaser in respect of such Claims, this obligation must be satisfied:

(A) in the first instance, by way of a deduction of the relevant amount in the Warrantor's Respective Proportion from the Deferred Payments otherwise payable but not yet paid to ~~that Warrantor (if~~ each such party (as applicable), and if such amount is not sufficient (or the Warrantor has no entitlement to a Deferred Payment), by way of deduction of the relevant amount in each such party's Respective Proportion from the Earnout Payments payable but not yet paid to that Warrantor (and for the purpose of making a deduction against an Earnout Payment Amount under this clause only, the Warrantor will be taken to have received an amount equal to the Earnout Payment Cap for each Earnout Payment Amount payable but not yet paid and such deduction will be deemed to be good discharge of the obligation to pay such amount to the Purchaser even if the Earnout Payment Amount that would otherwise have been payable to the Warrantor is ultimately determined to be less than the Earnout Payment Cap), and if the Purchaser makes a deduction ~~against~~from a Deferred Payment or Earnout Payment Amount under ~~the foregoing~~ this clause, the Purchaser may procure that the Target deduct from a Deferred Payment or Earn Out Payment Amount payable but not yet paid to ~~an OV~~a CCO Holder an amount equal to the ~~OV~~ CCO Holder's Respective Proportion of the relevant amount (and for the purpose of making a deduction against an Earnout Payment Amount payable but not yet paid to a CCO Holder under this clause only, each ~~OV~~ CCO Holder will be taken to have received an amount equal to the Earnout Payment Cap for each Earnout Payment Amount, even if the Earnout Payment Amount that would otherwise have been payable to the ~~OV~~ CCO Holder is ultimately determined to be less than the Earnout Payment Cap); and

(B) in respect of any balance owing after Earnout Payment Date 3, by the Warrantor making a payment in immediately available funds within 5 Business Days being notified of the Claim by the Purchaser;

(vii) to the extent required to permit or facilitate a Subject Claim by the Purchaser under the W&I Insurance Policy and only on the basis that a Warrantor must have no Liability in relation to the facts and circumstances of that Claim beyond AU$1.00; and

(viii) to the extent that the Purchaser makes a Specific Indemnity Claim against a Warrantor; and

(c) for the avoidance of doubt, any failure by the Purchaser to obtain warranty and indemnity insurance (including the W&I Insurance Policy) will not in any way limit, affect or otherwise prejudice clauses 10.2(a) and 10.2(b).

10.3 Fraud

The Purchaser is not prevented under any provision of this deed from making a Fraud Claim against a Warrantor who is alleged to have engaged in the conduct giving rise to the Fraud Claim, and in respect of those rights of recovery arising out of or relating to the conduct of that Warrantor giving rise to the Fraud Claim, provided that the conduct of a Warrantor giving rise to a Fraud Claim will not give rise to any right to make a Claim against another Warrantor who has not engaged in that conduct.

(i) in the first instance, by way of a deduction of the relevant amount in the Warrantor's Respective Proportion from the Deferred Payments ~~(if~~otherwise payable but not yet paid to each such party (as applicable), and if such amount is not sufficient (or the Warrantor has no entitlement to a Deferred Payment), by way of deduction of the relevant amount in each such party's Respective Proportion from the Earnout Payment Amounts (and for the purpose of making a deduction against an Earnout Payment Amount under this clause only, each Warrantor will be taken to have received an amount equal to the Earnout Payment Cap for each Earnout Payment Amount payable but not yet paid to that Warrantor and such deduction will be deemed to be good discharge of the obligation to pay such amount to the Purchaser even if the Earnout Payment Amount that would otherwise have been payable is ultimately determined to be less than the Earnout Payment Cap), and if the Purchaser makes a deduction ~~against~~ from a Deferred Payment or Earnout Payment Amount under this clause, the Purchaser may procure that the Target deduct from a Deferred Payment or Earn Out Payment Amount payable but not yet paid to ~~an OV~~a CCO Holder an amount equal to ~~what~~ the ~~OV~~ CCO Holder's Respective Proportion of the Indemnified Loss (and for the purpose of making a deduction against an Earnout Payment Amount payable but not yet paid to ~~an OV~~a CCO Holder under this clause only, each ~~OV~~ CCO Holder will be taken to have received an amount equal to the Earnout Payment Cap for each Earnout Payment Amount, even if the Earnout Payment Amount that would otherwise have been payable to the CCO Holder is ultimately determined to be less than the Earnout Payment Cap); and

(ii) in respect of any balance, by the Warrantor making a payment in immediately available funds without counter-claim or set off within five Business Days of receiving a notice under clause 9.11.

(b) For the avoidance of doubt the Specific Indemnities are not limited by the qualifications and limitations against the Warranties in clause 9 unless expressly stated otherwise in that clause. Under no circumstances can the Purchaser recover from a Warrantor more than its Respective Proportion of the Purchase Price to the extent actually received by that Warrantor in respect of all Claims under this deed.

(c) The parties agree that the Specific Indemnities are limited as follows:

(i) the Warrantors maximum aggregate liability as a result of a Claim under a Specific Indemnity is limited to US$30 million other than with respect to particular Specific Indemnities for which the parties agree a higher limit; and

(ii) clauses 9.7(b), 9.8(b)(i) and 9.10 and such other limitations as are agreed in writing between the parties, shall apply to Claims under the Specific Indemnities.

(d) The parties agree that any Claims or Loss or other alleged liability under the Specific Indemnities are subject to the Conduct of Third Party Claims regime as is agreed in writing between the parties (provided that the prior consent of the Purchaser to a settlement is not required).

13 Purchaser Warranties

13.1 Representations

The Purchaser, the Guarantor and the Purchaser Parent each represent and warrant to each Vendor Side Party that each of the Purchaser Warranties are true and accurate.

13.2 When Purchaser Warranties given Each Purchaser Warranty is given:

(a) to the extent that the Purchaser Warranty is expressed to be given as at a particular date or dates only, on that date or dates only; and

(b) in respect of each other Purchaser Warranty, on the date of this deed and as at Completion.

15.2 Vendor Side Party access to Records

(a) Subject to the Vendor Side Parties complying with any reasonable steps requested by the Purchaser to preserve confidentiality, the Purchaser must at all reasonable times, upon that Vendor Side Party giving reasonable notice, grant to that Vendor Side Party or any of its Representatives (at that Vendor Side Party's cost) access to such Records and the right to take copies of such Records:

(i) that are relevant to any investigation by a Governmental Authority or any litigation that is actual, pending or threatened at Completion or relates to the period prior to Completion, in each case to the extent relating to that Vendor Side Party only and only in relation to the period prior to Completion (unless the Vendor Side Party demonstrates that Records relating to the post-Completion period are relevant);

(ii) for the purpose of dealing with the accounting, Tax, financial or insurance affairs of that Vendor Side Party;

(iii) necessary for the Vendor Side Party to comply with any applicable law (including any applicable Tax Law) and for the purpose of assisting that Vendor Side Party to prepare Tax or other returns, accounts or other financial statements required of that Vendor Side Party by law or any other regulatory requirements of any Governmental Authority; or

(iv) as may be reasonably required for the purpose of that Vendor Side Party complying with that Vendor Side Party obligations or exercising its rights under this deed.

(b) The Purchaser must use reasonable endeavours to ensure that all Records are preserved and accessible until and including the date that such Records are required by any applicable law to be retained.

(c) Nothing in this clause 15.2 obliges any Purchaser Group Member to provide access to, or to permit copies to be taken of, any Relevant Records where such access or right may prejudice any legal professional privilege which may exist.

15.3 Release

(a) To the fullest extent permitted by law, with effect on and from Completion, the Vendor Side Parties waive (and must procure that each Vendor Side Party waives) all rights and Claims that they may have personally against each Target Group Member and any current and former officers and employees of any Target Group Member (**Group Personnel**) (in each case when acting in that capacity and when relating to any Target Group Member, the Business or any activities, omissions, facts, matters or circumstances relating to the period before Completion), or in relation to any matter arising directly or indirectly in connection with the Transaction (including rights and Claims under the terms of the Sale Securities, Options, SAFEs, the Non-Exchanging SAFE, 1V Warrant Deed, Equity Plans and otherwise in connection with the transactions contemplated by clause 5.14), except to the extent that those rights or Claims arise out of the fraud of any Target Group Member or any Group Personnel.

(b) The parties acknowledge and agree that:

(i) the Purchaser has sought and obtained this waiver as agent for and on behalf of each Target Group Member and each Group Personnel and holds the benefit of this clause 15.3 as trustee for them; and

(ii) the provisions of this clause 15.3 may be enforced by the Purchaser on behalf of and for the benefit of the Target Group Members and the Group Personnel and those persons may plead this clause 15.3 in answer to any Claim made by the Vendor Side Parties or any Vendor Party against them.

15.4 Payroll Tax

(a) The Purchaser must:

(i) no later than two months after the Completion Date, procure that the Target Group:

(A) prepare applications for binding rulings from all relevant Tax Authorities on the application of payroll Tax Laws in Australian jurisdictions and the liability of the Target Group to pay such payroll Taxes in connection with the exercise or cash cancellation of Options in connection with this Transaction (collectively, **Tax Ruling**) and provide the Appointed Representative with a copy of the draft Tax Ruling application prior to its lodgement with the relevant Tax Authority and incorporate the Appointed Representative's reasonable comments; and

(B) obtain any necessary valuations in connection with the Options;

(ii) keep the Appointed Representative reasonably informed of all matters relating to the Tax Ruling; and

(iii) no later than 10 Business Days following receipt of the final Tax Ruling from a relevant Tax Authority, promptly notify the Appointed Representative in writing of the receipt of the Tax Ruling and the quantum of the Payroll Tax liability implied by the Tax Ruling and the valuations referred to in clause 15.4(a)(i)(B) (**Tax Ruling Payroll Tax Amount**).

(b) Following the notification under clause 15.4(a)(iii)

(i) the Purchaser will rateably reduce any payments otherwise payable pursuant to clause 4.2 by each payee's Respective Proportion of all Third Party costs incurred by a Purchaser Group Member in relation to pursuing the Tax Ruling matters and all actions of a Purchaser Group Member under or in connection with this clause 15.4 following Completion (including the costs of any necessary valuation);

(ii) if the Tax Ruling Payroll Tax Amount is greater than the Actual Payroll Tax Amount, then the Vendors, EST Holders and CCO Holders must pay an amount equal to the difference between those amounts to the Purchaser, as follows:

(A) in the first instance, by way of a deduction by the Purchaser, or by the relevant Target Group Member as procured by the Purchaser (in the case of OV CCO Holders), of the relevant amount in each such party's Respective Proportion from the Deferred Payments otherwise payable but not yet paid to each such party (as applicable);

(B) in the second instance, if any amount deducted pursuant to clause 15.4(b)(ii)(A) is not sufficient (or the Vendor, EST Holder or CCO Holder, as applicable, has no entitlement to a Deferred Payment), by way of deduction by the Purchaser, or by the relevant Target Group Member as procured by the Purchaser (in the case of OV CCO Holders), of the relevant amount in each such party's Respective Proportion from the Earnout Payments otherwise payable to that Vendor, EST Holder or CCO Holder, provided that, for the avoidance of doubt, if the amount entitled to be deducted from any such party exceeds an Earnout Payment payable to that party, any remaining balance may be deducted from subsequent Earnout Payments otherwise payable to that party, if any; and

(C) in the third instance, if no further Deferred Payments or Earnout Payments are due to any Vendor, EST Holder or CCO Holder, or, the amount recoverable pursuant to clauses 15.4(b)(ii)(A) and 15.4(b)(ii)(B) is insufficient with respect to such parties, then by way of a separate payment to the Purchaser within 10 Business Days of the notification under clause 15.4(a)(iii); and

(iii) if the Tax Ruling Payroll Tax Amount is less than the Actual Payroll Tax Amount, the Purchaser must pay, or must procure that the relevant Target Group Member (as applicable) pays, an amount equal to the difference between those amounts (subject to reimbursement of such amounts from the applicable Government Agency) to the Vendors, EST Holders and CCO Holders, in their Respective Proportion:

(A) on the next date a Deferred Payment or Earnout Payment is due to be paid to that Vendor, EST Holder or CCO Holder; or

(B) if no further Deferred Payments or Earnout Payments are due to any Vendor, EST Holder or CCO Holder, then as a separate payment within 10 Business Days of the Purchaser notifying the Appointed Representative under clause 15.2(a)(iii); and

in, each case, in accordance with the principles under this deed which apply to payments from the Purchaser or relevant Target Group Member, including but not limited to those principles set out in clauses 4.6, 10.2(b)(vi) and clause 12.1 and Schedule 13.

16. Confidentiality and publicity

16.1 Confidentiality

(a) Each party must keep confidential any Confidential Information of each other party, including:

(i) the existence and the terms of this deed and each document referred to, or entered into in connection with, this deed, including details or information relating to the consideration payable or paid to or otherwise received or receivable by a party in connection with the Transaction;

(ii) any discussions or correspondence between the parties or any of their Representatives that have taken place in relation to the transactions contemplated by this deed; and

(iii) any information which, either orally or in writing, is agreed, designated or indicated as being confidential information of the disclosing party or any of its Representatives.

(b) Obligations of confidentiality under clause 16.1(a) do not apply:

(i) to those Representatives of the recipient or Related Bodies Corporate of the recipient who have a need to know for the purposes of this deed and/or in connection with the Transaction (and in each case, on a confidential basis);

(ii) if disclosure of the Confidential Information is required by law or the rules of a recognised stock or securities exchange (provided that any such disclosure is made after prior consultation with the other parties, or in the case of the Vendor Side Parties, the Appointed Representative);

(iii) where the disclosure is required for use in legal proceedings regarding the Transaction or under the W&I Insurance Policy;

(iv) if prior to the disclosure, the written approval of the Purchaser and the Appointed Representative is obtained;

(v) if the recipient is required to make a disclosure by this deed, but only to the extent reasonably required to comply with the relevant requirement under this deed; and

(vi) in the case of a Vendor that is or holds the Sale Shares on behalf of, a fund, partnership, unit trust or any other fund vehicle (**Fund Vendor**), where the disclosure is to any manager, adviser, trustee, custodian, nominee, member, investor, general partner, limited partner, unitholder of or in that fund, partnership, unit trust or fund vehicle or any investment advisory, co-investment or similar committee in respect of the relevant fund, partnership, unit trust or fund vehicle and is either:

(A) required by the terms of any trust deed, limited partnership agreement or other fund document in effect as at the date of this deed; or

(B) reasonably necessary in the proper administration of the fund, partnership, unit trust or other fund vehicle (including in connection with reporting to investors),

in each case on a confidential basis.

Schedule 1 – Parties (clause 1.1)

Part A – Vendors and their Key Persons
[***]

Part B – KEV EST Holders and their Key Persons
[***]

Part C – OV EST Holders and their Key Persons
[***]

Schedule 2 – KEV CCO Holders
[***]

Schedule 8 – Vendors' Completion Certificate (clause 5.11)
[***]

Schedule 13 – Treatment of Options
[***]

EXHIBIT 31.1
CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Andrew Dudum, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 of Hims & Hers Health, 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 period presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers 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 controls over financial reporting.

Date: August 10, 2026

By: /s/ Andrew Dudum
Andrew Dudum
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2
CERTIFICATION
PURSUANT TO RULE 13a-14 AND 15d-14
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Oluyemi Okupe, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 of Hims & Hers Health, 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 period presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers 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 controls over financial reporting.

Date: August 10, 2026

By: /s/ Oluyemi Okupe
Oluyemi Okupe
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1
CERTIFICATION PURSUANT TO
18 U.S.C. 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

In connection with the Quarterly Report of Hims & Hers Health, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

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

Date: August 10, 2026

/s/ Andrew Dudum
Andrew Dudum
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2
CERTIFICATION PURSUANT TO
18 U.S.C. 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

In connection with the Quarterly Report of Hims & Hers Health, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

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

Date: August 10, 2026

/s/ Oluyemi Okupe
Oluyemi Okupe
Chief Financial Officer
(Principal Financial Officer)