



GoodRx

41st Annual J.P. Morgan Healthcare Conference

January 2023

Disclaimer

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation that do not relate to matters of historical fact should be considered forward-looking statements, including without limitation statements regarding our future operations, growth and financial results, the benefits to consumers or GoodRx of our offerings and our agreements with partners, customers and other entities, underlying trends in our business, the impact of the grocer issue on our future financial results and businesses, our telehealth and manufacturer solutions businesses, the impact of our recent consumer engagement efforts, the impact of macroeconomic conditions on our future results of operations, the impacts of cost savings initiatives, the benefits of cross-selling products, our relationships with industry participants and partners, the anticipated impact of COVID-19 on our business, post COVID-19 trends, our potential for growth (including from acquisitions), demand for our offerings, our strategic growth priorities, including our 2023 priorities, and future offerings, future financial results, collaborations and partnerships with third parties, and our strategy. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements, including, but not limited to, risks related to our limited operating history and early stage of growth; our ability to achieve broad market education and change consumer purchasing habits; our ability to continue to attract, acquire and retain consumers in a cost-effective manner; our reliance on our prescription transactions offering and ability to expand our offerings; changes in medication pricing and pricing structures; our inability to control the categories and types of prescriptions for which we can offer savings or discounted prices; our reliance on a limited number of industry participants; the competitive nature of industry; risks related to pandemics, epidemics or outbreak of infection disease, including the COVID-19 pandemic; the accuracy of our estimate of our total addressable market and other operational metrics; the development of the telehealth market; our ability to maintain and expand a network of skilled telehealth providers; risks related to negative media coverage; our ability to respond to changes in the market for prescription pricing and to maintain and expand the use of GoodRx codes; our ability to maintain positive perception of our platform and brand; risks related to any failure to maintain effective internal control over financial reporting; risks related to use of social media, emails, text messages and other messaging channels as part of our marketing strategy; our ability to accurately forecast revenue and appropriately plan our expenses in the future; risks related to information technology and cybersecurity; compliance with government regulation of the internet, e-commerce and data and other regulations; our ability to utilize our net operating loss carryforwards and certain other tax attributes; our ability to attract, develop, motivate and retain well-qualified employees; risks related to general economic factors, natural disasters or other unexpected events; risks related to our acquisition strategy; risks related to our debt arrangements; interruptions or delays in service on our apps or websites; our reliance on third-party platforms to distribute our platform and offerings; our reliance on software as-a-service technologies from third parties; systems failures or other disruptions in the operations of these parties on which we depend; changes in consumer sentiment or laws, rules or regulations regarding tracking technologies and other privacy matters; the increasing focus on environmental sustainability and social initiatives; risks related to our intellectual property; risks related to operating in the healthcare industry; risks related to our organizational structure; risks related to fluctuations in our tax obligations and effective income tax rate which could materially and adversely affect our results of operations; risks related to the recent healthcare reform legislation and other changes in the healthcare industry and in healthcare spending which may adversely affect our business, financial condition and results of operations; the risk that we may not achieve the intended outcomes of our recent reduction in force; as well as the other important factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2021, as updated by our Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, and our other filings with the SEC. These factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation. Any such forward looking statements represent management's estimates as of the date of this presentation. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change.



**Our mission is to help Americans
get the healthcare they need
at a price they can afford.**



Building the leading digital platform for consumer healthcare

Unique combination of **scale, growth,** and **profitability**¹

Macro trends drive the need for our solutions and technology

First mover advantage and partnership strategy create a **deep competitive moat**

Transparency and trust are core to our platform

Consumer first approach is always top of mind

The greater our impact, the stronger our **value proposition** to the ecosystem

¹ On an Adjusted EBITDA basis

Strengthening our ecosystem while driving profitable growth

Scaled Platform

~7.3M / ~15M+

Prescription-related Consumers² Monthly visitors

865K+

Prescribers used GDRX in the last 16 months⁵

230B+

Daily pricing data points distilled into real-time data

Consumer First

90

Consumer Net Promoter Score³

\$45B+

Cumulative Consumer Savings⁶

~80%

Average saved off retail prices by GoodRx users⁸

Trusted Ecosystem Partner

90

Provider Net Promoter Score³

19/20

Top Pharma Manufacturers are Customers⁷

70K+

U.S. pharmacies accept GoodRx

Profitable¹ Growth with Strong Cash from Ops

\$795.7M / \$226.1M

3Q22 LTM Revenue

3Q22 LTM AEBITDA⁴

\$33.7M

3Q22 Cash Flow from Operations

80%+

Repeat Activity⁹

¹ On an Adjusted EBITDA basis. Refer to the Non-GAAP Financial Measures section for reconciliation to the most directly comparable GAAP measure.

² Represents the sum of the average MACS and members of subscription plans for Q3 2022.

³ Consumer NPS based on survey ran in July 2021; Provider NPS based on survey ran in September 2021

⁴ Adjusted EBITDA is a non-GAAP financial measure. Refer to the Non-GAAP Financial Measures section for reconciliation to the most directly comparable GAAP measure.

⁵ As of 9/30/2022.

⁶ As of September 2022. Savings are measured as the difference between the pharmacy list price and the price the consumer pays using GoodRx. Because consumers of our website and mobile application may switch pharmacies if they find a better discount, our consumer savings calculation includes an estimate of savings achieved based on switching pharmacies.

⁷ Based on internal data as of YTD Q3 2022.

⁸ Based on internal data; average discount in 2022, comparing the GoodRx discounted price to the usual and customary, or cash price.

⁹ Repeat activity refers to the second and later use of our discounted prices by a single GoodRx consumer; 2016-June 30, 2021

Our management team is mission-driven and committed to improving healthcare in America



Doug Hirsch
Co-Founder and
Co-CEO

FACEBOOK

yahoo!



Trevor Bezdek
Co-Founder and
Co-CEO



Biowire

Tryarc
acquired by NTTData



Raj Beri
Chief Operating
Officer



Monitor



Banshi Nagji
President,
Healthcare

McKESSON

Monitor
Deloitte.



**Karsten
Voermann**
Chief Financial Officer

ibotta

worldpay



Mark Hull
Chief Product Officer

FACEBOOK

yahoo!



Vina Leite
Chief People
Officer



Babak Azad
Chief Marketing
Officer



CREDIT SUISSE



Grayce Cheng
SVP & General
Counsel



Jim Sheninger
SVP, Pharmacy
Strategy Officer



medco



Founder-led leadership team with an advantaged mix of experienced executives from adjacent industries

We started with prescriptions and have expanded our platform

U.S. healthcare market
\$4.0 Trillion¹



Prescription TAM
\$524 Billion²

Pharma manufacturer solutions TAM
\$30 Billion³

- 5B+ annual prescriptions⁴
- 800M+ annual physician visits⁵
- We believe that most healthcare interactions with consumers occur at the pharmacy
- Fragmented marketplace



¹ CMS: 2020 National Health Expenditures

² Prescription drugs market size based on CMS projected 2020 market size + company estimate regarding unfilled prescriptions; Manufacturer solutions market size based on 2016 medical marketing and advertising spend published in Journal of the American Medical Association in 2019; Telehealth market size based on 2020 projection by McKinsey & Company

³ Drug Channel Institute; measured in 30-day equivalent prescriptions: 2018 data

⁴ CMS: 2020 projection

⁵ KFF.org and CDC: 2018 data

Continuing to enhance competitive moat while making good on our mission



Increase LTV of existing consumers and acquire new consumers

Prescription Transactions Offering



Move consumers into subscription plans to drive more savings and higher LTV and increase recurring revenue

Subscription Offering



Expand number of partners, enhance our existing offerings, and introduce new integrated technology solutions

Pharma Manufacturer Solutions

Three highly complementary offerings aligned around higher engagement, access, and affordability

Prioritizing investments only where needed to drive highly profitable growth

Actions Taken

New Leadership Appointments

- Appointments of Chief Operating officer, Chief Product Officer, and Chief People Officer
- Approximately ~85 years of collective experience in key focus areas
- Aligning talent and product innovation with efficient growth

Reduction in Force

- 16% workforce reduction announced August 30, 2022
- Achieved goal of \$23 million to \$25 million in annualized run rate cash savings
- Re-balanced cost structure with sharpened focus on prioritized areas to drive EBITDA growth

Optimizing Portfolio

- Sold GoodRx Care backend technology to Wheel
- Asset-light focus with future investments in our core business
- Maintain ownership of consumer facing GoodRx Care website and mobile app; continue delivering telehealth solutions



Company Goal

Increase Growth and Profitability

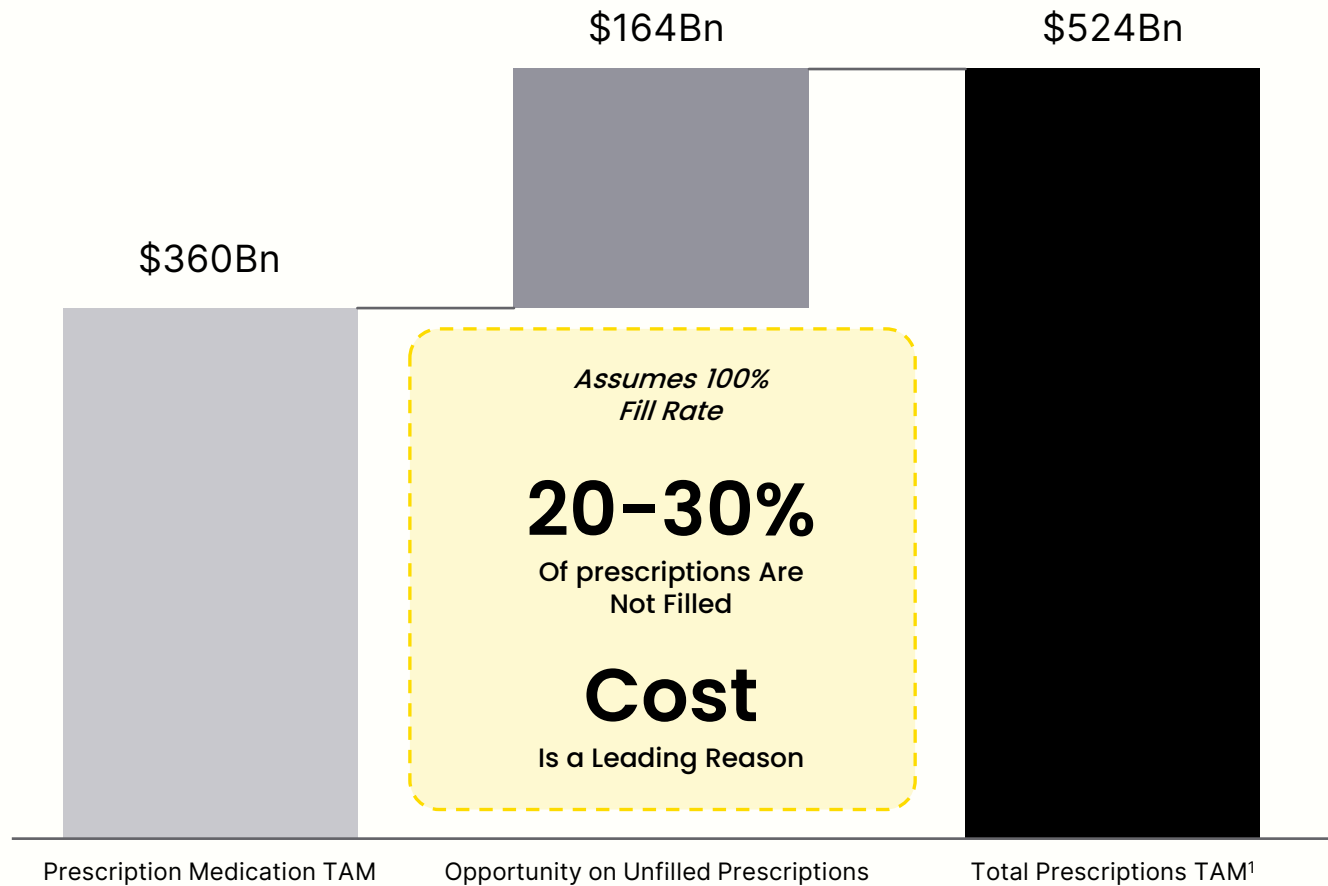
- Return to historical profitability at ~40% Adj. EBITDA margin*
- Focus on our highly scalable core business
- Drive efficient EBITDA and FCF growth
- Revenue growth profile of ~25%

Highly focused on consistently and efficiently growing Adjusted EBITDA while delivering what consumers have come to expect from GoodRx

*We have not reconciled our Adjusted EBITDA Margin goal to GAAP net loss or income margin, because we do not provide a goal for GAAP net loss or income margin due to the uncertainty and potential variability of stock-based compensation expense, acquired intangible assets and related amortization and income taxes, which are reconciling items between Adjusted EBITDA Margin and GAAP net loss or income margin. Because such items cannot be provided without unreasonable efforts, we are unable to provide a reconciliation of the non-GAAP financial measure goal to the corresponding GAAP measure. However, such items could have a significant impact on our future GAAP net loss or income margin.

Prescription Transactions

GoodRx unlocks incremental Gross Merchandise Value (GMV) in an already large prescription market



- U.S. prescription drug spend is projected to grow 5.9% per year²
- Increasing GoodRx discounts (82% in 2022, up from 59% in 2016) further drive accessible TAM by beating insured prices
- Increase in utilization management, rising copays and deductibles makes insured benefits less rich and more challenging to use

¹ Prescription drugs market size based on CMS projected 2020 market size of \$360B + company estimate regarding unfilled prescriptions

² Source: CMS. Growth projection is for years 2022 through 2028 .

Our platform delivers value to multiple constituents, starting with consumers and healthcare providers



¹ As of September 2022. Savings are measured as the difference between the pharmacy list price and the price the consumer pays using GoodRx. Because consumers of our website and mobile application may switch pharmacies if they find a better discount, our consumer savings calculation includes an estimate of savings achieved based on switching pharmacies.

² GoodRx survey, September 2021

³ New England Journal of Medicine: Taking Our Medicine — Improving Adherence in the Accountability Era; 2018

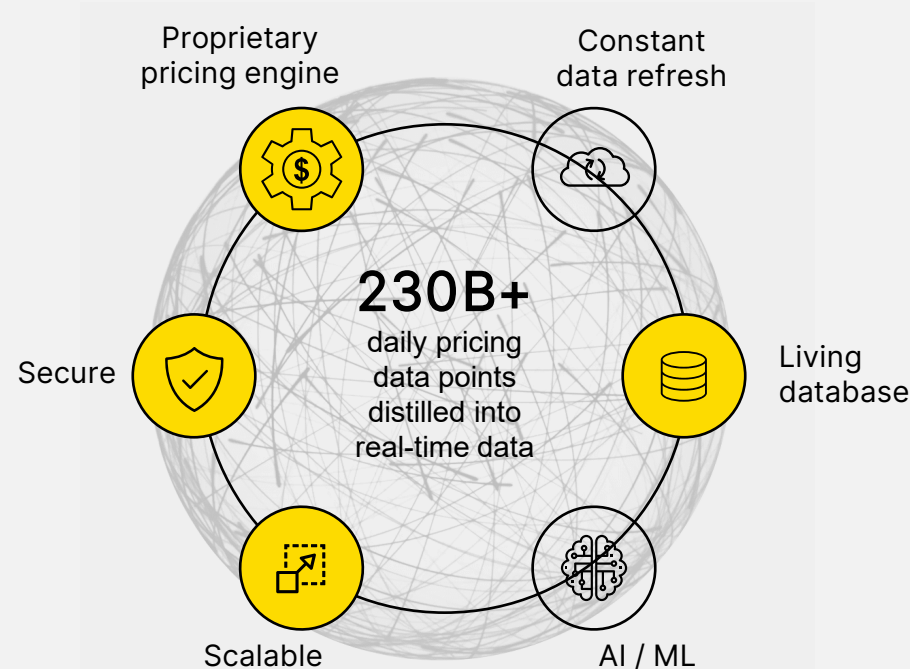
⁴ 80% of GoodRx users report purchasing secondary items at the pharmacy, with an average of \$40+ spent in addition to their prescription purchase

GoodRx makes the complex simple and powerful for consumers...

Data Sources

- Pharmacy saving programs
- Usual & Customary prices
- Medicare prices
- Pharmaceutical manufacturers
- Patient assistance programs
- Multiple Pharmacy Benefit Manager¹ networks

Engine



Free to Use App

- ~80% discount compared to retail prices²
- Beat average copay 55% of the time³
- Patient adherence improved according to 87% of Health Care Providers (HCPs)⁴
- Access to medication improved according to 93% of HCPs⁵
- 90 Net Promoter Score⁴

¹ PBM refers to a pharmacy benefit manager. PBMs aggregate demand to negotiate prescription medication prices with pharmacies and pharma manufacturers. PBMs find most of their demand through relationships with insurance companies and employers. However, nearly all PBMs also have consumer direct or cash network pricing that they negotiate with pharmacies for consumers who choose to purchase prescriptions outside of insurance.

² Based on internal data; average discount in 2020, comparing the GoodRx discounted price to the usual and customary, or cash price

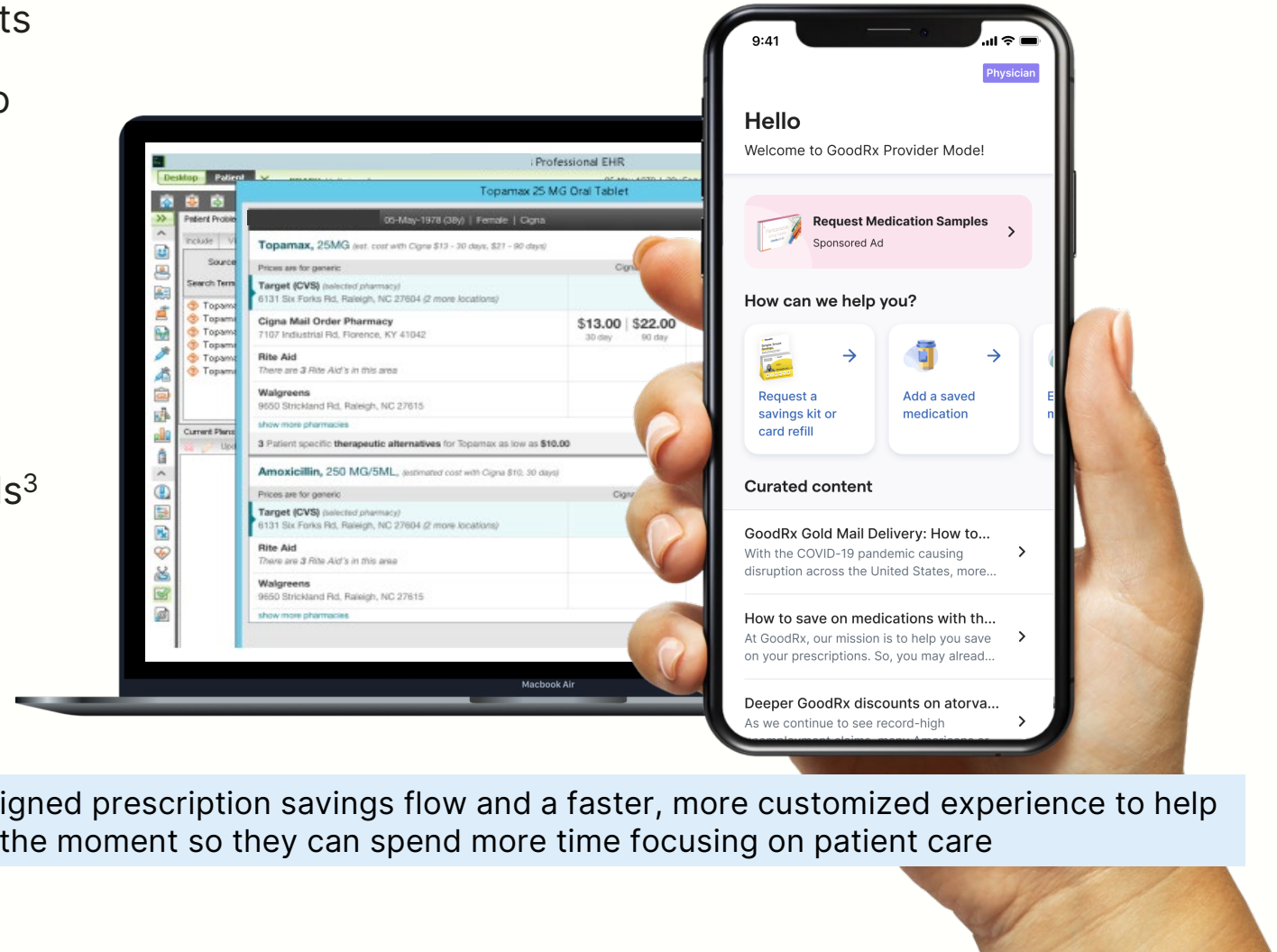
³ Based on a GoodRx study, The GoodRx Effect, comparing the discounted GoodRx price to the cash/Usual & Customary price charged by pharmacies. In 2020, over 55% of prescriptions filled using GoodRx (including our Gold and Kroger membership savings programs) were cheaper than the average commercial insurance copays for the 100 most purchased medications, based on industry data. When GoodRx users paid less than average commercial insurance copays, they saved on average 52% off average commercial insurance copays in 2020.

⁴ GoodRx NPS based on a survey of consumers on the GoodRx website in the third quarter of 2021.

⁵ Based on internal survey run in July 2021

... and can improve patient outcomes for providers

- Digital tools to communicate savings to patients
- 25% of website visitors are HCPs who can also access pricing data¹
- 88% awareness with HCPs and ~80% recommended GoodRx²
- 2M+ prescribers have a patient who has used GoodRx³
- 400K+ HCP offices distribute GoodRx materials³
- EHR integrations
- HCP NPS of 90¹



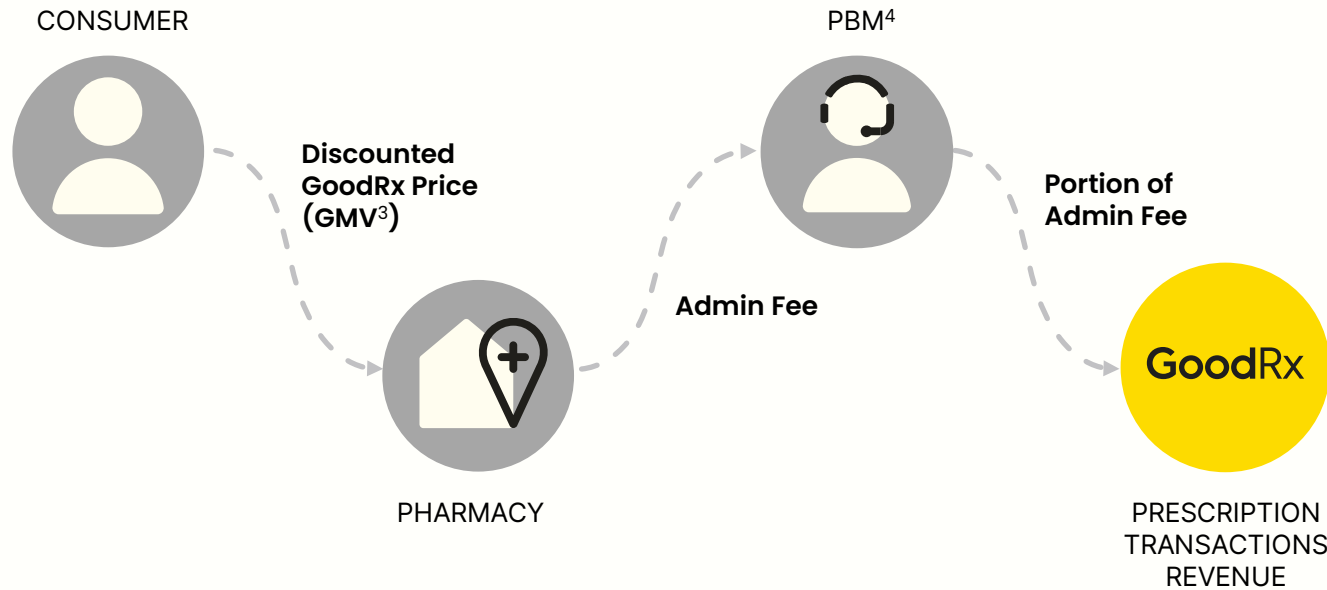
Launched Provider Mode in October 2022 offering a redesigned prescription savings flow and a faster, more customized experience to help providers find the information they need in the moment so they can spend more time focusing on patient care

1 Based on an internal survey run in September 2021

2 Based on an internal survey run in July 2020.

3 Based on internal data.

Our business model has strong per transaction economics and PBM relationships



Consumers present GoodRx at one of over 70,000 pharmacies (or refill at their preferred pharmacy with stored GoodRx information¹) for an average discount of ~80%² off their prescription medication

- Multi-fill recurring usage drives repeat activity of 80%+
- Most expansive network of PBMs in our space to further drive our value proposition
- Take rate in the mid-teens
- GoodRx has never had a PBM relationship terminated by the PBM
- Higher revenue share with higher volume in many tiered contracts
- PBMs are fixed cost players that benefit from incremental volume

¹ When a consumer uses GoodRx, their profile is saved at the pharmacy. From then on, GoodRx typically applies to all future refills as well as, in many cases, fills for other prescriptions at that location, without the consumer having to re-present their GoodRx information.

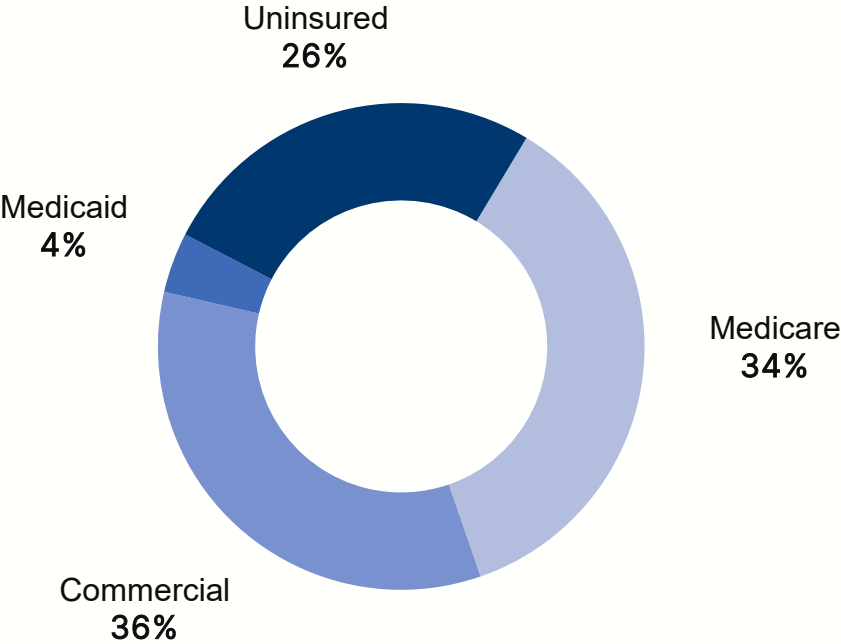
² Based on internal data; average discount in 2020, comparing the GoodRx discounted price to the usual and customary, or cash price

³ GMV represents gross merchandise value, which is the aggregate price paid by our consumers who used a GoodRx code available through our platform for their prescriptions during such period. GMV excludes any prices paid by consumers linked to our other offerings, including our subscription offerings.

⁴ PBM refers to a pharmacy benefit manager. PBMs aggregate demand to negotiate prescription medication prices with pharmacies and pharma manufacturers. PBMs find most of their demand through relationships with insurance companies and employers. However, nearly all PBMs also have consumer direct or cash network pricing that they negotiate with pharmacies for consumers who choose to purchase prescriptions outside of insurance.

GoodRx addresses healthcare challenges for both insured and uninsured

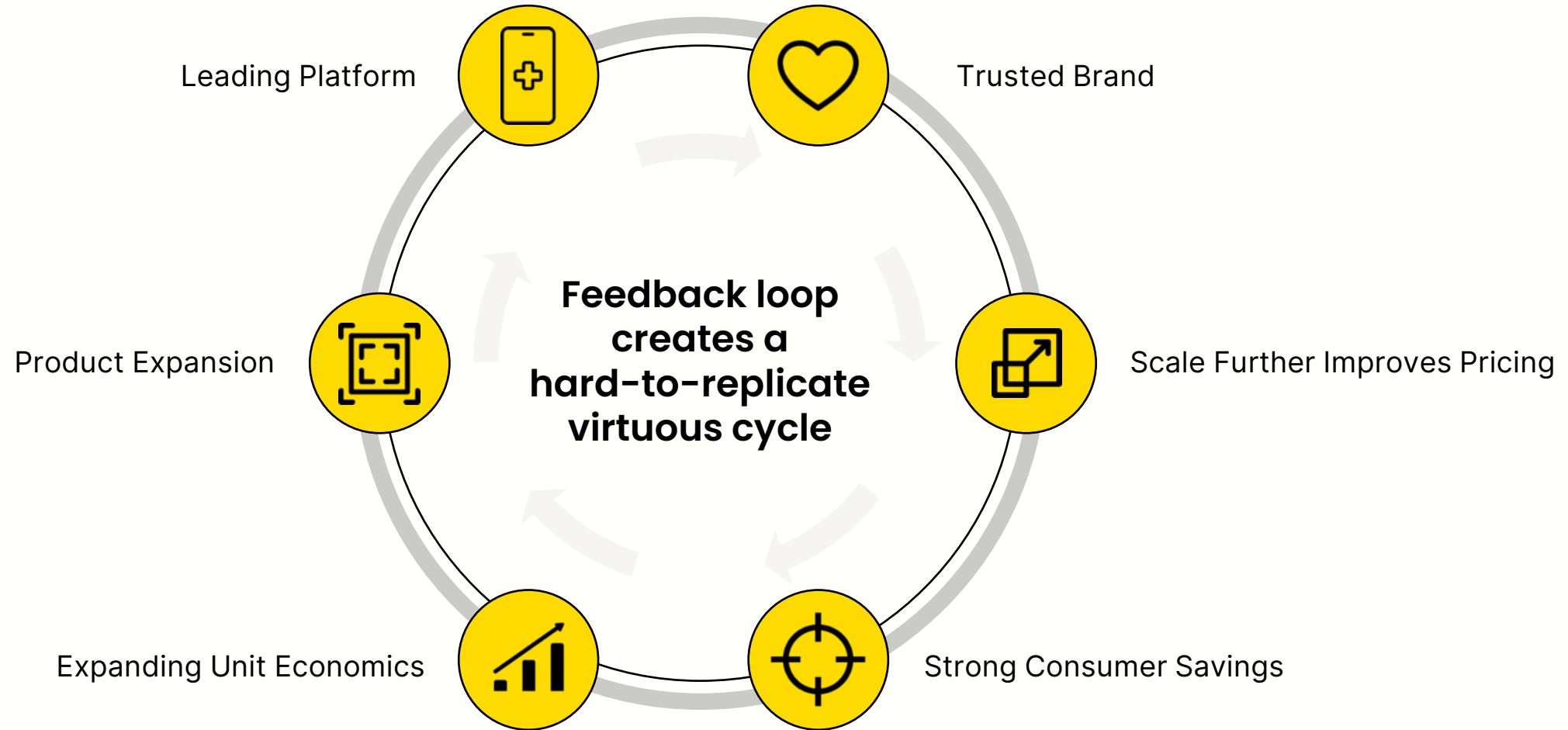
Who uses GoodRx¹



GoodRx beat the average copay price 55% of the time, saving an average of 52%, for top drugs²

¹ GoodRx visitor survey, July 2020
² Based on a GoodRx study, The GoodRx Effect, comparing the discounted GoodRx price to the cash/Usual & Customary price charged by pharmacies. In 2020, over 55% of prescriptions filled using GoodRx (including our Gold and Kroger membership savings programs) were cheaper than the average commercial insurance copays for the 100 most purchased medications, based on industry data. When GoodRx users paid less than average commercial insurance copays, they saved on average 52% off average commercial insurance copays in 2020.

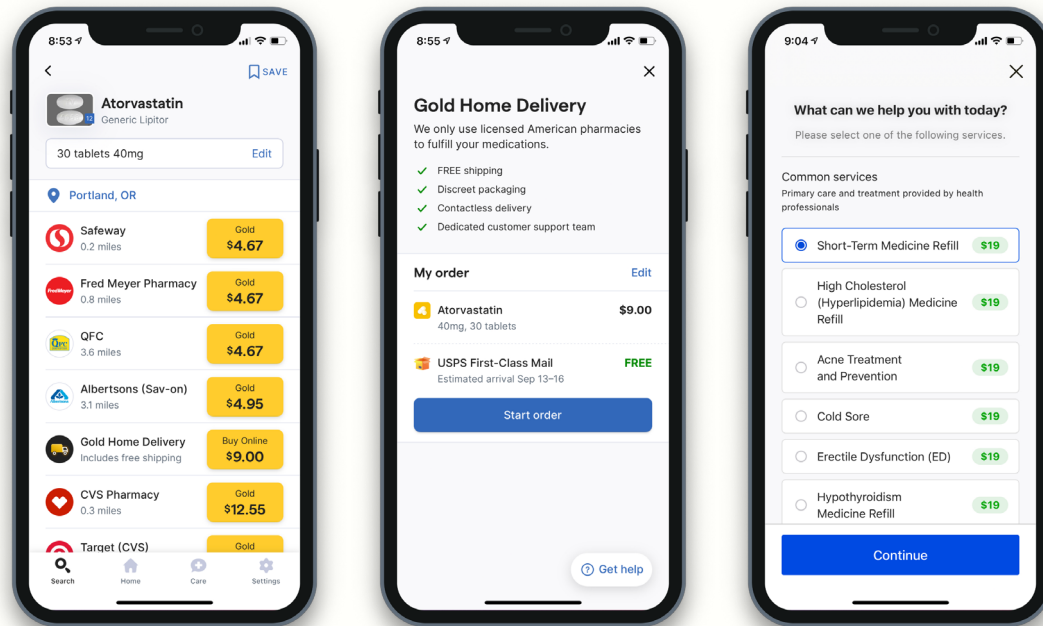
Our network strengthens with every transaction



Subscriptions

Subscription products can deliver more value to consumer & extend our prescription reach focusing on users with chronic conditions

GoodRx Gold



Prescription Savings

Home Delivery

Discounted Telehealth

63% YOY subscription revenue growth in 3Q22 with 1.5 million total members across our 1.1 million subscription plans¹

GoodRx Gold

Monthly Subscription Plan

- 1,000+ prescriptions under \$10 at up to 90% savings off list prices²
- Free mail delivery
- Discounted access to telehealth services

Kroger Rx Savings Club

Annual Subscription Plan

- 100+ medications for free, \$3, or \$6 and additional discounts on 1,000+ other prescriptions²

¹ Includes both GoodRx Gold and Kroger Savings Club subscription plans and members.

² Based on internal data.

Pharma Manufacturer Solutions

Pharma Manufacturer Solutions is GoodRx's brand drug-focused offering with the most attractive economics

Millions

of high intent monthly visitors¹

20%

of GoodRx searches are for brand drugs²

Multiple times

more traffic than pharma manufacturers' own drug sites³



81%

YoY Revenue Growth YTD⁴

85%

of Revenue is substantially flat fee based⁵

19

Of the Top 20 pharma manufacturers work with us²

100+

Pharma brands we work with²

Attractive Economics

Capitalizing on existing traffic

¹ As of Q3'22.

² Based on internal data as of YTD Q2 2021.

³ Based on internal analysis comparing the top 100 brand drug volume to GoodRx drug pages compared to the volume on the manufacturer's own savings portion of their drug sites. Figure reflects avg of all ratios.

⁴ Reflects revenue growth YTD Q3 2022 over YTD Q3 2021.

⁵ Based on internal data. Reflected revenue that is not variable/volume based.

GoodRx has Awareness, Access and Adherence solutions to meet pharma manufacturer, patient and HCP needs



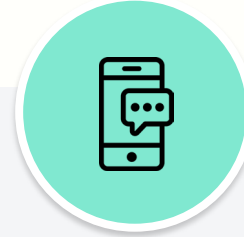
Awareness

- GoodRx editorial content
- HealthiNation from GoodRx video content
- Sponsored listings and fixed placement advertisement



Access

- Patient Navigator
- Copay and cash program integrations
- Clinical trial enrollment
- Care Portals



Adherence

- Tech-enabled Nurse Chat
- Data driven adherence platform



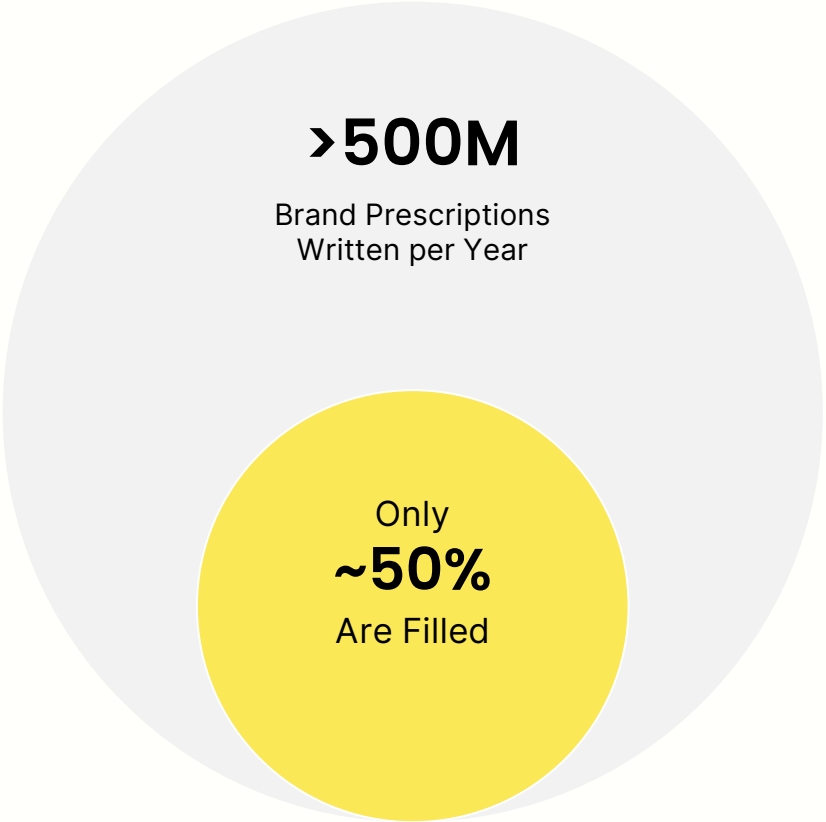
- HCP detailing offerings

- Help patients understand coverage and cost
- Facilitate patient savings access
- Fulfillment options via pharmacy partner network

- Support patient with prescription refill and renewal
- Patient education

vitaCare improves patient's branded medication access and adherence

The Problem



The Solution



VitaCare is a technology and services platform that helps patients navigate key access and adherence barriers for brand medications

Prescribing
Decision Made

Physician sends Rx to vitaCare

vitaCare
Engagement

vitaCare processes prescriptions, supports patient journey, including facilitating access to appropriate manufacturer savings programs

Optimized
Fulfillment

Prescriptions primarily dispensed from a partner pharmacy

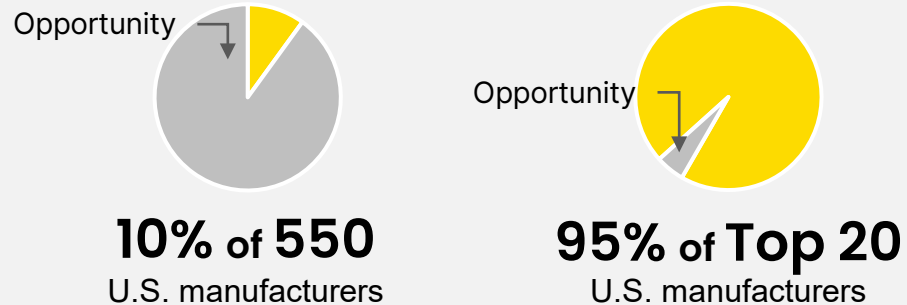
Adherence

vitaCare ecosystem supports ongoing patient adherence

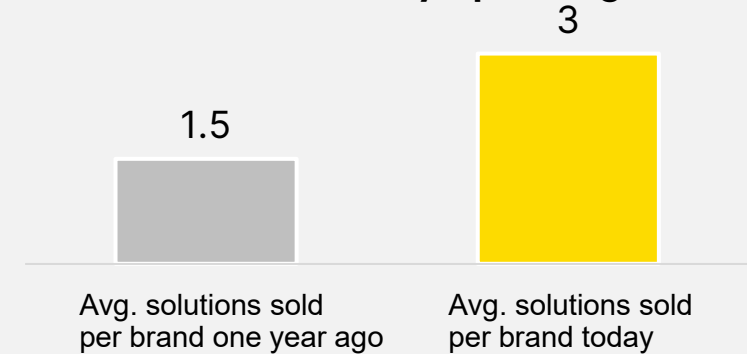
1 Sources: IQVIA, FDA, DrFirst
2 Note: Non-specialty brands for brick and mortar pharmacies

We are in the early stages of penetrating the pharma manufacturer opportunity

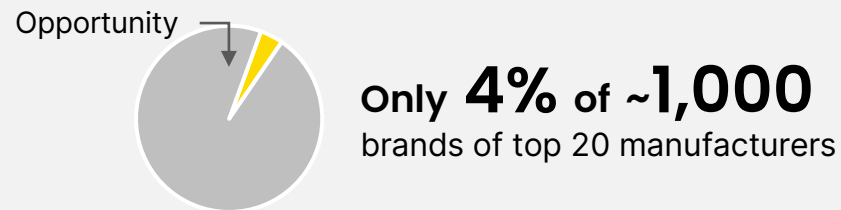
Current relationships¹ with pharma manufacturers



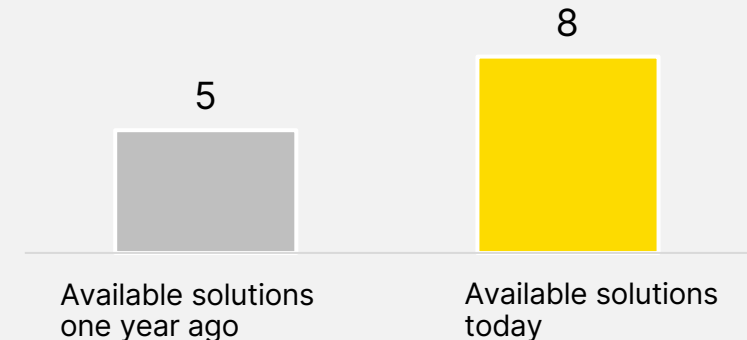
Successfully upselling



Significant brand expansion runway

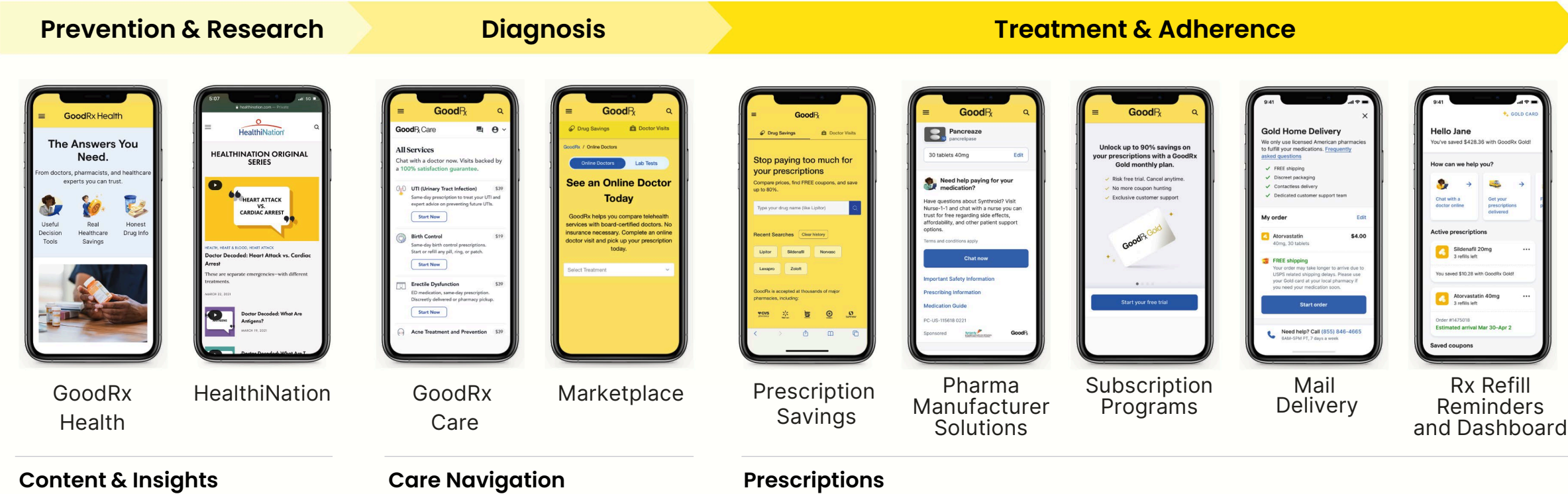


Innovating our solution set



¹ Working with GoodRx for at least one brand

GoodRx continues to expand, encompassing more of the consumer healthcare journey



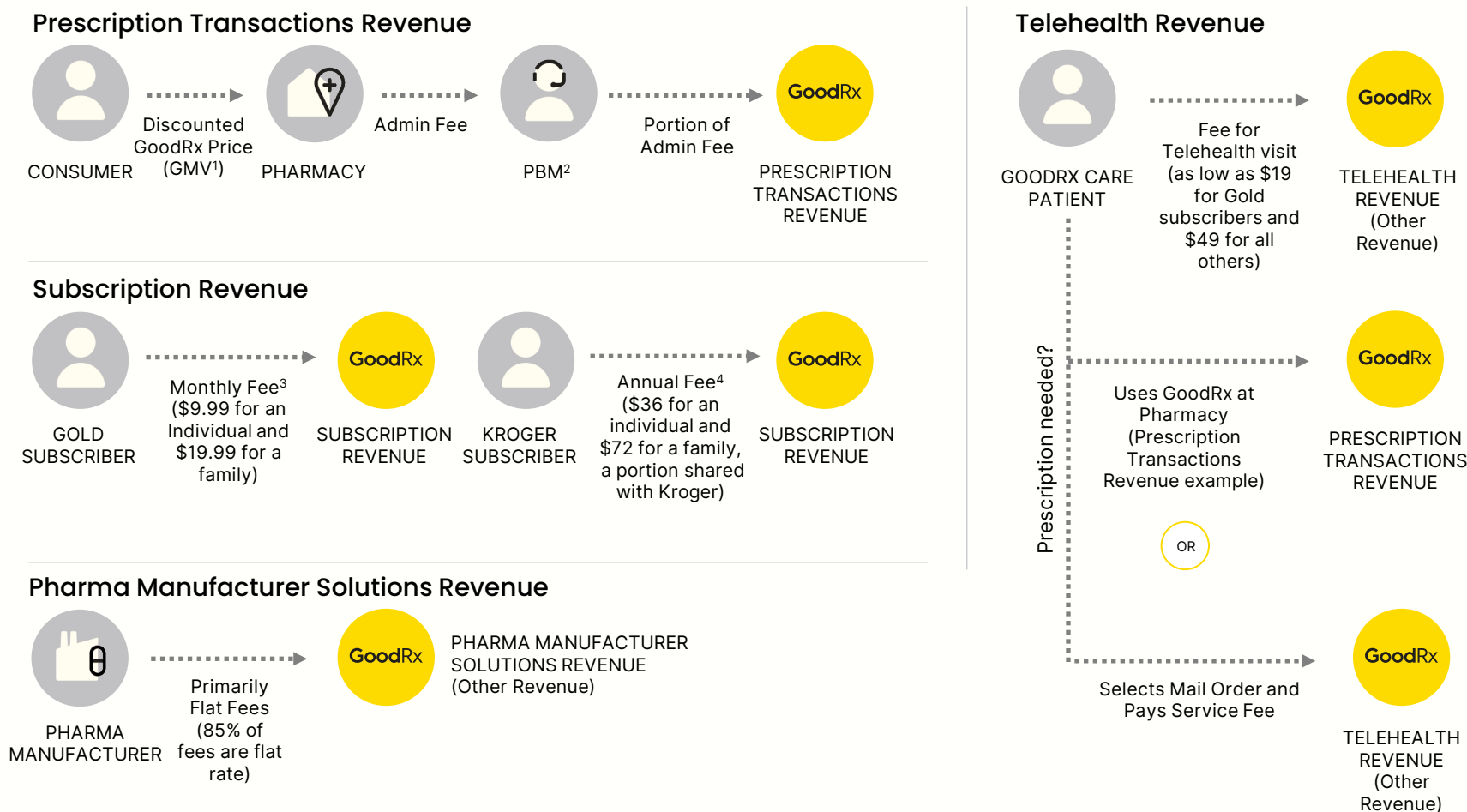


Thank you



Appendix

How GoodRx Makes Money



1 GMV represents gross merchandise value, which is the aggregate price paid by our consumers who used a GoodRx code available through our platform for their prescriptions during such period. GMV excludes any prices paid by consumers linked to our other offerings, including our subscription offerings.

2 PBM refers to a pharmacy benefit manager. PBMs aggregate demand to negotiate prescription medication prices with pharmacies and pharma manufacturers. PBMs find most of their demand through relationships with insurance companies and employers. However, nearly all PBMs also have consumer direct or cash network pricing that they negotiate with pharmacies for consumers who choose to purchase prescriptions outside of insurance.

3 GoodRx Gold subscription plan prices increased from \$5.99 to \$9.99 for individuals and from \$9.99 to \$19.99 for families in 1H22.

4 The portion kept by GoodRx is recognized over the 12 month subscription period.

Key Operating Metrics

The following table presents Monthly Active Consumers and Subscription Plans:

	Three Months Ended						
	September 30,	June 30,	March 31,	December 31,	September 30,	June 30,	March 31,
(in millions)	2022	2022	2022	2021	2021	2021	2021
Monthly Active Consumers	5.8	5.8	6.4	6.4	6.4	6.0	5.7

	As of						
	September 30,	June 30,	March 31,	December 31,	September 30,	June 30,	March 31,
(in thousands)	2022	2022	2022	2021	2021	2021	2021
Subscription plans	1,060	1,133	1,203	1,210	1,129	1,051	931

Non-GAAP Financial Measures

The following table presents a reconciliation of net (loss) income, the most directly comparable financial measure calculated in accordance with GAAP, to Adjusted EBITDA, and presents net (loss) income margin, the most directly comparable financial measure calculated in accordance with GAAP, with Adjusted EBITDA Margin:

(dollars in thousands)	Three Months Ended							Last Twelve Months Ended
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2022
Net (loss) income	\$ (41,734)	\$ (1,415)	\$ 12,293	\$ (39,914)	\$ (18,069)	\$ 31,061	\$ 1,668	\$ (70,770)
Adjusted to exclude the following:								
Interest income	(2,920)	(857)	(52)	(17)	(13)	(13)	(16)	(3,846)
Interest expense	9,478	6,969	5,869	5,903	5,928	5,906	5,905	28,219
Income tax expense (benefit)	19,463	(8,744)	1,651	45,784	19,153	(37,305)	(12,555)	58,154
Depreciation and amortization	13,952	13,319	11,373	10,648	10,161	8,369	5,361	49,292
Financing related expenses	5	5	4	217	134	58	257	231
Acquisition related expenses	18,656	3,001	1,973	5,084	1,714	3,022	3,048	28,714
Restructuring related expenses	5,880	45	311	—	—	—	—	6,236
Legal settlement expenses	—	2,800	—	—	—	—	—	2,800
Stock-based compensation expense	29,038	31,633	30,149	33,280	39,980	40,676	46,526	124,100
Payroll tax expense related to stock-based compensation	184	472	1,083	1,266	2,150	2,016	828	3,005
Loss on abandonment of operating lease assets	—	—	—	—	650	780	—	—
Adjusted EBITDA	\$ 52,002	\$ 47,228	\$ 64,654	\$ 62,251	\$ 61,788	\$ 54,570	\$ 51,022	\$ 226,135
Revenue	\$ 187,318	\$ 191,798	\$ 203,329	\$ 213,256	\$ 195,102	\$ 176,635	\$ 160,431	\$ 795,701
Net (loss) income margin	(22.3%)	(0.7%)	6.0%	(18.7%)	(9.3%)	17.6%	1.0%	(8.9%)
Adjusted EBITDA Margin	27.8%	24.6%	31.8%	29.2%	31.7%	30.9%	31.8%	28.4%

Non-GAAP Financial Measures

The following tables present a reconciliation of net (loss) income, the most directly comparable financial measures calculated in accordance with GAAP, to Adjusted Net Income:

(dollars in thousands)	Three Months Ended						
	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Net (loss) income	\$ (41,734)	\$ (1,415)	\$ 12,293	\$ (39,914)	\$ (18,069)	\$ 31,061	\$ 1,668
Adjusted to exclude the following:							
Amortization of intangibles related to acquisitions	5,819	6,307	5,400	5,286	5,703	4,868	2,476
Financing related expenses	5	5	4	217	134	58	257
Acquisition related expenses	18,656	3,001	1,973	5,084	1,714	3,022	3,048
Restructuring related expenses	5,880	45	311	—	—	—	—
Legal settlement expenses	—	2,800	—	—	—	—	—
Stock-based compensation expense	29,038	31,633	30,149	33,280	39,980	40,676	46,526
Payroll tax expense related to stock-based compensation	184	472	1,083	1,266	2,150	2,016	828
Loss on abandonment of operating lease assets	—	—	—	—	650	780	—
Income tax expense (benefit) on excluded items and adjusting for valuation allowance and excess tax benefits/deficiencies on stock-based compensation exercises	12,081	(15,654)	(9,887)	35,237	7,388	(47,410)	(22,961)
Adjusted Net Income	<u>\$ 29,929</u>	<u>\$ 27,194</u>	<u>\$ 41,326</u>	<u>\$ 40,456</u>	<u>\$ 39,650</u>	<u>\$ 35,071</u>	<u>\$ 31,842</u>

Non-GAAP Financial Measures

Each cost and operating expense is adjusted for, as applicable for the periods presented, acquisition related expenses, amortization of intangibles related to acquisitions, stock-based compensation expense, payroll tax expense related to stock-based compensation, financing related expenses, loss on extinguishment of debt, restructuring related expenses, legal settlement expenses, loss on abandonment and impairment of operating lease assets and charitable stock donation.

	GAAP			Adjusted		
	Three Months Ended			Three Months Ended		
	September 30,	June 30,	September 30,	September 30,	June 30,	September 30,
(dollars in thousands)	2022	2022	2021	2022	2022	2021
Cost of revenue	\$ 17,395	\$ 18,044	\$ 11,271	\$ 17,055	\$ 17,942	\$ 11,138
% of Revenue	9%	9%	6%	9%	9%	6%
Product development and technology	\$ 35,921	\$ 35,404	\$ 35,073	\$ 24,895	\$ 25,015	\$ 23,156
% of Revenue	19%	18%	18%	13%	13%	12%
Sales and marketing	\$ 86,215	\$ 94,338	\$ 95,651	\$ 78,700	\$ 86,880	\$ 89,286
% of Revenue	46%	49%	49%	42%	45%	46%
General and administrative	\$ 49,548	\$ 34,740	\$ 35,947	\$ 14,666	\$ 14,733	\$ 9,734
% of Revenue	26%	18%	18%	8%	8%	5%
Depreciation and amortization	\$ 13,952	\$ 13,319	\$ 10,161	\$ 8,133	\$ 7,012	\$ 4,458
% of Revenue	7%	7%	5%	4%	4%	2%
Operating (loss) income	\$ (15,713)	\$ (4,047)	\$ 6,999	\$ 43,869	\$ 40,216	\$ 57,330
% of Revenue	(8%)	(2%)	4%	23%	21%	29%

Non-GAAP Financial Measures

The following table presents a reconciliation of each non-GAAP, or adjusted, cost and expense measure to its most directly comparable financial measure calculated in accordance with GAAP:

	September 30, 2022	Three Months Ended June 30, 2022	September 30, 2021
<i>(dollars in thousands)</i>			
Cost of revenue	\$ 17,395	\$ 18,044	\$ 11,271
Acquisition related expenses	—	—	123
Restructuring related expenses	(203)	—	—
Stock-based compensation expense	(136)	(100)	(238)
Payroll tax expense related to stock-based compensation	(1)	(2)	(18)
Adjusted cost of revenue	\$ 17,055	\$ 17,942	\$ 11,138
Product development and technology	\$ 35,921	\$ 35,404	\$ 35,073
Acquisition related expenses	(285)	(299)	(560)
Restructuring related expenses	(2,626)	—	—
Stock-based compensation expense	(8,029)	(9,820)	(10,333)
Payroll tax expense related to stock-based compensation	(86)	(270)	(1,024)
Adjusted product development and technology	\$ 24,895	\$ 25,015	\$ 23,156
Sales and marketing	\$ 86,215	\$ 94,338	\$ 95,651
Acquisition related expenses	(124)	(1,469)	(292)
Restructuring related expenses	(2,597)	(45)	—
Stock-based compensation expense	(4,766)	(5,839)	(5,638)
Payroll tax expense related to stock-based compensation	(28)	(105)	(435)
Adjusted sales and marketing	\$ 78,700	\$ 86,880	\$ 89,286
General and administrative	\$ 49,548	\$ 34,740	\$ 35,947
Financing related expenses	(5)	(5)	(134)
Acquisition related expenses	(18,247)	(1,233)	(985)
Restructuring related expenses	(454)	—	—
Legal settlement expenses	—	(2,800)	—
Stock-based compensation expense	(16,107)	(15,874)	(23,771)
Payroll tax expense related to stock-based compensation	(69)	(95)	(673)
Loss on abandonment of operating lease assets	—	—	(650)
Adjusted general and administrative	\$ 14,666	\$ 14,733	\$ 9,734
Depreciation and amortization	\$ 13,952	\$ 13,319	\$ 10,161
Amortization of intangibles related to acquisitions	(5,819)	(6,307)	(5,703)
Adjusted depreciation and amortization	\$ 8,133	\$ 7,012	\$ 4,458
Operating (loss) income	\$ (15,713)	\$ (4,047)	\$ 6,999
Amortization of intangibles related to acquisitions	5,819	6,307	5,703
Financing related expenses	5	5	134
Acquisition related expenses	18,656	3,001	1,714
Restructuring related expenses	5,880	45	—
Legal settlement expenses	—	2,800	—
Stock-based compensation expense	29,038	31,633	39,980
Payroll tax expense related to stock-based compensation	184	472	2,150
Loss on abandonment of operating lease assets	—	—	650
Adjusted operating income	\$ 43,869	\$ 40,216	\$ 57,330

Definitions

- **EHR** – Electronic Health Record
- **MACs (Monthly Active Consumers)** - Refers to the number of unique consumers who have used a GoodRx code to purchase a prescription medication in a given calendar month and have saved money compared to the list price of the medication. A unique consumer who uses a GoodRx code more than once in a calendar month to purchase prescription medications is only counted as one Monthly Active Consumer in that month. A unique consumer who uses a GoodRx code in two or three calendar months within a quarter will be counted as a Monthly Active Consumer in each such month. When presented for a period longer than a month, Monthly Active Consumers are averaged over the number of calendar months in such period.
- **Medication Adherence** - Medication adherence usually refers to whether patients take their medications as prescribed, as well as whether they continue to take a prescribed medication.
- **HCPs** – Healthcare providers
- **LTV** - Lifetime value
- **Medication Adherence** - Medication adherence usually refers to whether patients take their medications as prescribed, as well as whether they continue to take a prescribed medication.
- **PBM (Pharmacy Benefit Managers)** - PBMs aggregate demand to negotiate prescription medication prices with pharmacies and pharma manufacturers. PBMs find most of their demand through relationships with insurance companies and employers. However, nearly all PBMs also have consumer direct or cash network pricing that they negotiate with pharmacies for consumers who choose to purchase prescriptions outside of insurance.
- **Subscription Plans** - Represent the ending subscription plan balance across both of our subscription offerings, GoodRx Gold and Kroger Savings Club. Each subscription plan may represent more than one subscriber since family subscription plans may include multiple members.