

# GoodRx

---

## Building the Leading Digital Platform for Consumer Healthcare

December 2020



# Disclaimer

Certain statements in this presentation and the accompanying oral commentary are forward-looking statements within the meaning of federal securities laws. These statements relate to future events or the future performance of GoodRx Holdings, Inc. (the "Company"), as well as its business strategy and plans and objectives for future operations, and are subject to a number of known and unknown risks, uncertainties and other factors that may cause the actual results, levels of activity, performance or achievements of the Company or its industry to be materially different from those expressed or implied by any forward-looking statements. In some cases, forward-looking statements can be identified by words such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "will," "could," "predict" and similar expressions or terminology. All statements other than statements of historical fact could be deemed forward-looking, including any expectations regarding the Company's commercial and/or strategic initiatives; any projections of market opportunities; any statements about historical results that may suggest trends for the Company's business; any statements of the plans, strategies, and objectives of management for future operations; any statements of expectation or belief regarding future events, potential markets or market size growth, or technology developments; and any statements of assumptions underlying any of the items mentioned. The Company has based these forward-looking statements largely on its current expectations, assumptions, estimates and projections. While the Company believes that these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risk and uncertainties, many of which are beyond the Company's control. These and other important factors may cause actual results, performance or achievements to differ materially from those expressed or implied by these forward-looking statements. The forward-looking statements in this presentation are made only as of the date hereof. For a further description of the risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of the Company in general, see the Company's filings with the Securities and Exchange Commission (the "SEC"), including the Company's disclosure under the caption "Risk Factors" and elsewhere in such filings. Except to the extent required by law, the Company assumes no obligation and does not intend to update any of these forward-looking statements after the date of this presentation or to conform these statements to actual results or revised expectations.

This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to market size and growth and other data about the Company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither the Company nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which the Company operates are necessarily subject to a high degree of uncertainty and risk.

In light of the foregoing, you are urged not to rely on any forward-looking statement or third-party data in reaching any conclusion or making any investment decision about any securities of the Company.

This presentation includes certain financial measures that are not presented in accordance with generally accepted accounting principles in the United States, ("GAAP"), such as Adjusted EBITDA and Adjusted EBITDA Margin, to supplement financial information presented in accordance with GAAP. There are limitations to the use of non-GAAP financial measures and such non-GAAP financial measures should not be construed as alternatives to financial measures determined in accordance with GAAP. The non-GAAP measures as defined by the Company may not be comparable to similar non-GAAP measures presented by other companies. The Company's presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that the Company's future results will be unaffected by other unusual or non-recurring items. A reconciliation is provided elsewhere in this presentation for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

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



**Doug Hirsch**  
Co-CEO

FACEBOOK

yahoo!



**Karsten Voermann**  
Chief Financial Officer

ibotta worldpay Microsoft

**Andrew Slutsky**  
President, Consumer



**Justin Fengler**  
SVP, Corporate Strategy & Business Operations



**Jim Sheninger**  
SVP, Pharmacy Strategy Officer



**Trevor Bezdek**  
Co-CEO



Biowire

Tryarc  
acquired by NTTData

**Bansi Nagji**  
President, Healthcare



**Jody Mulkey**  
Chief Technology Officer



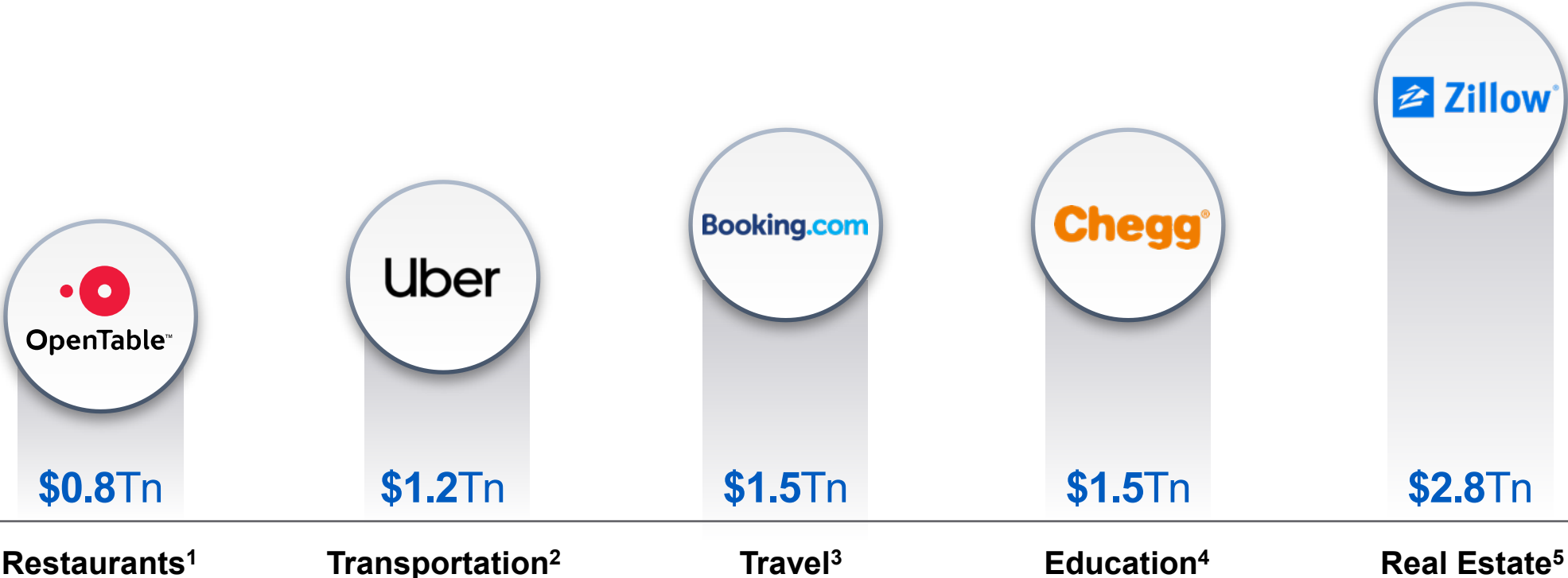
**Babak Azad**  
Chief Marketing Officer, SVP Marketing & Communications



**Gracye Cheng**  
Vice President & General Counsel

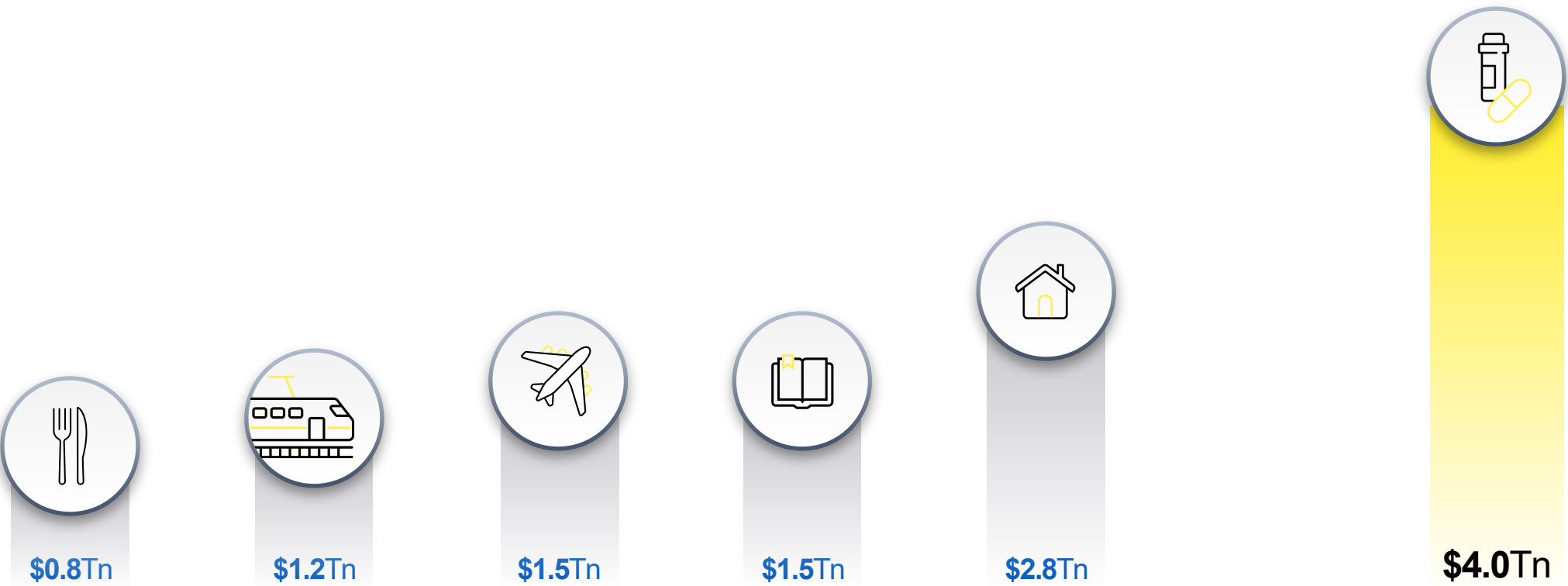


# Today's large consumer spending markets are served by successful consumer-focused, tech-enabled solutions



1. Statista: 2017 total US restaurants food and drink sales  
2. Bureau of Transportation Statistics: 2016 expenditures on transportation  
3. Statista: 2017 contribution of travel and tourism to GDP in the United States  
4. Zion Market Research: 2020 projection  
5. Euromonitor Report: 2019 annual spending on Real Estate in the United States  
Note: spend figures indicate total spend in these markets – not spend for the specific platforms shown or spend through online platforms at all

# Healthcare spending is significantly higher than in other consumer markets



Restaurants<sup>1</sup>

Transportation<sup>2</sup>

Travel<sup>3</sup>

Education<sup>4</sup>

Real Estate<sup>5</sup>

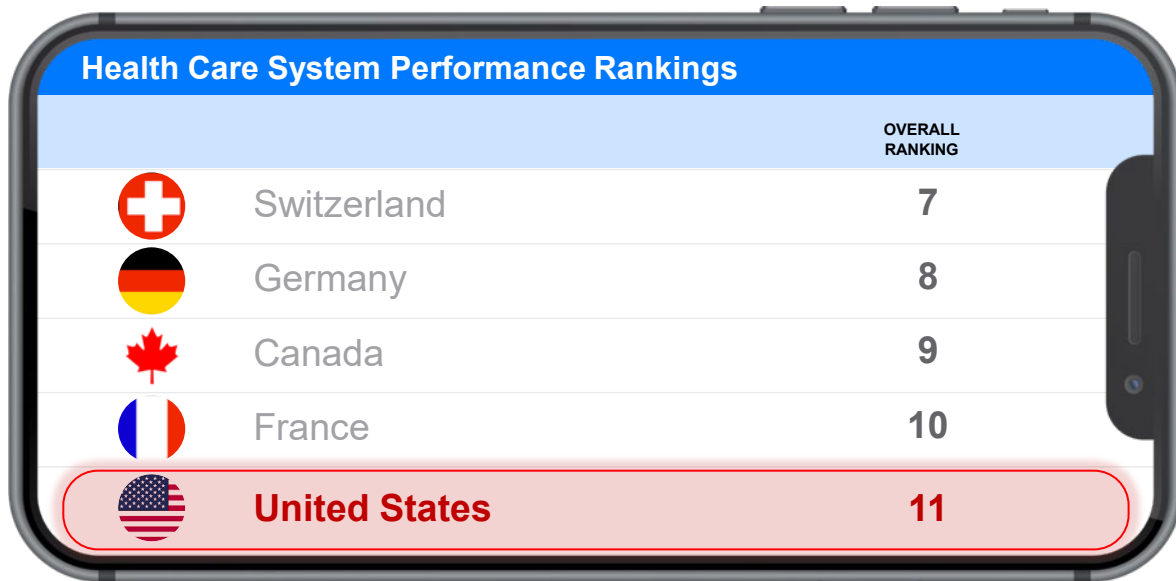
Healthcare<sup>6</sup>

1. Statista: 2017 total US restaurants food and drink sales  
2. Bureau of Transportation Statistics: 2016 expenditures on transportation  
3. Statista: 2017 contribution of travel and tourism to GDP in the United States  
4. Zion Market Research: 2020 projection  
5. Euromonitor Report: 2019 annual spending on Real Estate in the United States  
6. Centers for Medicare & Medicaid Services (CMS): 2020 projection






# Healthcare in America versus other developed nations

lowest healthcare quality<sup>1</sup>...

...with some of the highest costs<sup>2</sup>



A smartphone screen displays a table titled "Health Care System Performance Rankings". The table lists five countries with their respective flags and overall rankings. The United States is highlighted with a red border and red text.

|  | OVERALL RANKING |
|--|-----------------|
|  Switzerland            | 7               |
|  Germany                | 8               |
|  Canada                 | 9               |
|  France                | 10              |
|  <b>United States</b> | <b>11</b>       |

2x

per capita spend on healthcare by Americans compared to citizens of other OECD countries<sup>3</sup>

66%

of all personal bankruptcies are linked to medical costs<sup>4</sup>

Source: Lancet 2018 Human Capital Study; American Public Health Association 2019 Study; OECD Data

1. Commonwealth Fund: 2017 study (as compared to Australia, Canada, France, Germany, the Netherlands, New Zealand, Norway, Sweden, Switzerland, and the United Kingdom)

2. Peterson-KFF Health System Tracker; CMS; Commonwealth Fund: 2017 study (as compared to Australia, Canada, France, Germany, the Netherlands, New Zealand, Norway, Sweden, Switzerland, and the United Kingdom)

3. Commonwealth Fund: 2017 study (as compared to Australia, Canada, France, Germany, the Netherlands, New Zealand, Norway, Sweden, Switzerland, and the United Kingdom)

4. Study published in American Journal of Public Health; 2013-2016

# We started with prescriptions Now we have expanded our platform

US healthcare market  
**\$4.0 Trillion<sup>1</sup>**

TAM of our current offerings  
**\$800 Billion<sup>4</sup>**



- 🏪 5Bn+ annual prescriptions<sup>2</sup>
- 🏪 800MM+ annual physician visits<sup>3</sup>
- 🏪 We estimate that most healthcare interactions with consumers occur at the pharmacy
- 🏪 Fragmented marketplace
- 🏪 Limited technology innovation in the last 20 years

1. CMS: 2020 projection  
2. Drug Channel Institute; measured in 30-day equivalent prescriptions: 2018 data  
3. KFF.org and CDC: 2018 data  
4. 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

# GoodRx improves Americans' health and makes healthcare more affordable



**20-30%** of prescriptions in the U.S. not filled<sup>1</sup>



**Nearly \$300Bn** in cost from non-adherence<sup>2</sup>

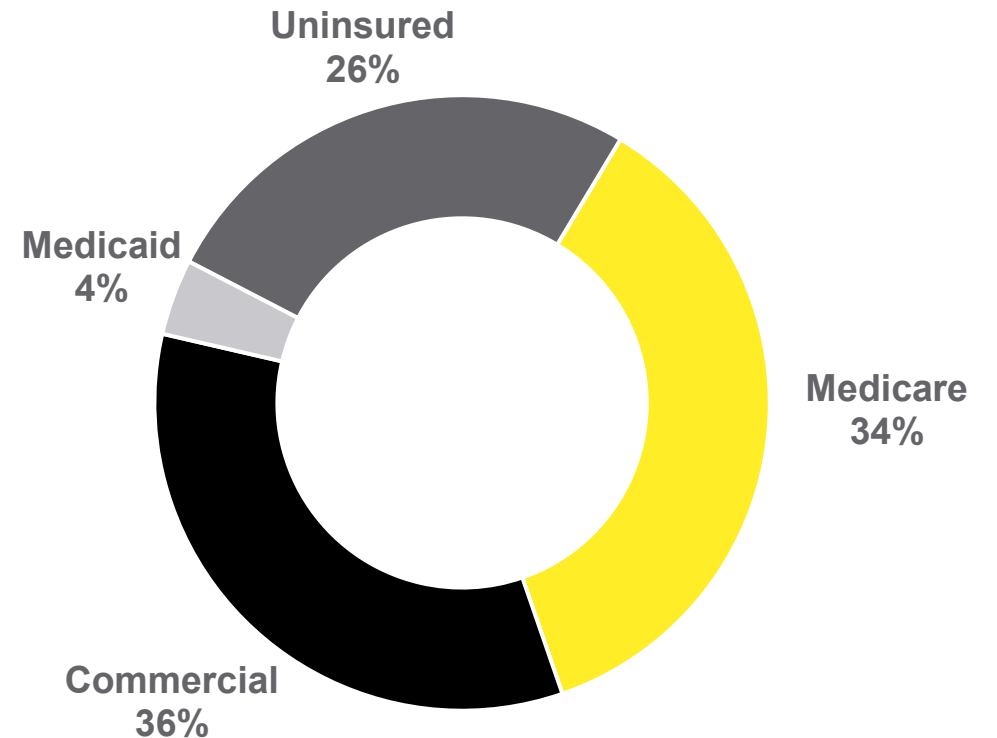


Someone dies **every 4 minutes** in the U.S. from not taking prescribed medicine as directed or at all<sup>3</sup>



**We estimate that we have helped approximately 18M of our consumers afford to fill a prescription that would otherwise have gone unfilled<sup>5</sup>**

## GoodRx helps insured & uninsured consumers<sup>4</sup>



1. Internal estimate; Annals of Internal Medicine: The incidence and determinants of primary nonadherence with prescribed medication in primary care: a cohort study.  
2. New England Journal of Medicine: Taking Our Medicine — Improving Adherence in the Accountability Era; 2018  
3. American Journal of Health System Pharmacy: Meta-analysis of trials of interventions to improve medication adherence.  
4. GoodRx survey, July 2020  
5. GoodRx internal research; all-time number

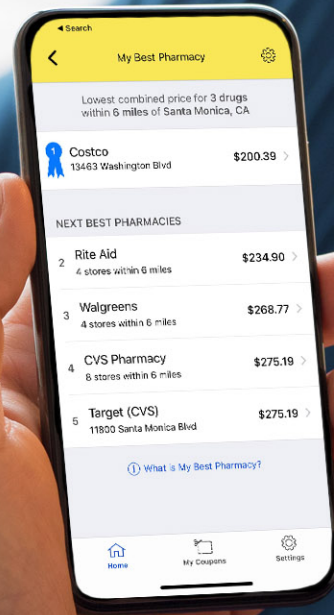


Help Americans get the  
healthcare they need at a  
price they can afford



Our Mission

Build the leading  
digital platform for  
consumer healthcare



Our Vision

# GoodRx at a glance

**#1**

Most downloaded medical app in the last three years<sup>1</sup>

**\$20Bn<sup>+</sup>**

Estimated cumulative consumer savings<sup>2</sup>

**15M**

Monthly Visitors<sup>3</sup>

**70,000<sup>+</sup>**

Pharmacies with up-to-date prices

**2M<sup>+</sup>**

Prescribers have a patient who has used GoodRx

**80%<sup>+</sup>**

Repeat Activity<sup>4</sup>

**\$472M**

LTM Revenue

**53%**

YoY LTM Revenue Growth

**96%**

LTM Gross Margin

**39%**

LTM Adjusted EBITDA Margin<sup>5</sup>

1. Based on days with most downloads on Apple App Store and Google Play App Store 2017-June 30, 2020

2. As of June 30, 2020. 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.

3. Monthly Visitors is the number of individuals who visited our apps and websites in a given calendar month. Visitors to our apps and websites are counted independently. As a result, a consumer that visits or engages with our platform through both apps and websites will be counted multiple times in calculating Monthly Visitors. When presented for a period longer than a calendar month, Monthly Visitors is averaged over each calendar month in such period.; Q2'20

4. Repeat activity refers to the second and later use of our discounted prices by a single GoodRx consumer; 2016-June 30, 2020

5. Adjusted EBITDA Margin is a non-GAAP financial measure. We calculate Adjusted EBITDA, for a particular period, as net income before interest, taxes, depreciation and amortization, and as further adjusted for acquisition related expenses, stock-based compensation expense, loss on extinguishment of debt, financing related expenses, cash bonuses to vested option holders and other expense (income), net. Adjusted EBITDA Margin is calculated as Adjusted EBITDA as a percentage of revenue. For a reconciliation of net income, the most directly comparable GAAP financial measure, to adjusted EBITDA, see reconciliation slide in the appendix

# Our platform delivers value to multiple constituents, starting with consumers

**\$20B+**

All-Time  
Consumer  
Savings<sup>1</sup>



Consumer



Pharmacies

Increased  
Foot Traffic

Customer  
Satisfaction

**86**

Net Promoter  
Score<sup>2</sup>



Physicians



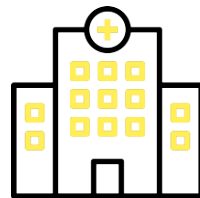
Pharmacy Benefit  
Managers (PBMs)

Proven Growth  
Channel

Long-term  
Partnerships

**\$300B**

Costs From  
Non-Adherence<sup>3</sup>



Payers



Manufacturers

Engage & Convert  
High-Intent Users

Targeted Advertising  
to High Intent  
Consumers



1. As of June 30, 2020. 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.

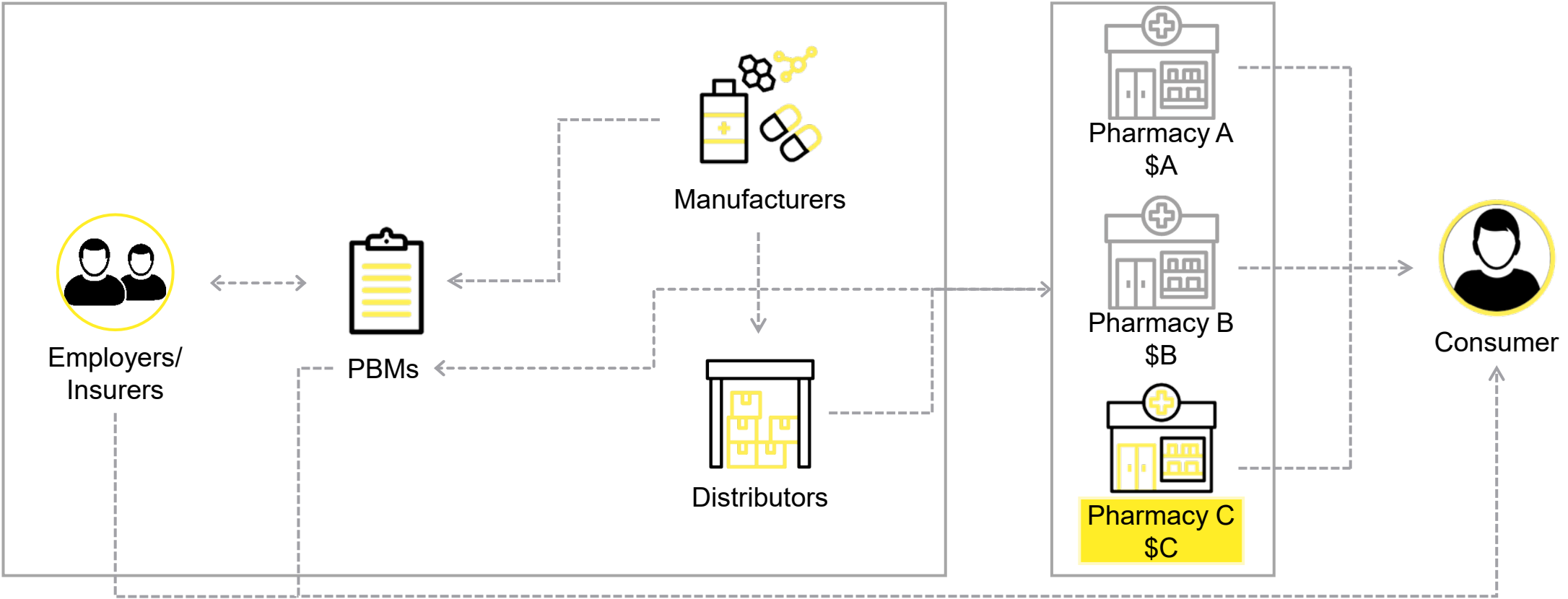
2. GoodRx survey, February 2020

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

# Complexity creates inefficiency at the consumers' expense

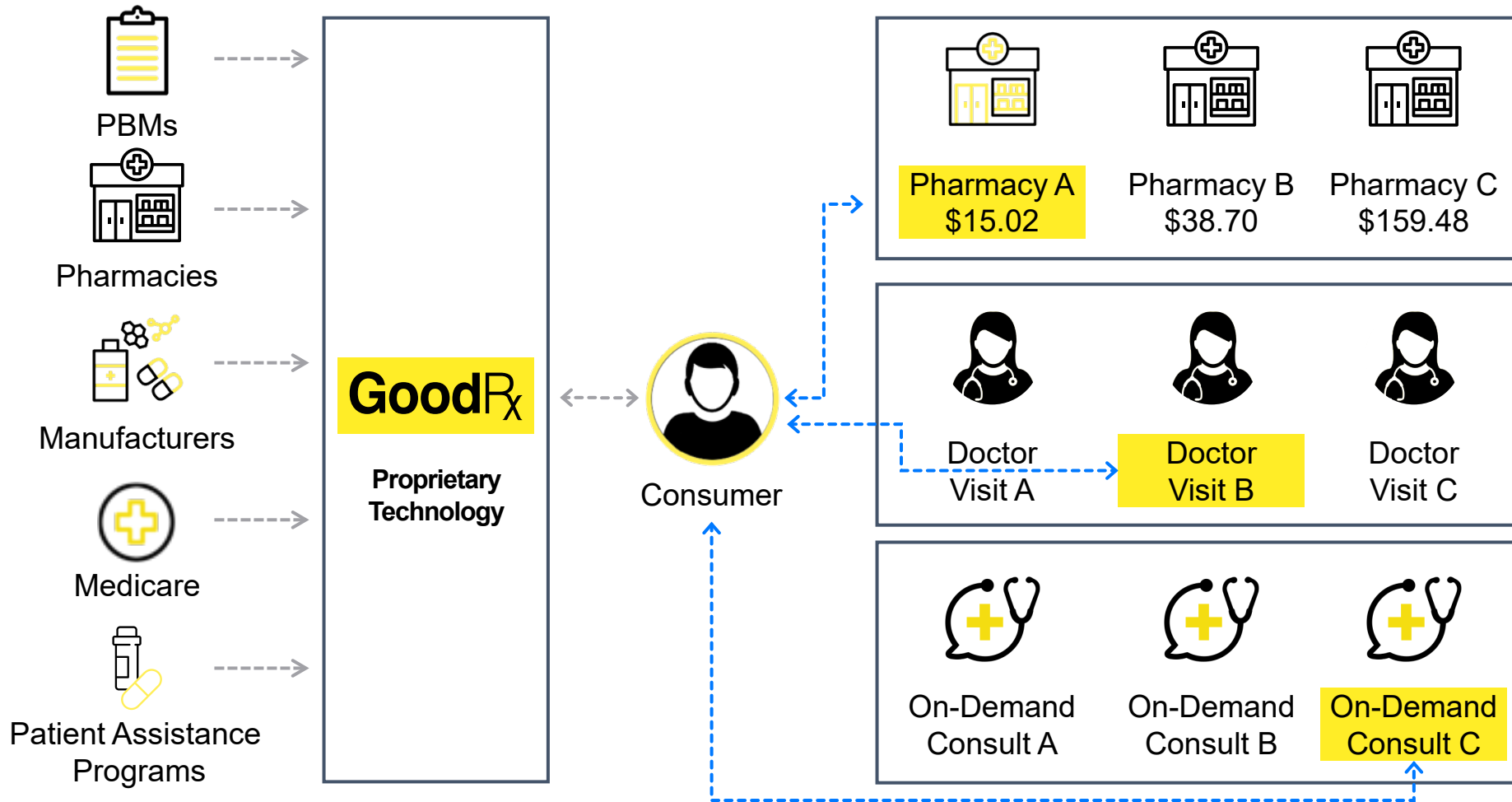
Highly complex healthcare ecosystem results in **lack of consistency** in consumer price

Consumer faced with **wide variance** in price and **lack of transparency** into available alternatives







Note: Represents illustrative drivers of Rx pricing and end consumer purchase decision

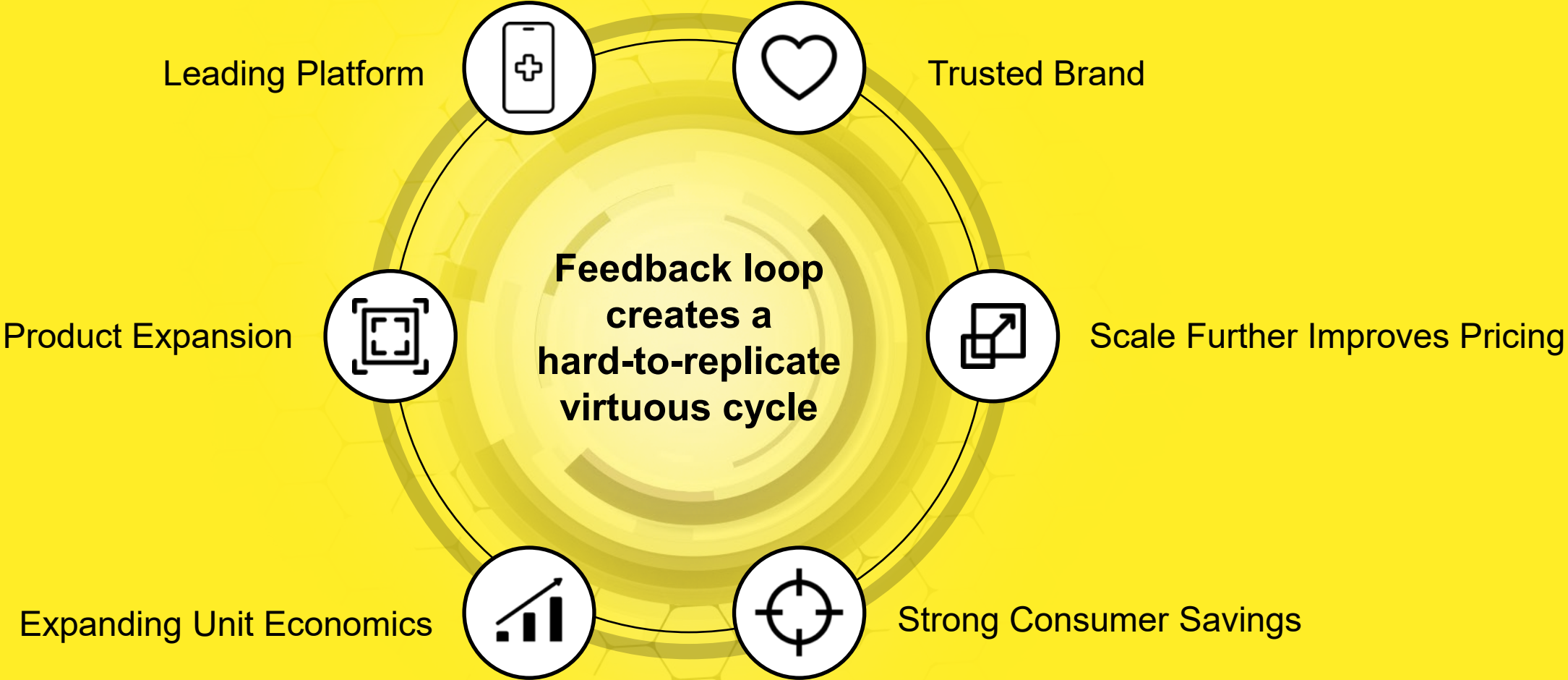
# GoodRx empowers the consumer



# GoodRx

-  Single access point
-  Greater transparency
-  Cost savings
-  Convenience

# Our network strengthens with every transaction



# Data simplifications unlock huge consumer value



Largest search engine<sup>1</sup>

- 130 Trillion indexed websites
- 2 Trillion searches per year
- 21 Petabytes of Google Maps data



Leading US homes database<sup>1</sup>

- 110M+ US homes
- 32M+ Property records
- Property and listing facts, purchase and sale data



Largest DNA database<sup>1</sup>

- 24Bn+ Digitized records
- 100M+ Family trees created
- 16M+ Samples in DNA database



Digital healthcare platform

- \$8Bn+ all-time GMV<sup>2</sup>
- 70K+ pharmacies
- 150Bn daily pricing data points
- 15M monthly visitors<sup>3</sup>
- 2M+ Prescribers have a patient that used GoodRx

<sup>1</sup> Google – SearchEngineLand.com, Mashable.com, Broadband.com; Zillow – Public Filings; Ancestry.com – Company Website

<sup>2</sup> GMV represents gross merchandise value, which is the aggregate price paid by consumers who used a discount available through our platform for their prescriptions during a particular period. GMV excludes any prices paid by users linked to our subscription programs, GoodRx Gold and Kroger Rx Savings Club. Data as of June 10, 2020

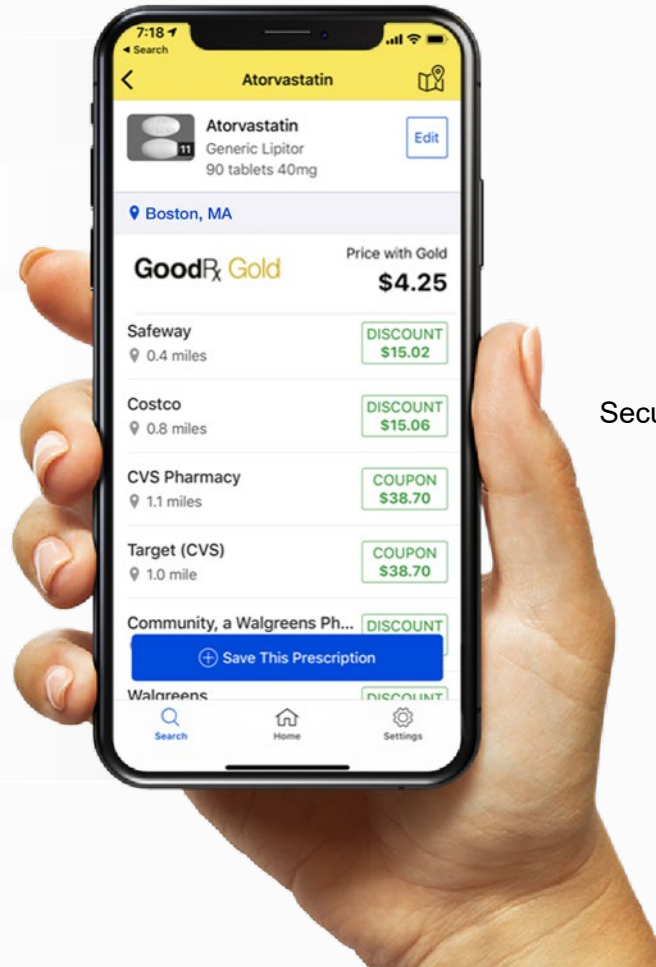
<sup>3</sup> Monthly Visitors is the number of individuals who visited our apps and websites in a given calendar month. Visitors to our apps and websites are counted independently. As a result, a consumer that visits or engages with our platform through both apps and websites will be counted multiple times in calculating Monthly Visitors. When presented for a period longer than a calendar month, Monthly Visitors is averaged over each calendar month in such period.; Q2'20



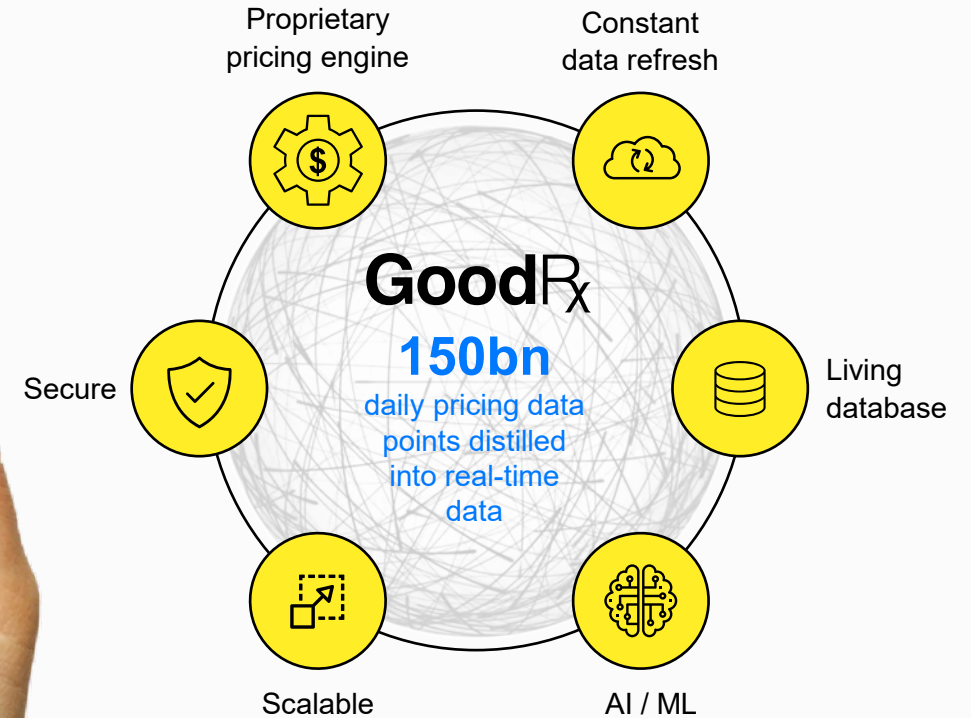
# GoodRx combines complex backend with simple, elegant consumer app

## Data sources

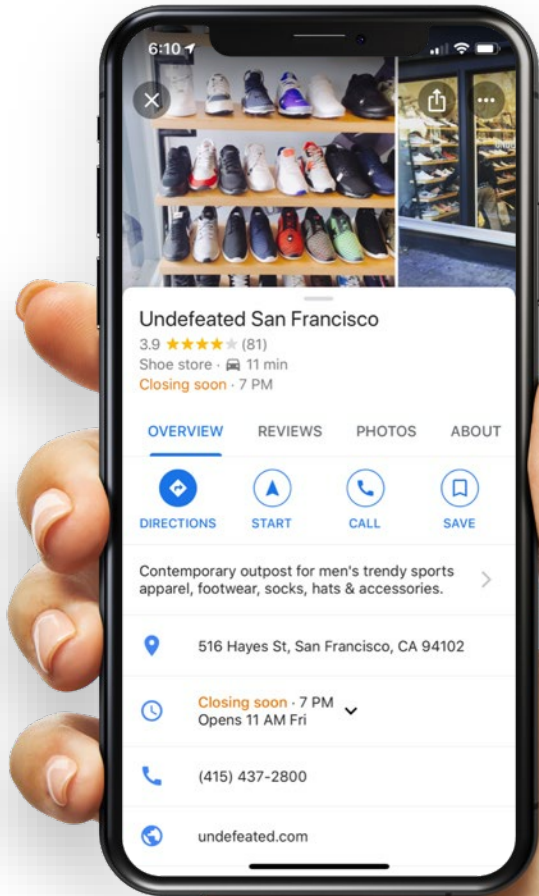
-  Pharmacy saving programs
-  U&C prices
-  Medicare prices
-  Pharmaceutical Manufacturers
-  Patient assistance programs
-  Multiple PBM networks



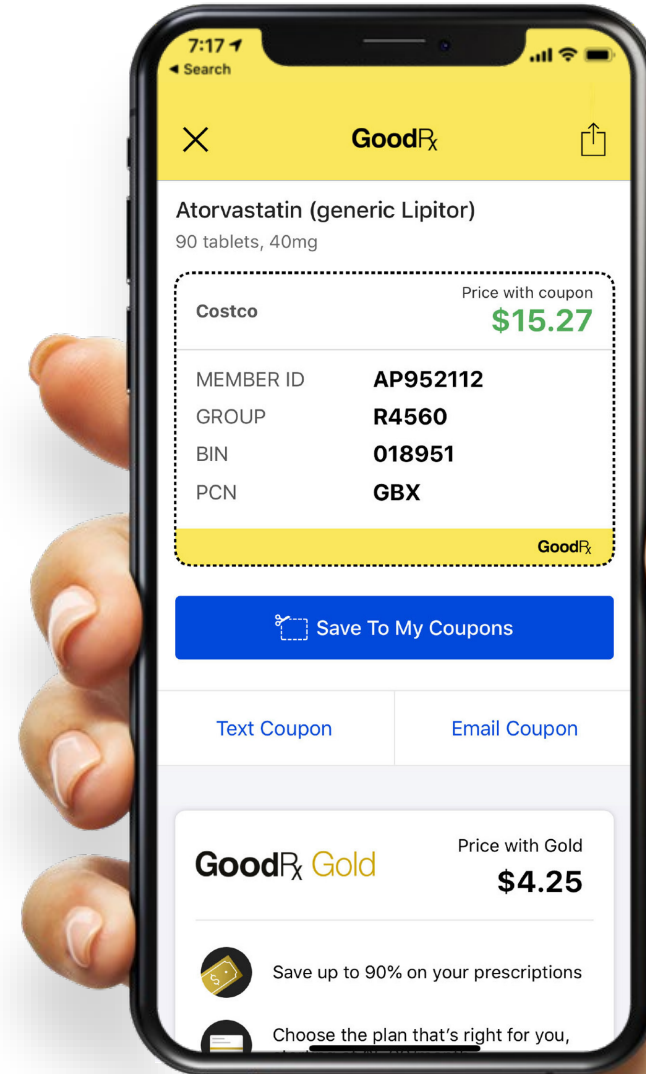
## Engine



# Simple and powerful

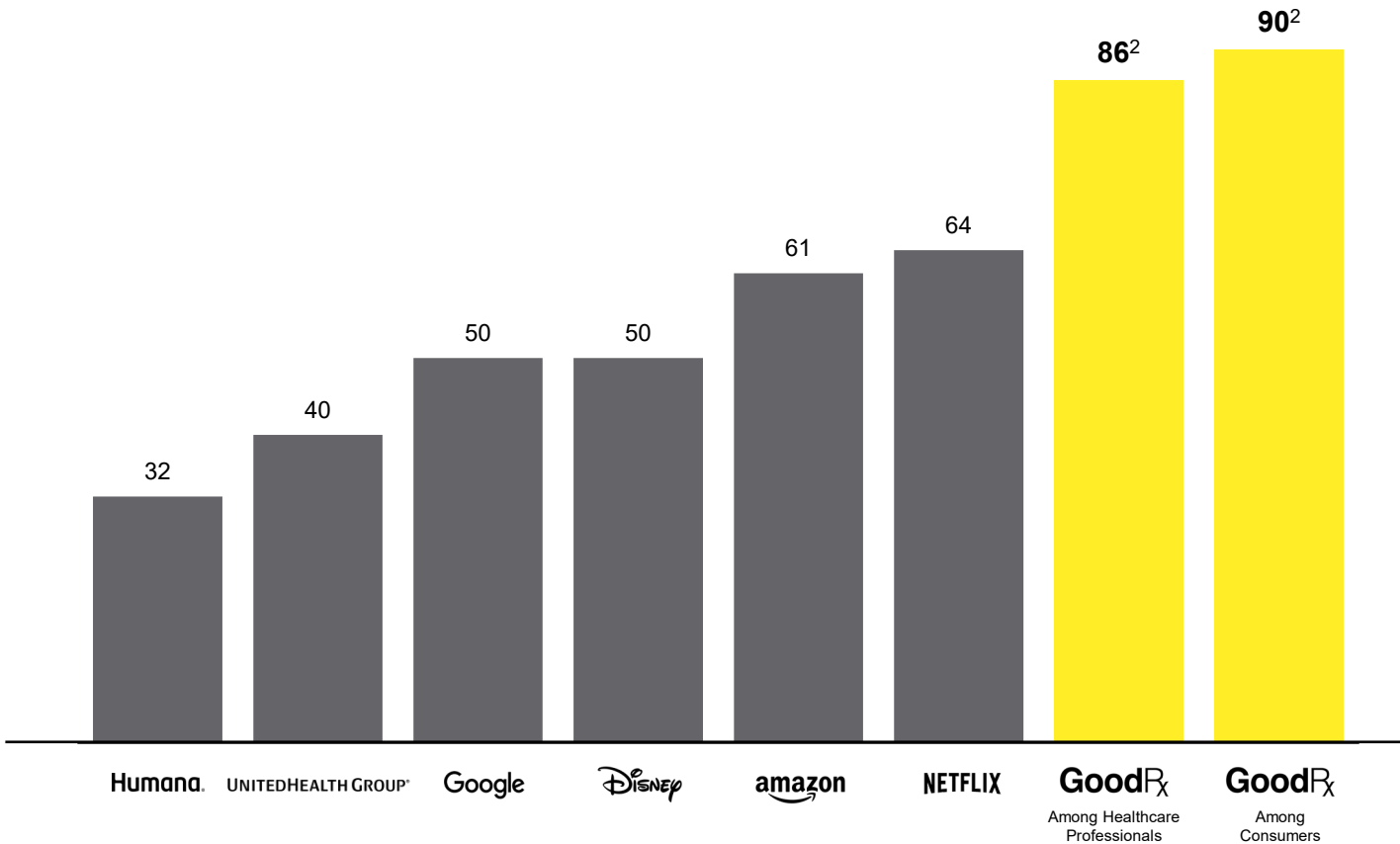


-  **Free** to use
-  **Significant** consumer savings
-  Improves **consumer health**
-  Benefits **industry stakeholders**
-  **Value-added** adjacencies



# Consumers and healthcare providers love us

## NPS Scores<sup>1</sup>

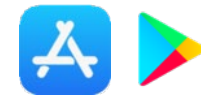


*“My patients with chronic care conditions pay LESS for their meds by paying cash through GoodRx than by going through insurance.”*

**Marguerite Duane, MD**

*“Without GoodRx’s low prices I’d never be able to afford my medications...they basically help to save my life month after month.”*

**KT, Patient<sup>3</sup>**



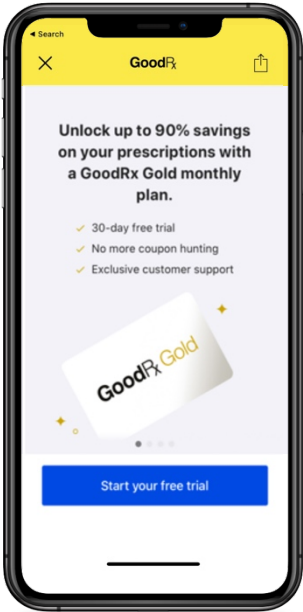
**4.8 Stars on >700K reviews<sup>4</sup>**



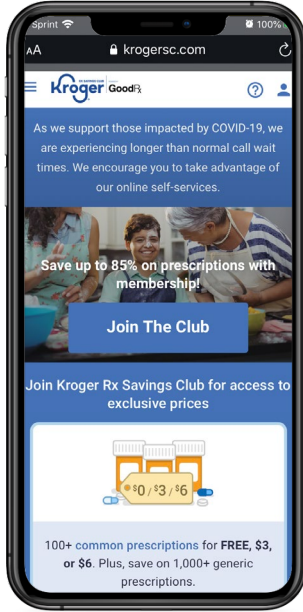
1. Non-GoodRx NPS sourced from Consumer Gauge. Netflix, 2018; Amazon, 2017; Disney, 2013; Google, 2017; UnitedHealth Group, 2018; Humana, 2014  
2. GoodRx NPS based on a survey of consumers on the GoodRx website in February, 2020.  
3. Consumer Reviews from Better Business Bureau website  
4. As of June 30, 2020

# Subscription products deliver more value to consumers and drive higher lifetime value

**2x**  
one-year contribution compared to our prescription offering<sup>1</sup>



GoodRx Gold



Kroger Rx Savings Club  
*Powered by GoodRx*

## Gold

Monthly Plan

1,000+ prescriptions under \$10 at up to 90% savings off list prices

## Kroger

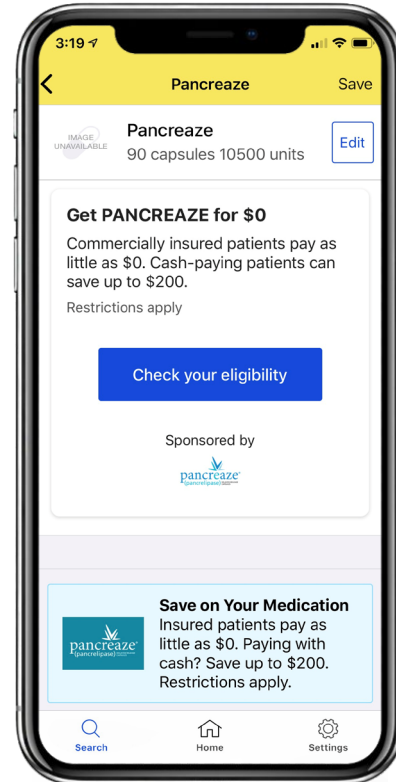
Annual Plan

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

<sup>1</sup> Based on cohort of consumers that started using subscriptions between July 2018-June 2019. First year contribution represents the cumulative revenue generated by consumers in the first year after they became consumers of our subscription offerings, less our estimated cost of revenue attributable to such revenue

# Delivering value to pharmaceutical manufacturers by engaging our existing high-intent users

**20%**  
of GoodRx searches  
are for Brand Drugs<sup>1</sup>



**Patient navigation to the best affordability option**

**Integrated copay assistance**

**Drives new patient starts and continuing patient adherence**

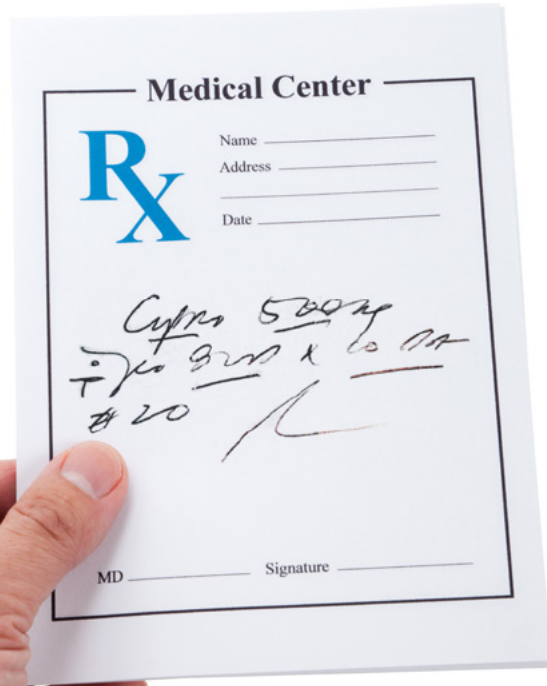
**\$30B**

**Medical marketing and advertising spend by pharmaceutical manufacturers<sup>2</sup>**

**Incremental**  
margins capitalizing on existing traffic

1. Internal data, 2019.  
2. Based on 2016 medical marketing and advertising spend published in Journal of the American Medical Association in 2019

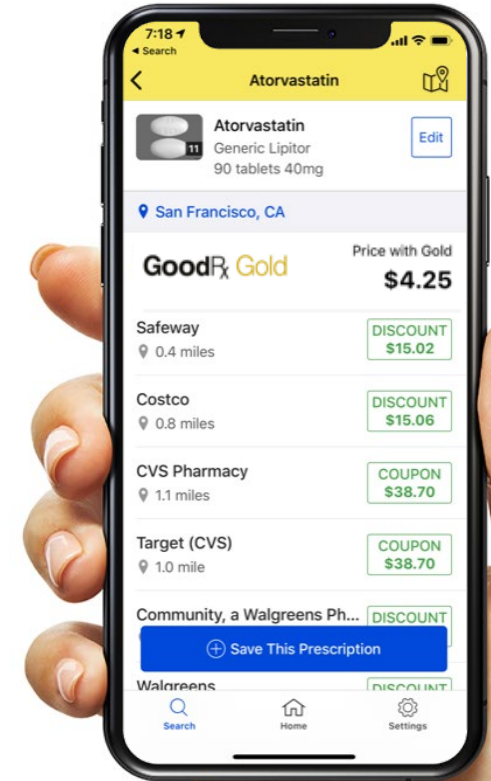
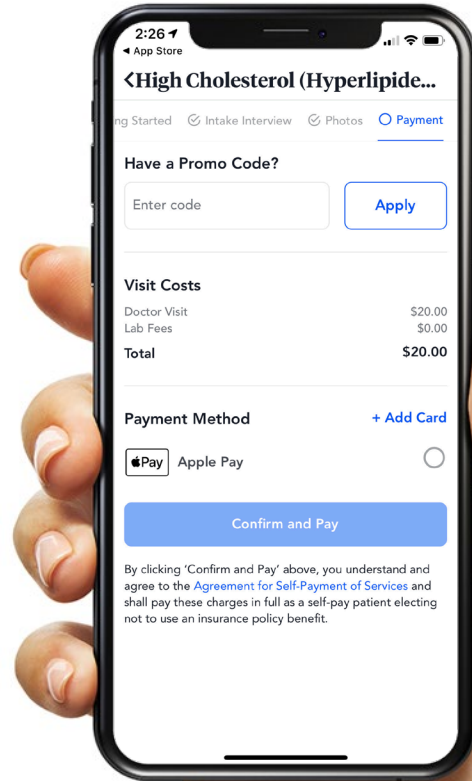
# Telehealth expands our offerings



**20%** of consumers **do not have** a prescription at the time of their GoodRx search<sup>1</sup>

See a provider **via telehealth** and receive a prescription if necessary

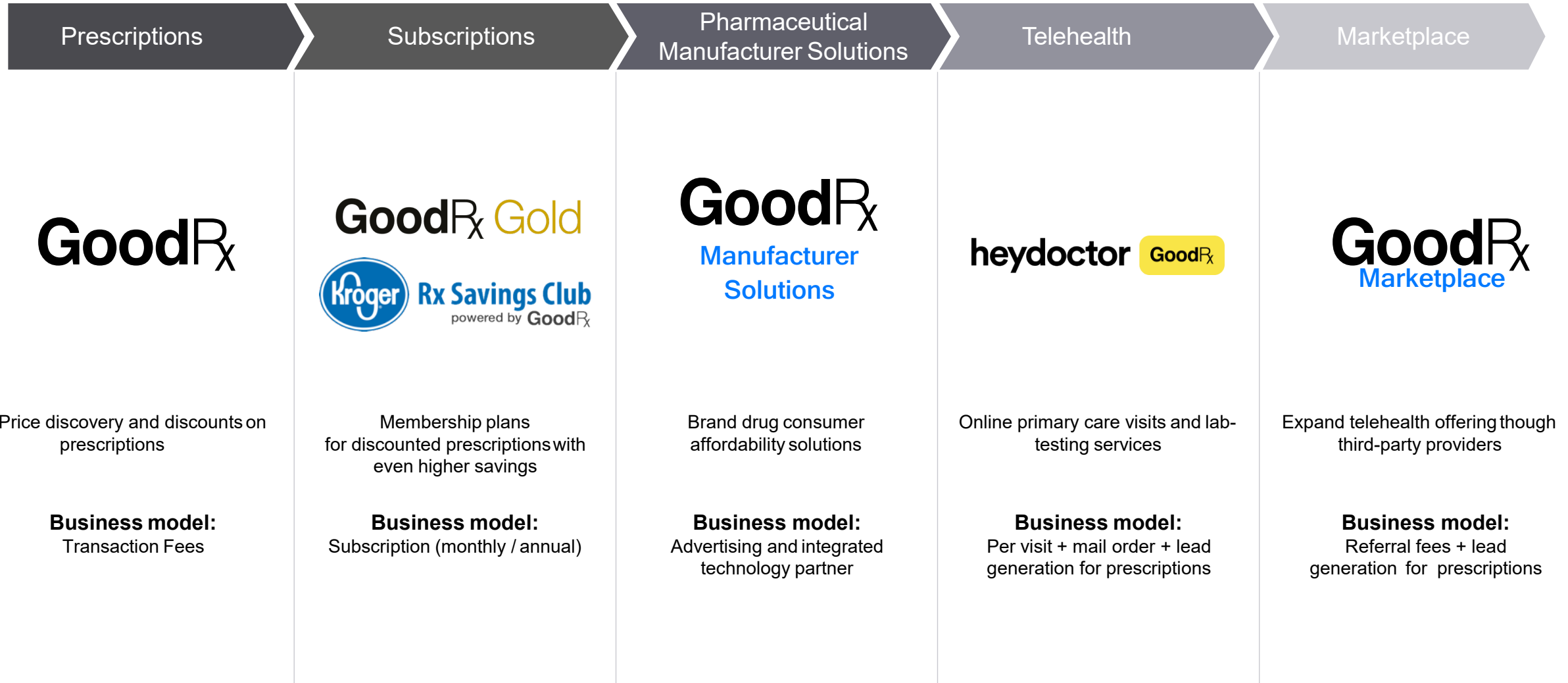
 HeyDoctor



**Drives traffic to prescriptions platform**

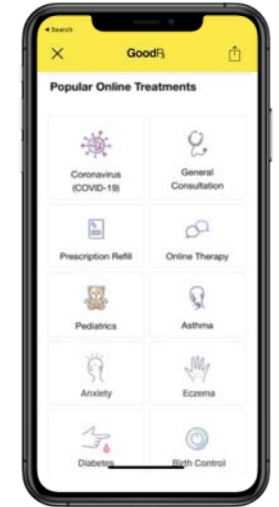
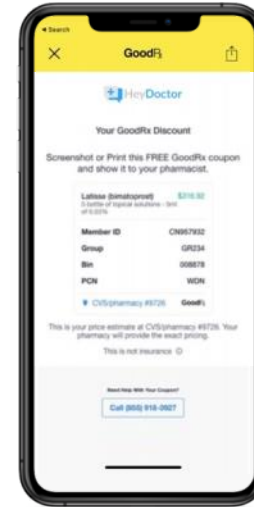
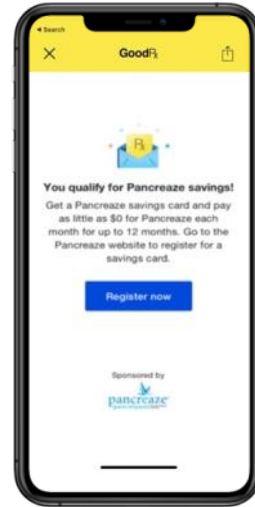
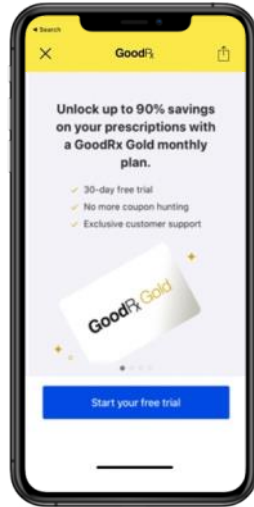
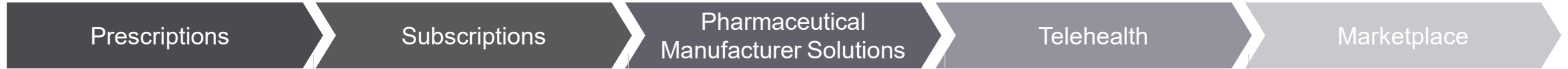
1. Internal data, 2020 as of August

# Prescriptions provide platform to expand flywheel of adjacent services



1. Calculated as number of visits that resulted in a coupon redemption out of all paid visits (excluding free COVID-19 visits); for six months ended June 30, 2020

# Growing consumer value over time



## Increased consumer value

Strong standalone unit economics

Upsell increases consumer savings and LTV

20% of GoodRx searches are for brand drugs<sup>1</sup>

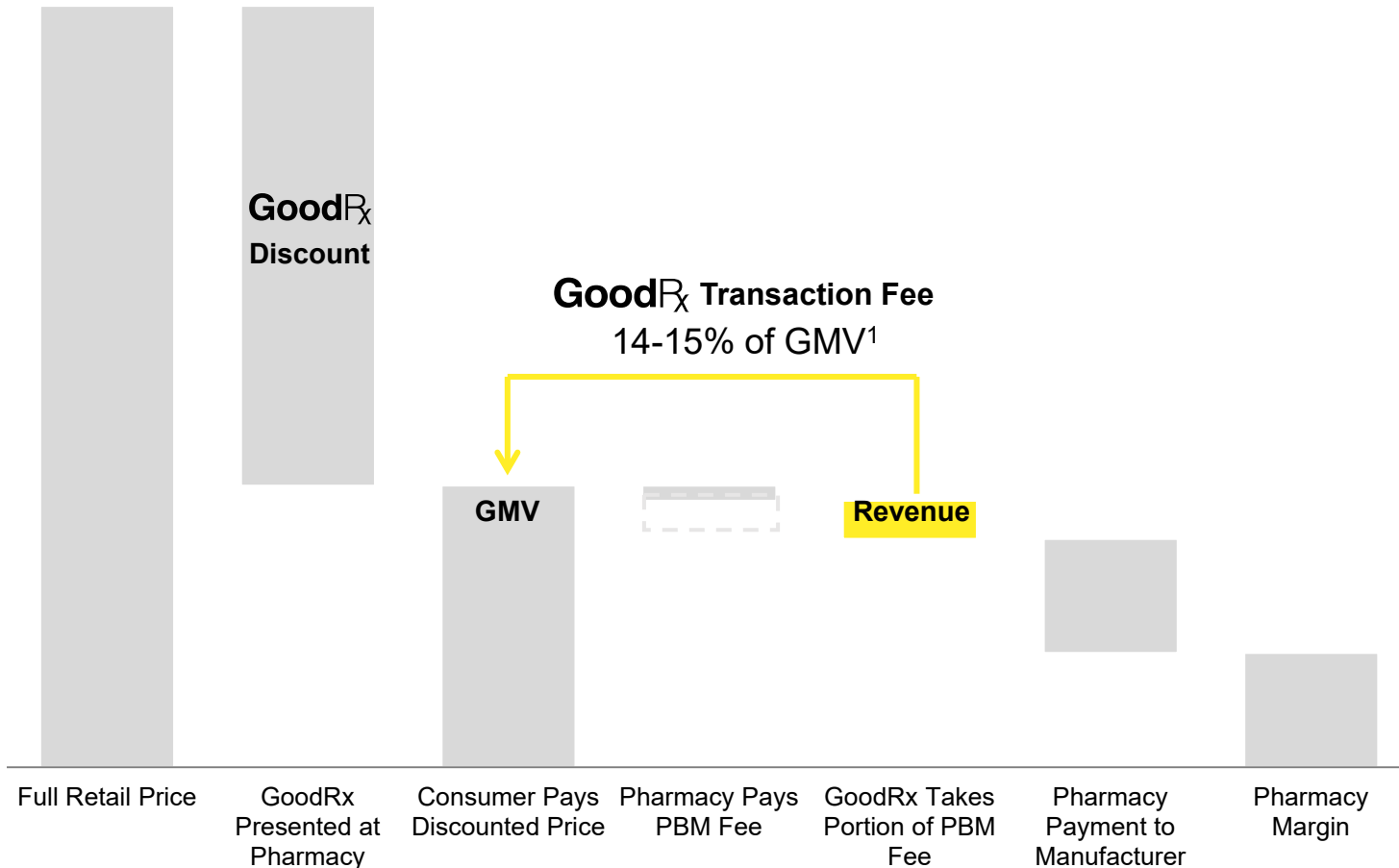
20% of consumers don't have a prescription<sup>2</sup>


Expanding services and solutions


1. Internal data, 2019.  
2. Internal data, 2020.





# Prescription transaction example




- 

**Consumer Seeks New Prescription**  
Shelf prices vary widely across pharmacies
- 

**GoodRx Presented at Pharmacy**  
GoodRx becomes benefit of record
- 

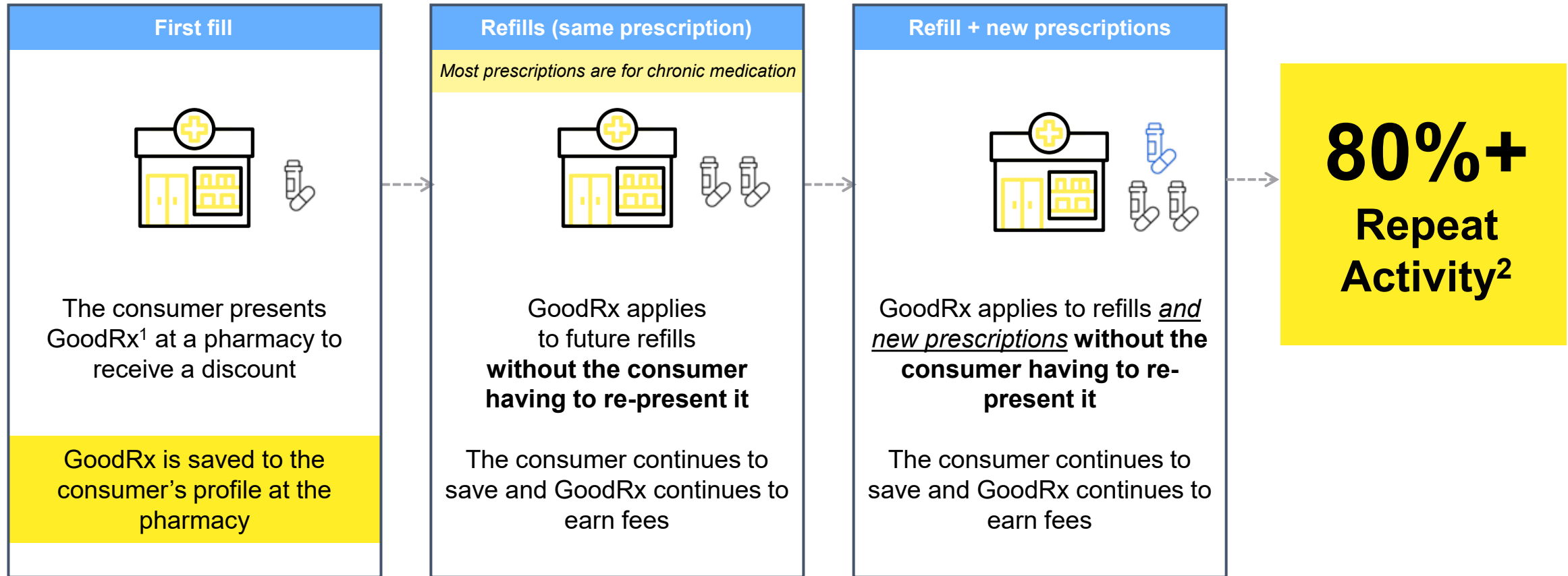
**Consumer Pays Discounted Price**  
This is GMV
- 

**Pharmacy Pays PBM Fee**  
PBM receives fee
- 

**GoodRx Takes Portion of PBM Fee**  
This is revenue

1. Calculated as revenue from the core prescriptions product over GMV. 14.4% in 2019

# Multi-fill recurring usage drives repeat activity

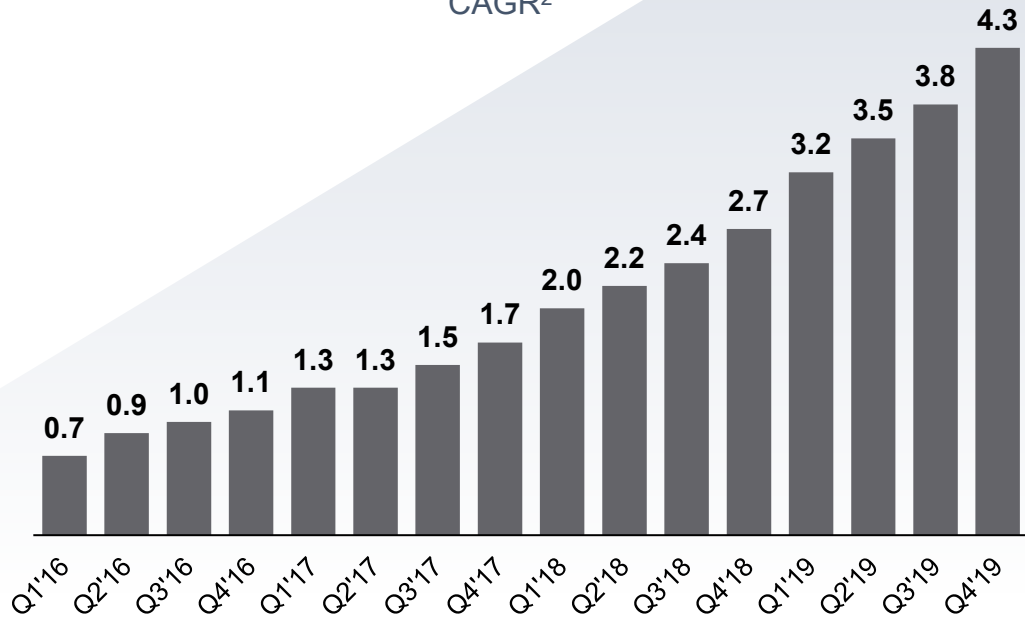


1. GoodRx provides adjudication information that is stored by the pharmacy  
2. Repeat activity refers to the second and later use of our discounted prices by a single GoodRx consumer; 2016-June 30, 2020

# Strong consumer and GMV growth at scale

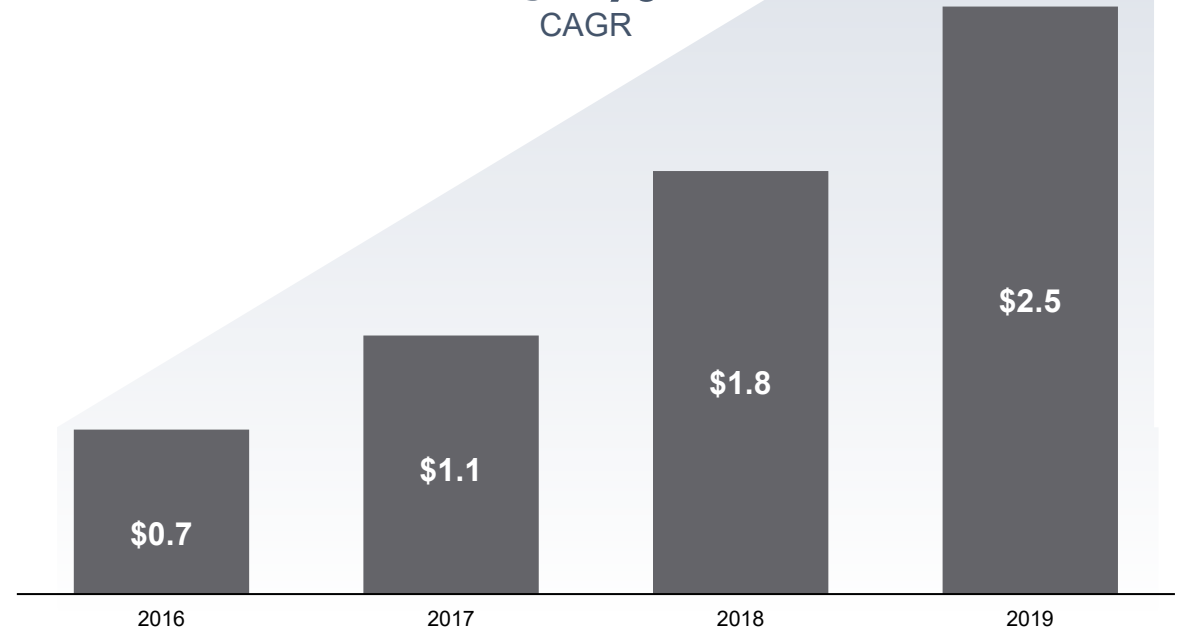
Monthly Active Consumers<sup>1</sup> (M)

**59%**  
CAGR<sup>2</sup>



GMV<sup>3</sup> (\$Bn)

**52%**  
CAGR



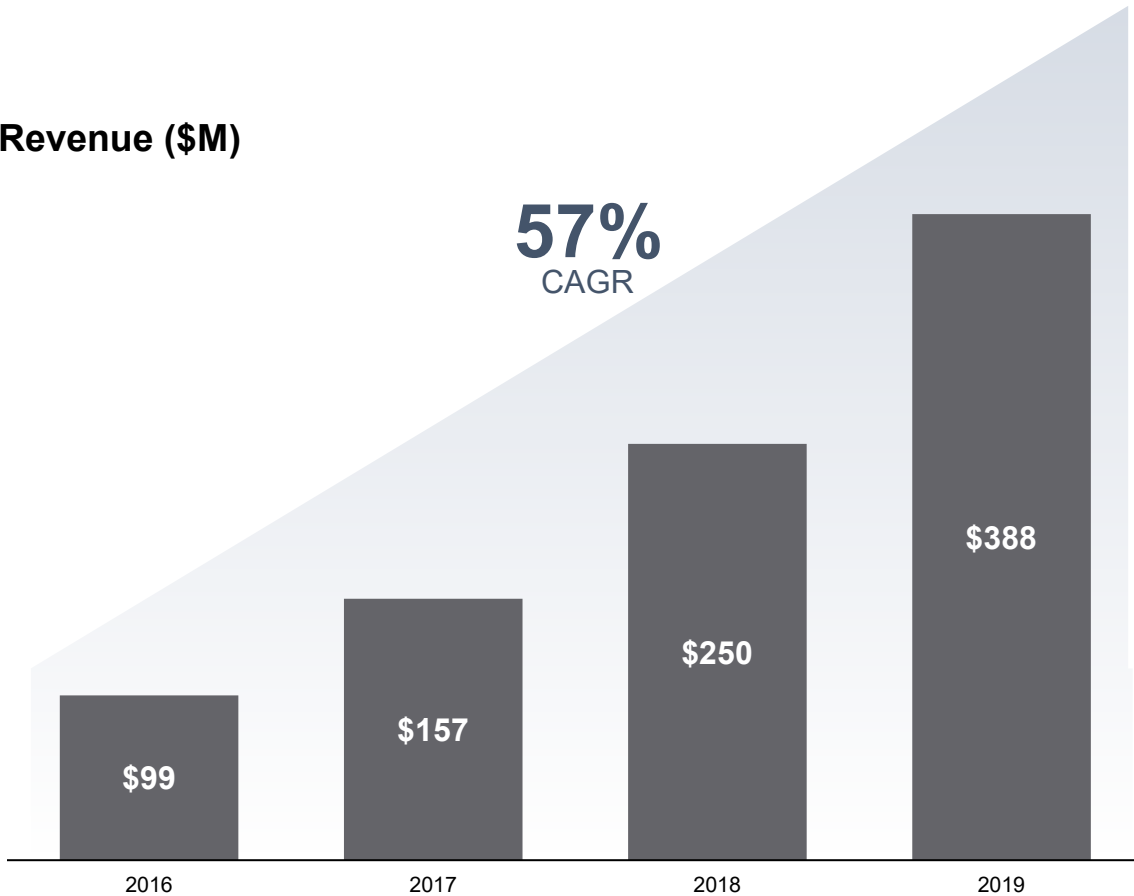
1. Refers to the number of unique consumers who have used a GoodRx code to purchase a prescription medication in a given calendar month and have saved money compared to the list price of the medication. A unique consumer who uses a GoodRx code more than once in a calendar month to purchase prescription 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. Monthly Active Consumers do not include subscribers to our subscription offerings, consumers of our pharmaceutical manufacturers solutions offering, or consumers who used our telehealth offerings. When presented for a period longer than a month, Monthly Active Consumers is averaged over the number of calendar months in such period.

2. CAGR represents 2016 – 2019 Monthly Active Consumer metrics

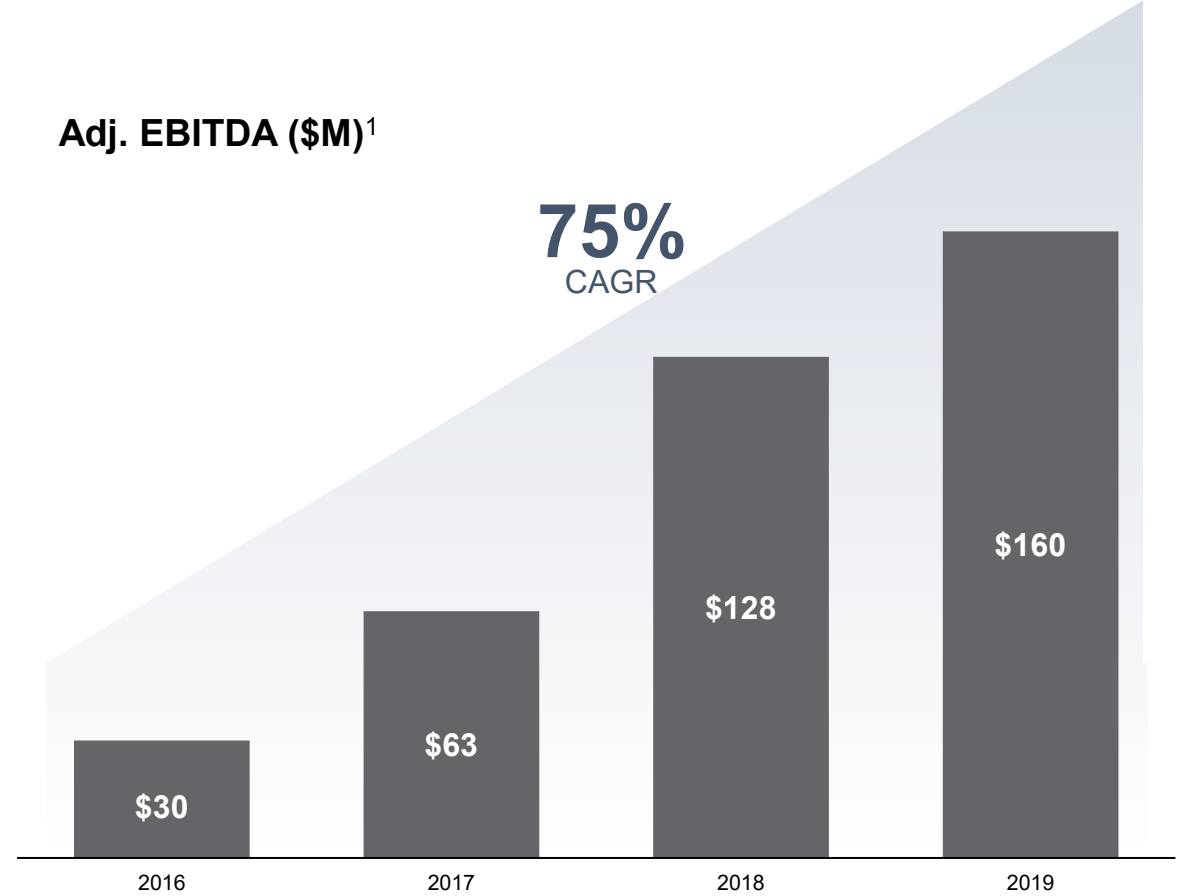
3. GMV represents gross merchandise value, which is the aggregate price paid by our consumers who used a GoodRx code available through our platform for their prescriptions during such period. GMV excludes any prices paid by consumers linked to our other offerings, including our subscription offerings.

# Strong revenue growth uniquely coupled with high profitability

Revenue (\$M)



Adj. EBITDA (\$M)<sup>1</sup>



1. Adjusted EBITDA is a non-GAAP financial measure. We calculate Adjusted EBITDA, for a particular period, as net income before interest, taxes, depreciation and amortization, and as further adjusted for acquisition related expenses, stock-based compensation expense, loss on extinguishment of debt, financing related expenses, cash bonuses to vested option holders and other expense (income), net. For a reconciliation of net income, the most directly comparable GAAP financial measure, to adjusted EBITDA, see reconciliation slide in the appendix.

# Building the leading digital platform for consumer healthcare

**Transparency** and **trust** is core to our platform

**Consumer first** approach is always **top of mind**

**Macro trends** drive the need for our solutions and technology

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

Every transaction reinforces **value proposition** to the ecosystem

Unique combination of **scale**, **high-growth** and **profitability**

Opportunity to become **the** leading digital healthcare platform in the United States

# Thank You

[www.goodrx.com](http://www.goodrx.com)



# Appendix



# Adjusted EBITDA Reconciliation

| (dollars in thousands)                             | 2016                 | 2017                  | 2018             | 2019             |
|--|----------------------|-----------------------|------------------|------------------|
| Net Income   | \$8,913 <sup>1</sup> | \$28,772 <sup>1</sup> | \$43,793         | \$66,048         |
| Interest income                                    | (21)                 | (24)                  | (154)            | (715)            |
| Interest expense                                   | 3,541                | 6,970                 | 22,193           | 49,569           |
| Income tax expense                                 | 6,188                | 10,931                | 8,555            | 16,930           |
| Depreciation and amortization <sup>1</sup>         | 9,089                | 9,099                 | 9,806            | 13,573           |
| Other expense (income), net                        | 154                  | (5)                   | 7                | 2,967            |
| Loss on extinguishment of debt <sup>2</sup>        | -                    | 3,661                 | 2,857            | 4,877            |
| Cash bonuses to vested option holders <sup>3</sup> | -                    | 1,400                 | 38,800           | -                |
| Financing related expenses <sup>4</sup>            | -                    | -                     | -                | 463              |
| Acquisition related expenses                       | 142                  | 2                     | 15               | 2,170            |
| Stock-based compensation                           | 2,002                | 2,150                 | 1,762            | 3,747            |
| <b>Adjusted EBITDA<sup>5, 6</sup></b>              | <b>\$30,008</b>      | <b>\$62,956</b>       | <b>\$127,634</b> | <b>\$159,629</b> |
| <i>Adjusted EBITDA Margin</i>                      | <b>30.2%</b>         | <b>40.0%</b>          | <b>51.2%</b>     | <b>41.1%</b>     |

1. 2016 and 2017 were audited using private company standards. Net Income and Depreciation and Amortization presented reflect the elimination of goodwill amortization due to shift away from private company GAAP and to make them comparable to 2018 and 2019 audited

2. Related to early repayment of debt

3. \$38.8m in 2018 reflect bonuses paid to vested option holders in connection with special dividend payments made to stockholders

4. Financing related expenses include third party fees for actual or planned acquisitions including related legal, consulting, and other expenditures, and retention bonuses to employees related to acquisitions

5. Adjusted EBITDA is a non-GAAP financial metric

6. Totals may not sum due to rounding