

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2021

OR

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

For the transition period from _____ to _____

Commission File Number: 001-39549

GoodRx Holdings, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

47-5104396
(I.R.S. Employer
Identification No.)

2701 Olympic Boulevard
Santa Monica, CA
(Address of principal executive offices)

90404
(Zip Code)

(855) 268-2822

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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	GDRX	The Nasdaq Stock Market LLC

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

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 9, 2021, the registrant had 75,429,443 shares of Class A common stock, \$0.0001 par value per share, and 320,210,544 shares of Class B common stock, \$0.0001 par value per share, outstanding.

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in 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”). All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “forecasts,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to statements regarding our future results of operations and financial position, industry and business trends, stock compensation, business strategy, plans, market growth and our objectives for future operations.

The forward-looking statements in this Quarterly Report on Form 10-Q are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements 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 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 our material weaknesses in our internal control over financial reporting and any future material weaknesses; 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 cyber-security; 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; management’s ability to manage our transition to being a public company; 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; 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; as well as the other important factors discussed in the section entitled “Risk Factors” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2020 (“2020 10-K”) and this Quarterly Report on Form 10-Q and in our other filings with the Securities and Exchange Commission (“SEC”). The forward-looking statements in this Quarterly Report on Form 10-Q are based upon information available to us as of the date of this Quarterly Report on Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q and have filed as exhibits to this Quarterly Report on Form 10-Q with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Quarterly Report on Form 10-Q, whether as a result of any new information, future events or otherwise.

GOODRX HOLDINGS, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited)

GoodRx Holdings, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

<i>(in thousands, except par values)</i>	<u>June 30, 2021</u>	<u>December 31, 2020</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 894,703	\$ 968,691
Restricted cash	—	2,900
Accounts receivable, net	87,004	68,729
Prepaid expenses and other current assets	94,043	46,048
Total current assets	1,075,750	1,086,368
Property and equipment, net	22,105	23,057
Goodwill	320,196	261,116
Intangible assets, net	94,780	36,919
Capitalized software, net	31,996	19,800
Operating lease right-of-use assets	26,902	27,712
Deferred tax assets, net	12,971	13,117
Other assets	2,229	2,025
Total assets	\$ 1,586,929	\$ 1,470,114
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 18,378	\$ 10,291
Accrued expenses and other current liabilities	33,759	37,692
Current portion of debt	7,029	7,029
Operating lease liabilities, current	6,325	4,539
Total current liabilities	65,491	59,551
Debt, net	657,877	659,888
Operating lease liabilities, net of current portion	32,818	33,467
Other liabilities	6,349	5,849
Total liabilities	762,535	758,755
Commitments and contingencies (Note 8)		
Stockholders' equity		
Preferred stock, \$0.0001 par value; 50,000 shares authorized and zero shares issued and outstanding at June 30, 2021 and December 31, 2020	—	—
Common stock, \$0.0001 par value; Class A: 2,000,000 shares authorized, 72,054 and 63,071 shares issued and outstanding at June 30, 2021 and December 31, 2020, respectively; and Class B: 1,000,000 shares authorized, 323,339 and 328,589 shares issued and outstanding at June 30, 2021 and December 31, 2020, respectively	39	39
Additional paid-in capital	2,182,079	2,101,773
Accumulated deficit	(1,357,724)	(1,390,453)
Total stockholders' equity	824,394	711,359
Total liabilities and stockholders' equity	\$ 1,586,929	\$ 1,470,114

See accompanying Notes to Condensed Consolidated Financial Statements.

GoodRx Holdings, Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<i>(in thousands, except per share amounts)</i>				
Revenue	\$ 176,635	\$ 123,295	\$ 337,066	\$ 256,703
Costs and operating expenses:				
Cost of revenue, exclusive of depreciation and amortization presented separately below	11,090	6,824	21,518	12,843
Product development and technology	29,567	11,962	55,727	22,287
Sales and marketing	88,381	51,920	168,075	115,082
General and administrative	39,579	6,332	83,365	12,219
Depreciation and amortization	8,369	4,521	13,730	8,866
Total costs and operating expenses	<u>176,986</u>	<u>81,559</u>	<u>342,415</u>	<u>171,297</u>
Operating (loss) income	<u>(351)</u>	<u>41,736</u>	<u>(5,349)</u>	<u>85,406</u>
Other expense, net:				
Other income, net	—	(16)	—	(21)
Interest income	(13)	(41)	(29)	(116)
Interest expense	5,906	6,795	11,811	15,433
Total other expense, net	<u>5,893</u>	<u>6,738</u>	<u>11,782</u>	<u>15,296</u>
(Loss) income before income taxes	(6,244)	34,998	(17,131)	70,110
Income tax benefit (expense)	37,305	(7,661)	49,860	(15,427)
Net income	<u>\$ 31,061</u>	<u>\$ 27,337</u>	<u>\$ 32,729</u>	<u>\$ 54,683</u>
Net income attributable to common stockholders:				
Basic	<u>\$ 31,061</u>	<u>\$ 17,663</u>	<u>\$ 32,729</u>	<u>\$ 35,325</u>
Diluted	<u>\$ 31,061</u>	<u>\$ 17,842</u>	<u>\$ 32,729</u>	<u>\$ 35,674</u>
Earnings per share:				
Basic	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.15
Diluted	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.15
Weighted average shares used in computing earnings per share:				
Basic	408,363	230,160	407,273	230,020
Diluted	428,867	236,890	429,228	236,557
Stock-based compensation included in costs and operating expenses:				
Cost of revenue	\$ 181	\$ 24	\$ 302	\$ 41
Product development and technology	7,987	918	16,323	1,814
Sales and marketing	5,262	608	10,520	1,478
General and administrative	27,246	571	60,057	998

See accompanying Notes to Condensed Consolidated Financial Statements.

GoodRx Holdings, Inc.
**Condensed Consolidated Statements of Changes in Redeemable Convertible
Preferred Stock and Stockholders' Equity (Deficit)**
(Unaudited)

<i>(in thousands)</i>	Redeemable Convertible Preferred Stock		Class A and Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balances at December 31, 2020	—	\$ —	391,660	\$ 39	\$ 2,101,773	\$ (1,390,453)	\$ 711,359
Stock options exercised	—	—	513	—	2,680	—	2,680
Stock-based compensation	—	—	—	—	48,254	—	48,254
Vesting of restricted stock units	—	—	608	—	—	—	—
Common stock withheld for tax obligations and net settlement	—	—	(324)	—	(14,902)	—	(14,902)
Net income	—	—	—	—	—	1,668	1,668
Balances at March 31, 2021	—	\$ —	392,457	\$ 39	\$ 2,137,805	\$ (1,388,785)	\$ 749,059
Stock options exercised	—	—	2,609	—	13,291	—	13,291
Stock-based compensation	—	—	—	—	42,366	—	42,366
Vesting of restricted stock units	—	—	631	—	—	—	—
Common stock withheld for tax obligations and net settlement	—	—	(304)	—	(11,383)	—	(11,383)
Net income	—	—	—	—	—	31,061	31,061
Balances at June 30, 2021	—	\$ —	395,393	\$ 39	\$ 2,182,079	\$ (1,357,724)	\$ 824,394

See accompanying Notes to Condensed Consolidated Financial Statements.

GoodRx Holdings, Inc.
**Condensed Consolidated Statements of Changes in Redeemable Convertible
Preferred Stock and Stockholders' Equity (Deficit)**
(Unaudited)

<i>(in thousands)</i>	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balances at December 31, 2019	126,046	\$ 737,009	229,750	\$ 460	\$ 8,788	\$ (1,096,830)	\$ (1,087,582)
Stock options exercised	—	—	467	1	691	—	692
Stock-based compensation	—	—	—	—	2,501	—	2,501
Net income	—	—	—	—	—	27,346	27,346
Balances at March 31, 2020	126,046	\$ 737,009	230,217	\$ 461	\$ 11,980	\$ (1,069,484)	\$ (1,057,043)
Stock options exercised	—	—	222	1	530	—	531
Stock-based compensation	—	—	—	—	2,440	—	2,440
Net income	—	—	—	—	—	27,337	27,337
Balances at June 30, 2020	126,046	\$ 737,009	230,439	\$ 462	\$ 14,950	\$ (1,042,147)	\$ (1,026,735)

See accompanying Notes to Condensed Consolidated Financial Statements.

GoodRx Holdings, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

<i>(in thousands)</i>	Six Months Ended June 30,	
	2021	2020
Cash flows from operating activities		
Net income	\$ 32,729	\$ 54,683
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	13,730	8,866
Amortization of debt issuance costs	1,727	1,596
Non-cash operating lease expense	1,791	2,232
Stock-based compensation expense	87,202	4,331
Deferred income taxes	(364)	2,292
Loss on abandonment of operating lease assets	780	—
Changes in operating assets and liabilities, net of effects of business acquisitions		
Accounts receivable	(12,873)	(10,653)
Prepaid expenses and other assets	(47,241)	(3,952)
Accounts payable	4,917	753
Accrued expenses and other current liabilities	(1,897)	23,164
Operating lease liabilities	(590)	(224)
Other liabilities	500	737
Net cash provided by operating activities	80,411	83,825
Cash flows from investing activities		
Purchase of property and equipment	(3,058)	(1,779)
Acquisitions, net of cash acquired	(125,728)	—
Capitalized software	(13,630)	(6,540)
Net cash used in investing activities	(142,416)	(8,319)
Cash flows from financing activities		
Proceeds from long-term debt	—	28,000
Payments on long-term debt	(3,515)	(3,515)
Payment for contingent consideration	(832)	—
Payment of debt issuance costs	—	(1,306)
Proceeds from exercise of stock options	15,481	1,223
Proceeds from early exercise of stock options	—	667
Employee taxes paid related to net share settlement of equity awards	(26,017)	—
Net cash (used in) provided by financing activities	(14,883)	25,069
Net change in cash, cash equivalents and restricted cash	(76,888)	100,575
Cash, cash equivalents and restricted cash		
Beginning of period	971,591	26,050
End of period	\$ 894,703	\$ 126,625
Supplemental disclosure of cash flow information		
Non cash investing and financing activities		
Offering costs included in accounts payable and accrued expense and other current liabilities	\$ —	\$ 736
Right-of-use assets obtained in exchange for new operating lease liabilities	471	—
Stock-based compensation included in capitalized software development costs	3,418	610
Capitalized software development costs in accounts payable and accrued expenses and other current liabilities	828	269
Purchase of property and equipment included in accounts payable and accrued expenses and other current liabilities	—	2,125

The following table presents a reconciliation of cash, cash equivalents and restricted cash in the Company's Condensed Consolidated Balance Sheets to the total of the same such amounts shown above:

<i>(in thousands)</i>	June 30,	
	2021	2020
Cash and cash equivalents	\$ 894,703	\$ 126,625
Restricted cash	—	—
Total cash, cash equivalents and restricted cash	\$ 894,703	\$ 126,625

See accompanying Notes to Condensed Consolidated Financial Statements.

GoodRx Holdings, Inc.
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. Description of Business

GoodRx Holdings, Inc. was incorporated in September 2015. On October 7, 2015, GoodRx Holdings, Inc. acquired 100% of the outstanding shares of GoodRx, Inc. (“GoodRx”). GoodRx, a Delaware corporation, was initially formed in September 2011.

GoodRx Holdings, Inc. and its subsidiaries (the “Company”) offer information and tools to help consumers compare prices and save on their prescription drug purchases. The Company operates a price comparison platform that provides consumers with curated, geographically relevant prescription pricing, and provides access to negotiated prices through GoodRx codes that can be used to save money on prescriptions across the United States (the “prescription offering”). The services are free to consumers and the Company primarily earns revenue from its core business from pharmacy benefit managers (“PBMs”) that manage formularies and prescription transactions including establishing pricing between consumers and pharmacies. The Company also offers other healthcare products and services, including subscriptions, pharma manufacturer solutions and telehealth services.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”) and applicable rules and regulations of the Securities and Exchange Commission (“SEC”) regarding interim financial information. Certain information and disclosures normally included in annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, these condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended December 31, 2020 and the related notes, which are included in the Company’s Annual Report on Form 10-K filed with the SEC on March 12, 2021. The December 31, 2020 condensed consolidated balance sheet was derived from the Company’s audited consolidated financial statements as of that date. The Company’s condensed consolidated financial statements include, in the opinion of management, all adjustments, consisting of normal and recurring items, necessary for the fair statement of the condensed consolidated financial statements.

The Company’s significant accounting policies are discussed in “Note 2. Summary of Significant Accounting Policies” in the notes to the consolidated financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020. There have been no material changes in accounting policies during the six months ended June 30, 2021 from those disclosed in the annual consolidated financial statements for the year ended December 31, 2020 and the related notes.

During the three and six months ended June 30, 2021 and 2020, other than net income, the Company did not have any other elements of comprehensive income or loss. The operating results for the three and six months ended June 30, 2021 are not necessarily indicative of the results expected for the full year ending December 31, 2021.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of GoodRx Holdings, Inc., its wholly owned subsidiaries and variable interest entities (“VIEs”) for which the Company is the primary beneficiary. Intercompany balances and transactions have been eliminated in consolidation. Results of businesses acquired are included in the Company’s condensed consolidated financial statements from their respective dates of acquisition.

Consolidation of VIEs

GoodRx Care, LLC (formerly known as HeyDoctor), a wholly owned subsidiary of the Company, provides management and other services to professional service corporations (“PSCs”), which are owned by medical professionals in accordance with certain state laws that restrict the corporate practice of medicine and require medical practitioners to own such entities. The Company determined that the PSCs are VIEs. The Company also determined that it is able to direct the activities of the PSCs that most significantly impact their economic performance and it funds and absorbs all losses of these VIEs resulting in the Company being the primary beneficiary of the PSCs. Accordingly, the Company consolidates the VIEs.

Revenue of the VIEs were approximately 2% of the Company's revenue for each of the three and six months ended June 30, 2021 and 2020, respectively. The net results of operations of the VIEs for the three and six months ended June 30, 2021 and 2020 were not material. The VIEs' total assets and liabilities were each approximately 1% of the Company's total assets and liabilities at June 30, 2021 and December 31, 2020, respectively.

Segment Reporting and Geographic Information

Operating segments are defined as components of an enterprise for which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker manages the Company on the basis of one operating segment. During the three and six months ended June 30, 2021 and 2020, all of the Company's revenue was from customers located in the United States. In addition, at June 30, 2021 and December 31, 2020, all of the Company's right-of-use assets and property and equipment was in the United States.

Use of Estimates

The preparation of the Company's condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements, including the accompanying notes. The Company bases its estimates on historical factors, current circumstances, and the experience and judgment of management. The Company evaluates its estimates and assumptions on an ongoing basis. Actual results could differ from those estimates. Significant estimates reflected in the condensed consolidated financial statements include revenue recognition, valuation of intangible assets and assumptions used for purposes of determining stock-based compensation.

Certain Risks and Concentrations

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist principally of cash, cash equivalents and accounts receivable. The Company maintains cash deposits with multiple financial institutions in the United States which, at times, may exceed federally insured limits. Cash may be withdrawn or redeemed on demand. The Company believes that the financial institutions that hold its cash are financially sound and, accordingly, minimal credit risk exists with respect to these balances. The Company has not experienced any losses in such accounts.

The Company extends credit to its customers based on an evaluation of their ability to pay amounts due under contractual arrangements and generally does not obtain or require collateral.

For the three months ended June 30, 2021, three customers accounted for approximately 13%, 11% and 10% of the Company's revenue, respectively. For the six months ended June 30, 2021, three customers accounted for approximately 13%, 12% and 10% of the Company's revenue, respectively. For the three months ended June 30, 2020, three customers accounted for approximately 17%, 17% and 11% of the Company's revenue, respectively. For the six months ended June 30, 2020, three customers accounted for approximately 18%, 18% and 12% of the Company's revenue, respectively. At June 30, 2021, no customers accounted for more than 10% of the Company's accounts receivable balance. At December 31, 2020, one customer accounted for 12% of the Company's accounts receivable balance.

In March 2020, the World Health Organization declared the outbreak of the novel coronavirus disease ("COVID-19") a pandemic. The Company's prescription offering initially experienced a decline in activity as many consumers avoided visiting healthcare professionals and pharmacies in-person, though beginning in the second half of 2020 activity in the Company's prescription offering improved. The Company's prescription offering sequentially increased beginning in the third quarter of 2020 through the second quarter of 2021 as consumers partially resumed their interaction with the healthcare system. In addition, the Company has experienced a significant increase in demand for its telehealth offerings. The full extent to which the outbreak of COVID-19 will impact the Company's business, results of operations and financial condition is still unknown and will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the pandemic, the actions to contain the virus or treat its impact, mutations of the virus, availability and adoption of effective vaccines and how quickly and to what extent normal economic and operating conditions can resume.

In light of the currently unknown ultimate duration and severity of COVID-19, the Company faces a greater degree of uncertainty than normal in making the judgments and estimates needed to apply significant accounting policies. The Company assessed certain accounting matters that generally require consideration of forecasted financial information in context with the information reasonably available to the Company and the unknown future impacts of COVID-19 as of June 30, 2021 and through the date of this report. The accounting matters assessed included, but were not limited to, the

Company's carrying value of goodwill and other long-lived assets, valuation of intangible assets acquired in business combinations, incentive-based compensation and income taxes.

As of the date of these condensed consolidated financial statements, management is not aware of any specific event or circumstance that would require an update to estimates or judgments or a revision to the carrying value of assets or liabilities. However, these estimates and judgments may change as new events occur and additional information is obtained, which may result in changes being recognized in the Company's condensed consolidated financial statements or annual consolidated financial statements in future periods.

Cash, Cash Equivalents and Restricted Cash

The Company considers all short-term, highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash deposits are all in financial institutions in the United States. Cash and cash equivalents consist primarily of U.S. treasury securities money market funds held with an investment bank and cash on deposit.

Cash equivalents, consisting of money market funds, of \$852.5 million and \$932.5 million at June 30, 2021 and December 31, 2020, respectively, were classified as Level 1 of the fair value hierarchy and valued using quoted market prices in active markets.

Restricted cash as of December 31, 2020 represented cash held in an escrow pursuant to terms of the Scriptcycle, LLC business combination relating to contingent consideration, see "Note 3. Business Combinations – Scriptcycle, LLC."

Recent Accounting Pronouncements

As an "emerging growth company", the Jumpstart Our Business Startups Act, or the JOBS Act, allows the Company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The Company has elected to use the adoption dates applicable to private companies. As a result, the Company's consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective date for new or revised accounting standards that are applicable to public companies.

Recently Adopted Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*. ASU 2018-15 requires implementation costs incurred by customers in cloud computing arrangements to be deferred over the noncancelable term of the cloud-computing arrangements plus any optional renewal periods (1) that are reasonably certain to be exercised by the customer or (2) for which exercise of the renewal option is controlled by the cloud service provider. This guidance may be applied retrospectively or prospectively and is effective for fiscal years beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021. On January 1, 2021, the Company adopted ASU 2018-15 prospectively and cloud computing implementation costs incurred on or after January 1, 2021 are included in other assets in the consolidated balance sheet and are presented within operating cash flows. As of June 30, 2021, capitalized implementation costs for cloud computing arrangements were not material.

In October 2018, the FASB issued ASU 2018-17, *Consolidation (Topic 810): Targeted Improvements to the Related Party Guidance for Variable Interest Entities*. ASU 2018-17 changes how entities evaluate decision-making fees under the variable interest entity guidance. To determine whether decision-making fees represent a variable interest, an entity considers indirect interests held through related parties under common control on a proportional basis, rather than in their entirety. This guidance is effective for fiscal years, beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2021, with early adoption permitted. All entities are required to apply the amendments in this ASU retrospectively with a cumulative-effect adjustment to retained earnings or accumulated deficit at the beginning of the earliest period presented. The Company adopted this guidance on January 1, 2021, and the adoption did not have any impact to the Company's consolidated financial statements.

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*. The objective of the guidance is to simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740 and to provide more consistent application to improve the comparability of financial statements. The guidance is effective for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022, with early adoption permitted. The Company early adopted this guidance on January 1, 2021, and the adoption did not have a material impact to the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements - Not Yet Adopted

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, to require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The ASU also amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. In February 2020, the FASB issued ASU 2020-02, *Financial Instruments - Credit Losses (Topic 326) and Leases (Topic 842) - Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 119 and Update to SEC Section on Effective Date Related to Accounting Standards Update No. 2016-02, Leases (Topic 842) (SEC Update)*, which amends the language in Subtopic 326-20 and addresses questions primarily regarding documentation and company policies. The guidance in ASU 2016-13 and ASU 2020-02 related to credit losses is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact of the new guidance on its consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The ASU provides optional guidance for a limited period of time to ease the potential burden in accounting for or recognizing the effects of reference rate reform on financial reporting. The ASU applies only to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of the reference rate reform. The amendments in this ASU were effective upon issuance and may be applied through December 31, 2022. The Company is currently evaluating the impact of the adoption of this ASU on its consolidated financial statements.

3. Business Combinations

RxSaver, Inc.

On April 30, 2021, the Company acquired all of the outstanding equity interests of RxSaver, Inc. (“RxSaver”). Similar to the Company’s prescription offering business, RxSaver operates a price comparison platform to provide discount offerings through partnerships with PBMs. The acquisition expands the Company’s business capabilities and consumer reach, particularly with respect to its prescription offering. The aggregate purchase consideration was \$50.7 million in cash. The purchase consideration is subject to net working capital and other closing adjustments.

Goodwill associated with this acquisition totaled \$25.9 million and primarily related to the expected long-term synergies and other benefits, including the acquired assembled workforce. The acquisition was considered an acquisition of assets for tax purposes and, accordingly, goodwill is deductible for tax purposes. Identifiable intangible assets related to this acquisition totaled \$25.2 million, of which \$20.7 million was attributable to a customer related intangible asset, with an estimated useful life of 13 years; and \$4.5 million was attributable to developed technology and a tradename with estimated useful lives ranging from 1 to 3 years. In addition, the Company acquired tangible assets of \$3.6 million, principally comprised of accounts receivable, and assumed liabilities of \$4.0 million.

Unaudited supplemental pro forma financial information for the RxSaver acquisition has not been presented because the effects are not material to the Company’s condensed consolidated financial statements.

The purchase accounting for the RxSaver acquisition remains incomplete with respect to acquired tangible and intangible assets and liabilities assumed as management continues to gather and evaluate information about circumstances that existed as of the acquisition date. Measurement period adjustments, if any, will be recognized in the reporting period in which the adjustment amounts are determined within twelve months from the acquisition date.

HealthiNation Inc.

On April 16, 2021, the Company acquired all of the outstanding equity interests of HealthiNation Inc. (“HealthiNation”). HealthiNation is a leading provider of engaging and informative health video content across all main categories of healthy living. The acquisition allows the Company to supplement and expand the services currently available under its existing pharma manufacturer solutions platform. The aggregate purchase consideration was \$76.6 million in cash. The purchase consideration is subject to net working capital and other closing adjustments.

Goodwill associated with this acquisition totaled \$33.2 million and primarily related to the expected long-term synergies and other benefits, including the acquired assembled workforce. The acquisition was considered a stock acquisition for tax purposes and, accordingly, goodwill is not deductible for tax purposes. Identifiable intangible assets related to this acquisition totaled \$40.0 million, of which \$28.0 million was attributable to a customer related intangible asset, with an estimated useful life of 11 years; \$9.5 million was attributable to a content library with an estimated useful life of 3 years; \$1.9 million was attributable to an order backlog, with an estimated useful life of 1 year; and \$0.6 million was attributable to developed technology and a tradename with estimated useful lives of 1 year. In addition, the Company acquired tangible assets of \$5.0 million, principally comprised of acquired cash and accounts receivable, and assumed liabilities of \$1.6 million.

Unaudited supplemental pro forma financial information for the HealthiNation acquisition has not been presented because the effects are not material to the Company's condensed consolidated financial statements.

The purchase accounting for the HealthiNation acquisition remains incomplete with respect to acquired tangible and intangible assets and liabilities assumed as management continues to gather and evaluate information about circumstances that existed as of the acquisition date. Measurement period adjustments, if any, will be recognized in the reporting period in which the adjustment amounts are determined within twelve months from the acquisition date.

Scriptcycle, LLC

On August 31, 2020, the Company acquired all of the equity interests of Scriptcycle, LLC ("Scriptcycle"). Scriptcycle specializes in managing prescription programs and primarily partners with regional retail pharmacy chains to provide discount offerings. The purpose of the acquisition was to help expand the Company's business capabilities, particularly with respect to its prescription offering. The aggregate purchase consideration was \$58.3 million, including the estimated fair value of contingent consideration of \$0.8 million. The purchase consideration was subject to working capital and other closing adjustments. The maximum amount of contingent consideration payable was \$2.9 million subject to the achievement of certain revenue thresholds through January 2021.

As of December 31, 2020, the fair value of the contingent consideration was \$2.9 million, which represents the maximum amount of contingent consideration payable, based upon the Company's assessment of the revenue thresholds that were achieved. The \$2.9 million contingent consideration was paid in full during the three months ended June 30, 2021.

Goodwill associated with this acquisition totaled \$24.9 million and primarily related to the expected long-term synergies and other benefits, including the acquired assembled workforce. The acquisition was considered an acquisition of assets for tax purposes and, accordingly, goodwill was deductible for tax purposes. Identifiable intangible assets related to this acquisition totaled \$28.3 million, of which \$25.3 million was attributable to a customer related intangible asset, with an estimated useful life of 11 years and \$3.0 million was attributable to developed technology and a tradename with useful lives ranging from 1 to 9 years. In addition, the Company acquired current assets of \$5.9 million and assumed liabilities of \$1.1 million.

Unaudited supplemental pro forma financial information for the Scriptcycle acquisition has not been presented because the effects are not material to the Company's condensed consolidated financial statements.

4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following:

<i>(in thousands)</i>	June 30, 2021	December 31, 2020
Income taxes receivable	\$ 79,797	\$ 28,564
Prepaid expenses	14,246	17,484
Total prepaid expenses and other current assets	\$ 94,043	\$ 46,048

5. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

<i>(in thousands)</i>	June 30, 2021	December 31, 2020
Accrued bonus and other payroll related	\$ 13,500	\$ 13,607
Accrued marketing	8,773	10,045
Deferred revenue	8,899	6,852
Other accrued expenses	2,587	7,188
Total accrued expenses and other current liabilities	<u>\$ 33,759</u>	<u>\$ 37,692</u>

The Company expects substantially all of the deferred revenue at June 30, 2021 will be recognized as revenue within the next twelve months. Of the \$6.9 million deferred revenue included in the condensed consolidated balance sheet at December 31, 2020, \$1.4 million and \$5.7 million was recognized as revenue during the three and six months ended June 30, 2021, respectively. Revenue recognized during the three and six months ended June 30, 2020 of \$0.9 million and \$2.8 million, respectively, was included as deferred revenue at December 31, 2019.

6. Income Taxes

The Company calculates income taxes in interim periods by applying an estimated annual effective income tax rate to (loss) income before income taxes and by calculating the tax effect of discrete items recognized during the period.

The Company's estimated annual effective income tax rate is based on its estimated full year income or loss and the related income taxes for each jurisdiction in which the Company operates. This rate can be affected by estimates of full year pretax income or loss and permanent differences. The Company's interim and estimated annual effective income tax rates differ from the U.S. Federal statutory rate of 21.0% primarily due to effects of non-deductible officers' stock-based compensation expense, state income taxes, and benefits from research and development tax credits. In addition, the Company's effective income tax rate includes recognized excess tax benefits from its equity awards as a discrete item.

As of December 31, 2020, the Company had unrecognized tax benefits of \$7.4 million. There were no significant changes to the Company's unrecognized tax benefits during the three and six months ended June 30, 2021, and the Company does not expect to have any significant changes to unrecognized tax benefits through the end of 2021.

7. Debt

The Company has a term loan with an original amount of \$700.0 million (the "First Lien Term Loan Facility") under its first lien credit agreement (the "First Lien Credit Agreement") obtained through its wholly owned subsidiary GoodRx as borrower and collateralized by all of the assets of the Company and 100% of the equity of GoodRx. The First Lien Term Loan Facility requires quarterly payments through September 2025, with any unpaid principal and interest due upon maturity on October 10, 2025, and bears interest at a rate per annum equal to the LIBO Screen Rate plus a variable margin based on the Company's most recently determined Net Leverage Ratio (as defined in the First Lien Credit Agreement), ranging from 2.75% to 3.00%. The effective interest rate on the First Lien Term Facility for the three months ended June 30, 2021 and 2020 was 3.39% and 3.83%, respectively. The effective interest rate on the First Lien Term Loan Facility for the six months ended June 30, 2021 and 2020 was 3.39% and 4.33%, respectively.

The Company also has a line of credit with a maximum amount of \$100.0 million (the "Revolving Credit Facility") associated with the First Lien Credit Agreement. The Revolving Credit Facility matures on October 11, 2024 and bears interest at a rate equal to the LIBO Screen Rate plus a variable margin based on the Company's most recently determined Net Leverage Ratio (as defined in the First Lien Credit Agreement), ranging from 2.50 to 3.00% on used amounts and 0.25 to 0.50% on unused amounts. There were no borrowings outstanding under the Revolving Credit Facility as of June 30, 2021 and December 31, 2020. There were outstanding letters of credit issued against the Revolving Credit Facility for \$9.1 million as of June 30, 2021 and December 31, 2020, which reduces the Company's available borrowings under the Revolving Credit Facility.

The Company's debt consisted of the following:

<i>(in thousands)</i>	June 30, 2021	December 31, 2020
Principal balance under First Lien Term Loan Facility	\$ 677,611	\$ 681,126
Less: Unamortized debt issuance costs and discounts	(12,705)	(14,209)
	<u>\$ 664,906</u>	<u>\$ 666,917</u>

As of June 30, 2021, the Company is subject to a financial covenant requiring maintenance of a Net Leverage Ratio not to exceed 8.2 to 1.0 and other nonfinancial covenants under the First Lien Credit Agreement. Additionally, GoodRx is restricted from making dividend payments, loans or advances to the Company. At June 30, 2021, the Company was in compliance with its covenants.

8. Commitments and Contingencies

Aside from the below, as of June 30, 2021, there were no material changes to the Company's commitments and contingencies as disclosed in the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

Purchase Commitments

The Company entered into a commercial agreement with a third-party during the quarter ended March 31, 2021, pursuant to which the Company committed to spend an aggregate of at least \$3.0 million by the end of the fiscal year ending December 31, 2021 on certain advertising services. As of June 30, 2021, the remaining commitment was \$1.2 million.

Leases

On May 27, 2021, the Company entered into a non-cancelable lease agreement with a third-party to lease additional office space that is adjacent to and expands its existing corporate headquarters in Santa Monica, California. The lease commences beginning in the year 2022 and expires in the year 2033 with minimum lease payments expected to total approximately \$41.4 million over the term of the lease.

Legal Contingencies

On December 18, 2020, R. Brian Terenzini, individually and on behalf of all others similarly situated, filed a class action lawsuit against the Company and certain of its executive officers in the United States District Court for the Central District of California (Case No. 2:20-cv-11444). On January 8, 2021, Bryan Kearney, individually and on behalf of all others similarly situated, also filed a class action lawsuit against the Company and certain of its executive officers in the United States District Court for the Central District of California (Case No. 2:21-cv-00175). The plaintiffs seek compensatory damages as well as interest, fees and costs. The complaints allege violations of Section 10(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and assert that the Company failed to disclose to investors that Amazon.com, Inc. was developing its own mobile and online prescription medication ordering and fulfillment service that would compete directly with the Company. According to the complaints, when Amazon announced its competitor service, the Company's stock price fell, causing investor losses. Lead plaintiff applications were submitted February 16, 2021, and on April 8, 2021, the court consolidated the two lawsuits under the caption *In re GoodRx Holdings, Inc.* (Case No. 2:20-cv-11444) and appointed Betty Kalmanson, Lawrence Kalmanson, Shawn Kalmanson, and Janice Kasbaum as Lead Plaintiffs. On June 7, 2021, Lead Plaintiffs filed a consolidated complaint containing substantially similar factual allegations as the prior complaints, but adding claims under Section 11 of the Securities Act of 1933. The Company filed a motion to dismiss the consolidated case on August 6, 2021. The Company believes it has meritorious defenses to the claims of the plaintiffs and members of the class and intends to defend itself vigorously. This litigation is at preliminary stages, and the outcome of any complex legal proceeding is inherently unpredictable and subject to significant uncertainties. Based upon information presently known to management, the Company has not accrued a loss for this matter as a loss is not probable and reasonably estimable. While it is possible a loss may have been incurred, the Company is unable to estimate a loss or range of loss in this matter.

On April 29, 2021 and May 5, 2021, Neesha Patel and Wayne Geist, respectively, each filed a derivative lawsuit purportedly on behalf of the Company against certain of its officers and directors in the United States District Court for the Central District of California (Case No. 2:21-cv-03671 and Case No. 2:21-cv-03829, respectively). The plaintiffs assert claims for breach of fiduciary duty and contribution under the Exchange Act. Neesha Patel asserts additional claims for

unjust enrichment and corporate waste. These claims are based on allegations substantially similar to those in the class action lawsuit described above. Plaintiffs are requesting declaratory relief, money damages, restitution, and certain governance reforms. Plaintiffs did not make a pre-suit demand on the Company's board. The Company intends to seek dismissal of these cases, or a stay pending the outcome of the class action lawsuit. Any liability for the claims alleged is not currently probable and a loss or range of loss, if any, is not reasonably estimable.

The pending proceedings described above involve complex questions of fact and law and may require the expenditure of significant funds and the diversion of other resources to defend. The results of legal proceedings are inherently uncertain, and material adverse outcomes are possible.

In addition, during the normal course of business, the Company may become subject to, and is presently involved in, legal proceedings, claims and litigation. Such matters are subject to many uncertainties and outcomes are not predictable with assurance. Accruals for loss contingencies are recorded when a loss is probable, and the amount of such loss can be reasonably estimated.

The Company does not believe that the disposition of matters that are pending or asserted will have a material effect on its consolidated financial statements.

Indemnification

The Company's amended and restated bylaws provides that it will indemnify the Company's directors and officers to the fullest extent permitted by the Delaware General Corporation Law. Certain of the Company's officers and directors are also a party to indemnification agreements with the Company. Pursuant to the Company's indemnification agreements and directors' and officers' liability insurance, certain of the Company's officers and directors will be indemnified and insured against the cost of defense, settlement or payment of a judgment under certain circumstances. The maximum potential amount of future payments the Company could be required to make under these indemnification provisions is indeterminable. The Company has never paid a material claim, nor has the Company been involved in litigation, with respect to these indemnification arrangements. As of June 30, 2021 and December 31, 2020, the Company has not accrued a liability for these guarantees as, the likelihood of incurring a payment obligation, if any, in connection with these guarantees is not probable or reasonably estimable.

9. Revenue

Revenue consisted of the following:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Prescription transactions revenue	\$ 144,857	\$ 109,548	\$ 278,918	\$ 232,565
Subscription revenue ⁽¹⁾	14,316	6,358	26,323	11,998
Other revenue	17,462	7,389	31,825	12,140
Total revenue	<u>\$ 176,635</u>	<u>\$ 123,295</u>	<u>\$ 337,066</u>	<u>\$ 256,703</u>

(1) Represents revenue from the Company's Gold and Kroger Savings subscription offerings. Subscription revenue is disclosed separately from other revenue beginning in the second quarter of 2021. Prior period amounts have been recast to conform with the current period presentation.

10. Stock-Based Compensation

Stock Options

A summary of the stock option activity is as follows:

<i>(in thousands, except per share amounts and term information)</i>	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2020	21,528	\$ 6.22		
Granted	—	—		
Exercised	(513)	5.23		
Expired / Cancelled / Forfeited	(253)	6.07		
Outstanding at March 31, 2021	20,762	\$ 6.24	7.9 years	\$ 680,528
Granted	—	—		
Exercised	(2,609)	5.09		
Expired / Cancelled / Forfeited	(222)	7.71		
Outstanding at June 30, 2021	<u>17,931</u>	<u>\$ 6.39</u>	<u>7.7 years</u>	<u>\$ 531,079</u>
Exercisable at June 30, 2021	<u>8,756</u>	<u>\$ 4.36</u>	<u>6.8 years</u>	<u>\$ 277,143</u>

There were no stock options granted during the three and six months ended June 30, 2021. The weighted-average grant date fair value per share of stock options granted for the three and six months ended June 30, 2020 was \$3.17 and \$3.04, respectively. The aggregate intrinsic value of options exercised for the three months ended June 30, 2021 and 2020 was \$79.9 million and \$1.0 million, respectively. The aggregate intrinsic value of options exercised for the six months ended June 30, 2021 and 2020 was \$98.6 million and \$2.4 million, respectively.

All options outstanding at June 30, 2021 are options to purchase shares of Class A common stock. The fair value of option awards issued with service or service and performance vesting conditions are estimated on the grant date using the Black-Scholes option pricing model. The Company does not have material stock options issued with market vesting conditions.

For the three months ended June 30, 2021 and 2020, the stock-based compensation expense related to stock options was \$3.9 million and \$1.7 million, respectively. For the six months ended June 30, 2021 and 2020, the stock-based compensation expense related to stock options was \$8.1 million and \$3.4 million, respectively. At June 30, 2021, there was \$26.5 million of total unrecognized stock-based compensation cost related to stock options, which is expected to be recognized over a weighted average remaining service period of 2.5 years.

Restricted Stock Awards and Restricted Stock Units

A summary of the Restricted Stock Awards (“RSAs”) and Restricted Stock Unit (“RSUs”) activity is as follows:

<i>(in thousands, except per share amounts)</i>	Restricted Stock Awards	Restricted Stock Units for Class A Common Stock	Restricted Stock Units for Class B Common Stock	Weighted Average Grant Date Fair Value
Nonvested restricted stock awards or restricted stock units at December 31, 2020	1,409	2,790	7,698	\$ 26.74
Granted	—	647	—	44.12
Vested	—	(95)	(513)	29.12
Forfeited	—	(17)	—	42.31
Nonvested restricted stock awards or restricted stock units at March 31, 2021	1,409	3,325	7,185	\$ 28.05
Granted	—	618	—	37.86
Vested	(470)	(118)	(513)	18.68
Forfeited	—	(67)	—	36.61
Nonvested restricted stock awards or restricted stock units at June 30, 2021	<u>939</u>	<u>3,758</u>	<u>6,672</u>	<u>\$ 29.44</u>

There were no RSUs granted or outstanding during the three and six months ended June 30, 2020.

Restricted Stock Awards

For the three months ended June 30, 2021 and 2020, total stock-based compensation expense related to RSAs was \$0.5 million and \$0.4 million, respectively. For the six months ended June 30, 2021 and 2020, total stock-based compensation expense related to RSAs was \$1.0 million and \$0.9 million, respectively. At June 30, 2021, there was \$3.2 million of total unrecognized stock-based compensation cost related to these RSAs which is expected to be recognized over the remaining service period of 1.8 years. There were no RSAs granted subsequent to December 31, 2019.

Restricted Stock Units for Class A Common Stock

For the three and six months ended June 30, 2021, total stock-based compensation expense related to RSUs for Class A common stock was \$12.3 million and \$24.1 million, respectively. At June 30, 2021, there was \$131.7 million of total unrecognized stock-based compensation cost related to these RSUs which is expected to be recognized over the weighted average remaining service period of 3.4 years.

Restricted Stock Units for Class B Common Stock

On September 11, 2020, the board of directors granted RSUs covering an aggregate of 24,633,066 shares of Class B common stock to the Company's Co-Chief Executive Officers (the "Founders Awards"), subject to the completion of the Company's initial public offering. Each of the Co-Chief Executive Officers received (i) 8,211,022 RSUs that vest based on the achievement of stock price goals ranging from \$6.07 per share to \$51.28 per share, subject to continued employment through the applicable vesting date (the "Performance-Vesting Founders Awards") and (ii) 4,105,511 RSUs that vest and settle in equal quarterly installments over four years, subject to continued employment through the applicable vesting date (the "Time-Vesting Founders Awards"). The grant date fair value of these awards was \$533.3 million. The Performance-Vesting Founders Awards vested during the fourth quarter of 2020 and will be settled in shares of common stock in October 2023 or, if earlier, upon a qualifying change in control event or to satisfy tax withholding requirements. The Time-Vesting Founders Awards are subject to vesting acceleration terms upon a qualifying change in control. All the stock price goals with respect to the Performance-Vesting Founders Awards were achieved as of October 22, 2020. As a result, all 16,422,044 Performance-Vesting Founders Awards vested during the year ended December 31, 2020. As of June 30, 2021, the Company has recognized a cumulative \$427.0 million of stock-based compensation expense related to the Founders Awards, of which \$107.2 million related to the Time-Vesting Founders Awards and \$319.8 million related to the Performance-Vesting Founders Awards. During the three and six months ended June 30, 2021, the Company recognized stock-based compensation expense related to the Time-Vesting Founders Awards of \$24.0 million and \$54.0 million, respectively. At June 30, 2021, there was \$106.3 million of total unrecognized stock-based compensation cost related to the Time-Vesting Founders Awards, which is expected to be recognized over the weighted average remaining service period of 1.9 years. The Company expects to recognize a total of \$36.9 million in stock-based compensation expense related to the Time-Vesting Founders Awards in the second half of 2021.

As the Performance-Vesting Founders Awards vested in October 2020, the Company settled 0.7 million RSUs during the fourth quarter of 2020, sufficient to satisfy FICA tax withholding obligations due in the year of vesting. The remaining 15.7 million Performance-Vesting Founders Awards shares will not be issued until October 2023 or, if earlier, a change in control event, as defined in the RSU agreements governing the Founders Awards.

11. Basic and Diluted Earnings Per Share

The computation of earnings per share for the three and six months ended June 30, 2021 and 2020 is as follows:

<i>(in thousands, except per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Numerator:				
Net income	\$ 31,061	\$ 27,337	\$ 32,729	\$ 54,683
Less: Undistributed earnings allocated to convertible preferred stock	—	(9,674)	—	(19,358)
Net income attributable to common stockholders - basic	\$ 31,061	\$ 17,663	\$ 32,729	\$ 35,325
Add: Undistributed earnings reallocated to holders of common stock	—	179	—	349
Net income attributable to common stockholders - diluted	\$ 31,061	\$ 17,842	\$ 32,729	\$ 35,674
Denominator:				
Weighted average shares - basic	408,363	230,160	407,273	230,020
Dilutive impact of stock options, restricted stock awards and restricted stock units	20,504	6,730	21,955	6,537
Weighted average shares - diluted	428,867	236,890	429,228	236,557
Earnings per share:				
Basic	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.15
Diluted	\$ 0.07	\$ 0.08	\$ 0.08	\$ 0.15

The following weighted average potentially dilutive shares were excluded from the computation of diluted earnings per share for the periods presented because including them would have been antidilutive:

<i>(in thousands)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Redeemable convertible preferred stock	—	126,046	—	126,046
Stock options, restricted stock awards and restricted stock units	3,277	11,556	1,904	11,309

12. Subsequent Events

On July 7, 2021, the Company acquired substantially all of the assets of RxNXT LLC ("RxNXT") for \$14.5 million in cash, subject to customary closing adjustments. RxNXT is a prescription technology platform. The purpose of the acquisition is to help expand the Company's business capabilities, particularly with respect to its prescription offering. The acquisition will be accounted for as a business combination under Accounting Standard Codification 805, *Business Combinations*, using the acquisition method of accounting, which among other things, requires the acquired assets and assumed liabilities be recorded at their fair values. The determination of the fair values of the acquired assets and assumed liabilities is incomplete due to the recent date of the acquisition. The results of operations of RxNXT will be included in the consolidated results of the Company beginning from the date of acquisition.

On July 21, 2021, the Company's board of directors granted equity awards to certain employees comprised principally of RSUs for 0.5 million shares of Class A common stock, which will substantially vest over a four-year period. The Company estimates the grant date fair value of these RSUs is approximately \$15.2 million, which will be recognized as stock-based compensation cost, net of forfeitures that occur, over approximately four years.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operation" and Part II, Item 8, "Financial Statements and Supplementary Data" included in our 2020 10-K filed with the SEC on March 12, 2021. This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the "Risk Factors" section of our 2020 10-K and this Quarterly Report on Form 10-Q and other factors set forth in other parts of this Quarterly Report on Form 10-Q and our filings with the SEC.

Glossary of Selected Terminology

As used in this Quarterly Report on Form 10-Q, unless the context otherwise requires, references to:

- "**we**," "**us**," "**our**," the "**Company**," "**GoodRx**," and similar references refer to GoodRx Holdings, Inc. and its consolidated subsidiaries.
- "**Co-Founders**" refers to Trevor Bezdek and Douglas Hirsch, our Co-Chief Executive Officers and members of our board of directors.
- "**consumers**" refer to the general population in the United States that uses or otherwise purchases healthcare products and services. References to "**our consumers**" or "**GoodRx consumers**" refer to consumers that have used one or more of our offerings.
- "**discounted price**" refers to a price for a prescription provided on our platform that represents a negotiated rate provided by one of our PBM partners at a retail pharmacy. Through our platform, our discounted prices are free to access for consumers by saving a GoodRx code to their mobile device for their selected prescription and presenting it at the chosen pharmacy. The term "discounted price" excludes prices we may otherwise source, such as prices from patient assistance programs for low-income individuals and Medicare prices, and any negotiated rates offered through our subscription offerings: GoodRx Gold ("**Gold**"), and Kroger Rx Savings Club powered by GoodRx ("**Kroger Savings**").
- "**GoodRx code**" refers to codes that can be accessed by our consumers through our apps or websites or that can be provided to our consumers directly by healthcare professionals, including physicians and pharmacists, that allow our consumers free access to our discounted prices or a lower list price for their prescriptions when such code is presented at their chosen pharmacy.
- "**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. Monthly Active Consumers do not include subscribers to our subscription offerings, consumers of our pharma manufacturer 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. Monthly Active Consumers from acquired companies are only included beginning in the first full quarter following the acquisition.
- "**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.
- "**savings**," "**saved**" and similar references refer to the difference between the list price for a particular prescription at a particular pharmacy and the price paid by the GoodRx consumer for that prescription utilizing a GoodRx code available through our platform at that same pharmacy. In certain circumstances, we may show a list price on our platform when such list price is lower than the negotiated price available using a GoodRx code and, in certain circumstances, a consumer may use a GoodRx code and pay the list price at a pharmacy if such list price is lower than the negotiated price available using a GoodRx code. We do not earn revenue from such transactions, but our savings calculation includes an estimate of the savings achieved by the consumer because our platform has directed the consumer to the pharmacy with the low list price. This estimate of savings when the consumer pays the list price is based on internal data and is calculated as the difference between the average list price across all pharmacies where GoodRx consumers paid the list price and the average list price paid by consumers in the pharmacies to which we directed them. We do not calculate savings based on insurance prices as we do not have information about a consumer's specific coverage or price. We do not believe savings are representative or indicative of our revenue or results of operations.

- “**subscribers**” and similar references refers to our consumers that are subscribed to either of our subscription plans, GoodRx Gold or Kroger Savings Club.
- “**Silver Lake Partners**” refers to investment funds associated with Silver Lake Partners, including SLP Geology Aggregator, L.P.

Certain monetary amounts, percentages, and other figures included in this Quarterly Report on Form 10-Q have been subject to rounding adjustments. Percentage amounts included in this Quarterly Report on Form 10-Q have not in all cases been calculated on the basis of such rounded figures, but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this Quarterly Report on Form 10-Q may vary from those obtained by performing the same calculations using the figures in our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. Certain other amounts that appear in this Quarterly Report on Form 10-Q may not sum due to rounding.

Overview

Our mission is to help Americans get the healthcare they need at a price they can afford. To achieve this, we are building the leading, consumer-focused digital healthcare platform in the United States.

Healthcare consumers in the United States face an increasing number of challenges. These include a lack of affordability, transparency, and access to care. Additionally, healthcare professionals’ lack of access to current prescription pricing and out of pocket consumer cost information exacerbate the challenges that healthcare consumers face. GoodRx was founded to solve these challenges. We started with a price comparison tool for prescriptions, offering consumers free access to lower prices on their medication, and have been able to deliver consumers significant value. Based on a study we conducted in June 2021, consumers of our prescription offering saved an average of 79% off retail prices on prescription medication during the year 2020. In that same year, for the 100 most purchased medications, we beat the average commercial insurance copay 55% of the time (89% of the time when ignoring geographic proximity and convenience considerations), and consumers who paid less than the average commercial insurance copay saved on average 52% off the average copays. Today, our expanded platform also provides access to brand medication savings programs, affordable and convenient medical provider consultations and lab tests via our telehealth offerings, GoodRx Care and the GoodRx Telehealth Marketplace, and other healthcare and wellness related content. Whether a consumer is insured or uninsured, young or old, or suffers from an acute or a chronic ailment, we strive to be at the consumer’s side throughout their healthcare journey. We believe that our offerings provide significant savings to consumers, and can help drive greater medication adherence, faster treatment and better patient outcomes that also benefit the broader healthcare ecosystem and its stakeholders. These all contribute to a healthier, happier society.

We believe our financial results reflect the significant market demand for our offerings and the value that we provide to the broader healthcare ecosystem. Our revenue grew 43% in the three months ended June 30, 2021 to \$176.6 million, up from \$123.3 million in the three months ended June 30, 2020, and grew 31% in the six months ended June 30, 2021 to \$337.1 million, up from \$256.7 million in the six months ended June 30, 2020. In the three months ended June 30, 2021, net income grew 14% to \$31.1 million, from net income of \$27.3 million in the three months ended June 30, 2020, and declined 40% to \$32.7 million in the six months ended June 30, 2021, from \$54.7 million in the six months ended June 30, 2020. Net income in the three and six months ended June 30, 2021 was impacted by \$40.7 million and \$87.2 million of stock-based compensation expense, respectively, which includes \$24.0 million and \$54.0 million of stock-based compensation expense, respectively, related to equity awards made to the Co-Chief Executive Officers in connection with the initial public offering (“IPO”). Net income for the respective periods were also impacted by \$37.3 million and \$49.9 million of income tax benefit, respectively, primarily due to the pre-tax losses in addition to the tax effects of nondeductible officers’ stock-based compensation expense and excess tax benefits related to our equity awards. Adjusted EBITDA grew 11% to \$54.6 million in the three months ended June 30, 2021, from \$49.4 million in the three months ended June 30, 2020, and grew 4% to \$105.6 million in the six months ended June 30, 2021, from \$101.2 million in the six months ended June 30, 2020. The continued growth of our business was partially offset by continued investments in product development and technology and sales and marketing spend, an increase in cost of revenue relative to revenue due primarily to growth of our telehealth offering, as well as investments in our general and administrative infrastructure as we started operating as a public company.

Adjusted EBITDA is a non-GAAP financial measure. For a reconciliation of Adjusted EBITDA to the most directly comparable GAAP financial measure, information about why we consider Adjusted EBITDA useful and a discussion of the material risks and limitations of these measures, please see “Key Financial and Operating Metrics” below.

We have been focused on capital efficiency and delivering on a cash generative monetization model since inception. Cash flow provided by operating activities was \$80.4 million in the six months ended June 30, 2021, compared to \$83.8 million in the six months ended June 30, 2020.

We believe that our performance and future success depend on a number of factors that present significant opportunities for us but also pose risks and challenges. For discussion of these factors, please see our 2020 10-K and this Quarterly Report on Form 10-Q under the sections titled "Risk Factors."

On September 25, 2020, we completed our IPO by issuing 28,615,034 shares of our Class A common stock at a price to the public of \$33.00 per share, resulting in net proceeds to us of \$886.9 million, after deducting the underwriting discount of \$52.5 million and offering expenses of \$4.9 million. Additionally, certain existing stockholders sold an aggregate of 11,192,657 shares. On September 25, 2020, we also completed the sale of 3,030,303 shares of our Class A common stock at a purchase price of \$33 per share to SLP Geology Aggregator, L.P., resulting in proceeds to us of \$100.0 million. SLP Geology Aggregator, L.P. is an investment fund associated with Silver Lake Partners.

Impact of COVID-19

We continue to closely monitor how the spread of COVID-19 is affecting our employees, customers and business operations. The number of Monthly Active Consumers decreased and our prescription offering experienced a decline in activity in the second quarter of 2020 as compared to the first quarter of 2020 as many consumers avoided visiting healthcare professionals and pharmacies in-person, which we believe has had a similar effect across the industry. The number of Monthly Active Consumers then sequentially increased beginning in the third quarter of 2020 and through the second quarter of 2021 as consumers partially resumed their interaction with the healthcare system. Even though we saw improved activity in our prescription offering, we believe COVID-19 continues to have an adverse impact on our prescription offerings and continued improvement in future periods remains uncertain. Any decrease in the number of consumers seeking to fill prescriptions could negatively impact demand for and use of certain of our offerings, particularly our prescription offering, which would have an adverse effect on our business, financial condition and results of operations.

Conversely, pandemics, epidemics and outbreaks may significantly and temporarily increase demand for our telehealth offerings. COVID-19 has significantly accelerated the awareness and use of our telehealth offerings. While we have experienced a significant increase in demand for the telehealth offerings, there can be no assurance that the levels of interest, demand and use of our telehealth offerings will continue at current levels or will not decrease during or after the pandemic. Any such decrease could have an adverse effect on our growth and the success of our telehealth offerings.

Additionally, while the potential economic impact brought by, and the duration of any pandemic, epidemic or outbreak of an infectious disease, including COVID-19, may be difficult to assess or predict, the widespread COVID-19 pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity.

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

Seasonality

We typically experience stronger consumer demand during the first and fourth quarters of each year, which coincide with generally higher consumer healthcare spending, doctor office visits, annual benefit enrollment season, and seasonal cold and flu trends. This seasonality may impact revenue and sales and marketing expense. The rapid growth of our business may have masked these trends to date, and we expect the impact of seasonality to be more pronounced in the future. In 2020 and 2021 we have seen the impact of the COVID-19 pandemic further disrupt these trends, which may continue in future periods.

Recent Developments

On July 7, 2021, we acquired substantially all of the assets of RxNXT LLC ("RxNXT") for \$14.5 million in cash, subject to customary closing adjustments. RxNXT is a prescription technology platform. The purpose of the acquisition is to help expand our business capabilities, particularly with respect to our prescription offering.

The results of operations of RxNXT will be included in our consolidated results beginning from the date of acquisition.

Key Financial and Operating Metrics

Monthly Active Consumers and Subscribers

The numbers of Monthly Active Consumers and subscribers are key indicators of the scale of our consumer base and a gauge for our marketing and engagement efforts. We believe these metrics reflect our scale, growth and engagement with consumers. Beginning in the fourth quarter of 2020, our Monthly Active Consumers number includes consumers we acquired through the acquisition of Scriptcycle in August 2020.

	Three Months Ended				
	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Monthly Active Consumers	6.0	5.7	5.6	4.9	4.4

The number of Monthly Active Consumers grew in the three months ended June 30, 2021 to 6.0 million, compared to 4.4 million in the three months ended June 30, 2020.

	As of				
	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Subscribers	1.1	0.9	0.8	0.7	0.6

The number of subscribers grew to 1.1 million as of June 30, 2021, compared to 0.6 million as of June 30, 2020.

Adjusted EBITDA

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

We define Adjusted EBITDA for a particular period as net income or loss before interest, taxes, depreciation and amortization, and as further adjusted, as applicable, for acquisition related expenses, cash bonuses to vested option holders, stock-based compensation expense, payroll tax expense related to stock-based compensation, loss on extinguishment of debt, financing related expenses, loss on abandonment and impairment of operating lease assets, charitable stock donation and other income or expense, net. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenue.

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
	(dollars in thousands)			
Net income	\$ 31,061	\$ 27,337	\$ 32,729	\$ 54,683
Adjusted to exclude the following:				
Interest income	(13)	(41)	(29)	(116)
Interest expense	5,906	6,795	11,811	15,433
Income tax (benefit) expense	(37,305)	7,661	(49,860)	15,427
Depreciation and amortization	8,369	4,521	13,730	8,866
Other income, net	—	(16)	—	(21)
Financing related expenses ⁽¹⁾	58	188	315	1,306
Acquisition related expenses ⁽²⁾	3,022	780	6,070	1,243
Stock-based compensation expense ⁽³⁾	40,676	2,121	87,202	4,331
Payroll tax expense related to stock-based compensation	2,016	22	2,844	81
Loss on abandonment of operating lease assets ⁽⁴⁾	780	—	780	—
Adjusted EBITDA	<u>\$ 54,570</u>	<u>\$ 49,368</u>	<u>\$ 105,592</u>	<u>\$ 101,233</u>
Adjusted EBITDA Margin	30.9%	40.0%	31.3%	39.4%

(1) Financing related expenses include third party fees related to proposed financings.

(2) Acquisition related expenses include third party fees for actual or planned acquisitions, including related legal, consulting and other expenditures, and as applicable, retention bonuses to employees related to acquisitions and change in fair value of contingent consideration.

(3) Non-cash expenses related to equity-based compensation programs, which vary from period to period depending on various factors including the timing, number and the valuation of awards.

(4) Non-cash loss with respect to certain leased office space that was abandoned in the three months ended June 30, 2021. There were no impairment losses in the three and six months ended June 30, 2021 and 2020.

Adjusted EBITDA increased 11% in the three months ended June 30, 2021 to \$54.6 million, compared to \$49.4 million in three months ended June 30, 2020; and increased 4% in the six months ended June 30, 2021 to \$105.6 million, compared to \$101.2 million in the six months ended June 30, 2020. This increase was principally a function of the continued growth of our business partially offset by our continued investments in product development and technology, investments in our general and administrative infrastructure as we started operating as a public company, an increase in sales and marketing spend, and an increase in cost of revenue relative to revenue due primarily to offering mix.

Adjusted EBITDA Margin was 30.9% in the three months ended June 30, 2021, a decrease from 40.0% in the three months ended June 30, 2020; and 31.3% in the six months ended June 30, 2021, a decrease from 39.4% in the six months ended June 30, 2020. This decrease was primarily due to an increase in marketing spend relative to revenue compared to the second quarter of 2020, in which we proactively reduced our marketing spend at the onset of the COVID-19 pandemic, as well as continued investments in product development and technology, an increase in cost of revenue relative to revenue due to offering mix, and investments in our general and administrative infrastructure.

We expect our Adjusted EBITDA and Adjusted EBITDA Margin to fluctuate primarily based on the level of our investments in sales and marketing and product development and technology relative to changes in revenue.

We generally expect to continue to invest in sales and marketing in the near-term, but will continue to evaluate the impact of COVID-19 on our business and actively manage our sales and marketing spend, including investment in consumer acquisition, which is largely variable, as market conditions change. We also intend to continue to invest in product development and technology to continue to improve our platform, introduce new offerings and scale existing ones. Additionally, we expect to continue to invest in our general and administrative infrastructure to support our operation as a public company.

Results of Operations

The following table sets forth information comparing the components of our results of operations for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
(in thousands)				
Revenue:				
Prescription transactions revenue	\$ 144,857	\$ 109,548	\$ 278,918	\$ 232,565
Subscription revenue	14,316	6,358	26,323	11,998
Other revenue	17,462	7,389	31,825	12,140
Total revenue	176,635	123,295	337,066	256,703
Costs and operating expenses:				
Cost of revenue, exclusive of depreciation and amortization presented separately below	11,090	6,824	21,518	12,843
Product development and technology	29,567	11,962	55,727	22,287
Sales and marketing	88,381	51,920	168,075	115,082
General and administrative	39,579	6,332	83,365	12,219
Depreciation and amortization	8,369	4,521	13,730	8,866
Total costs and operating expenses	176,986	81,559	342,415	171,297
Operating (loss) income	(351)	41,736	(5,349)	85,406
Other expense, net:				
Other income, net	—	(16)	—	(21)
Interest income	(13)	(41)	(29)	(116)
Interest expense	5,906	6,795	11,811	15,433
Total other expense, net	5,893	6,738	11,782	15,296
(Loss) income before income taxes	(6,244)	34,998	(17,131)	70,110
Income tax benefit (expense)	37,305	(7,661)	49,860	(15,427)
Net income	\$ 31,061	\$ 27,337	\$ 32,729	\$ 54,683

Components of our Results of Operations

Revenue

Our revenue is primarily derived from prescription transactions revenue that is generated when pharmacies fill prescriptions for consumers, and from other revenue streams such as our subscription offerings, pharma manufacturer solutions, and our telehealth offerings. All of our revenue has been generated in the United States.

- *Prescription transactions revenue*: Consists primarily of revenue generated from PBMs when a prescription is filled with a GoodRx code provided through our platform. The majority of our contracts with PBMs provide for fees that represent a percentage of the fees that the PBM charges to the pharmacy, and a minority of our contracts provide for a fixed fee per transaction. Our percentage of fee contracts often also include a minimum fixed fee per transaction. We expect the revenue contribution from contracts with fixed fee arrangements to remain largely stable over the medium term, and do not expect that changes in revenue contribution from fixed fee versus percentage of fee arrangements will materially impact our revenue. Certain contracts also provide that the amount of fees we receive is based on the volume of prescriptions filled each month.
- *Subscription revenue*: Consists of revenue from our Gold and Kroger Savings subscription offerings. Subscription revenue is disclosed separately from other revenue beginning in the second quarter of 2021. Prior period amounts have been recast to conform with the current period presentation.
- *Other revenue*: Consists primarily of revenue generated from pharma manufacturers for advertising and integrating onto our platform their affordability solutions to our consumers, advertising in direct mailers, and revenue generated by our telehealth offerings that allow consumers to access healthcare professionals online.

Costs and Operating Expenses

We incur the following expenses directly related to our cost of revenue and operating expenses:

- *Cost of revenue*: Consists primarily of costs related to outsourced consumer support, healthcare provider costs for GoodRx Care, personnel costs including salaries, benefits, bonuses and stock-based compensation expense, for our consumer support employees, hosting and cloud costs, merchant account fees, processing fees and allocated overhead. Cost of revenue is largely driven by the growth of our visitor, subscriber and active consumer base, as well as our revenue offering mix. Our cost of revenue as a percentage of revenue may vary based on the relative growth rates of our various offerings.
- *Product development and technology*: Consists primarily of personnel costs, including salaries, benefits, bonuses and stock-based compensation expense, for employees involved in product development activities, third-party services and contractors related to product development, information technology and software-related costs, and allocated overhead. Product development and technology expenses are primarily driven by increases in headcount required to support and further develop our various products. We capitalize certain qualified costs related to the development of internal-use software, which may also cause product development and technology expenses to vary from period to period. We expect product development and technology expenses will increase on an absolute dollar basis as we continue to grow our platform and product offerings.
- *Sales and marketing*: Consists primarily of advertising and marketing expenses for consumer acquisition and retention, as well as personnel costs, including salaries, benefits, bonuses, stock-based compensation expense and sales commissions, for sales and marketing employees, third-party services and contractors, and allocated overhead. Sales and marketing expenses are primarily driven by investments to grow and retain our consumer base and may fluctuate based on the timing of our investments in consumer acquisition and retention. Over the near to medium term, we expect to increase our spending on sales and marketing.
- *General and administrative*: Consists primarily of personnel costs including salaries, benefits, bonuses and stock-based compensation expense for our executive, finance, accounting, legal, and human resources functions, as well as professional fees, occupancy costs, other general overhead costs, and as applicable, change in fair value of contingent consideration and charitable donations. We have incurred, and expect to continue to incur, additional general and administrative costs in compliance, legal, investor relations, insurance, and professional services related to our compliance and reporting obligations as a public company. We have incurred, and also expect to incur, additional general and administrative costs in connection with the vesting and settlement of restricted stock units ("RSUs"), including the grant of restricted stock unit awards covering an aggregate of 12,316,533 shares of Class B common stock to each of our Co-Chief Executive Officers in connection with our IPO (the "Founders Awards") in particular. We also anticipate that as we continue to grow as a company our general and administrative costs will increase on an absolute dollar basis.
- *Depreciation and amortization*: Consists of depreciation of property and equipment and amortization of capitalized internal-use software costs and intangible assets. Our depreciation and amortization changes primarily based on changes in our property and equipment, intangible assets, and capitalized software balances.

Other Expense, Net

Our other expense, net consists of the following:

- *Other income, net*: Consists primarily of miscellaneous income that are not core to our operations and, as applicable, third-party transaction expenses related to modifications of our debt facilities.
- *Interest income*: Consists primarily of interest income earned on excess cash held in interest-bearing accounts.
- *Interest expense*: Consists primarily of interest expense associated with the First Lien Credit Agreement (as defined below), including amortization of debt issuance costs and discounts.

Income Tax Benefit (Expense)

Our income tax benefit (expense) consists of federal and state income taxes. We calculate income taxes in interim periods by applying an estimated annual effective income tax rate to (loss) income before income taxes and by calculating the tax effect of discrete items recognized during the period. Our effective income tax rate generally differs from the U.S. statutory tax rate of 21.0% primarily due to U.S. federal and state research and development tax credits, non-deductible officers' stock-based compensation expense, state income taxes, and excess tax benefits from our equity awards.

Three Months Ended June 30, 2021 Compared to Three Months Ended June 30, 2020

Revenue

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Prescription transactions revenue	\$ 144,857	\$ 109,548	\$ 35,309	32%
Subscription revenue	14,316	6,358	7,958	125%
Other revenue	17,462	7,389	10,073	136%
Total revenue	<u>\$ 176,635</u>	<u>\$ 123,295</u>	<u>\$ 53,340</u>	<u>43%</u>

Prescription transactions revenue for the three months ended June 30, 2021 increased \$35.3 million, or 32%, compared to the three months ended June 30, 2020, driven primarily by a 36% increase in the number of our average Monthly Active Consumers, partially offset by lower contribution-per-consumer due solely to the acquisition of Scriptcycle. Scriptcycle active consumers are included in our Monthly Active Consumers number beginning in the fourth quarter of 2020, the first full quarter post its acquisition. We believe prescription transactions revenue continues to be impacted by COVID-19.

Subscription revenue for the three months ended June 30, 2021 increased \$8.0 million, or 125%, compared to the three months ended June 30, 2020, driven primarily by an increase in the number of subscribers to 1.1 million as of June 30, 2021, compared to 0.6 million as of June 30, 2020, as well as a favorable change in subscription plan mix.

Other revenue for the three months ended June 30, 2021 increased \$10.1 million, or 136%, compared to the three months ended June 30, 2020. This increase was primarily due to an increase in revenue from our pharma manufacturer solutions offering and an increase in telehealth revenue.

We expect the percentage growth in subscription and other revenue to continue to outpace our prescription transactions revenue as we continue to scale the capabilities and platforms of our subscription, pharma manufacturer solutions and telehealth service offerings.

Costs and Operating Expenses

Cost of Revenue, Exclusive of Depreciation and Amortization

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Cost of revenue, exclusive of depreciation and amortization	\$ 11,090	\$ 6,824	\$ 4,266	63%
<i>As a percentage of total revenue</i>	6%	6%		

Cost of revenue for the three months ended June 30, 2021 increased \$4.3 million, or 63%, compared to the three months ended June 30, 2020. This increase was primarily driven by a \$1.6 million increase in outsourced and in-house personnel related consumer support expense to support our growth and a \$1.7 million increase in hosting expenses, merchant fees and allocated overhead.

Product Development and Technology

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Product development and technology	\$ 29,567	\$ 11,962	\$ 17,605	147%
<i>As a percentage of total revenue</i>	17%	10%		

Product development and technology expenses for the three months ended June 30, 2021 increased by \$17.6 million, or 147%, compared to the three months ended June 30, 2020. This increase was primarily due to increases in product development payroll and related expenses of \$13.8 million due to higher headcount and an increase in stock-based compensation expense and payroll taxes related to awards made in connection with and after our IPO. The increase in product development and technology expense was also due to an increase in allocated overhead of \$2.2 million in support

of our product development efforts and an increase in third-party services and contractor expenses related to product development of \$1.5 million.

Sales and Marketing

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Sales and marketing	\$ 88,381	\$ 51,920	\$ 36,461	70%
<i>As a percentage of total revenue</i>	50%	42%		

Sales and marketing expenses for the three months ended June 30, 2021 increased by \$36.5 million, or 70%, compared to the three months ended June 30, 2020. This increase was primarily due to a \$24.4 million increase in advertising expenses and a \$9.5 million increase in sales and marketing payroll and related expenses due to higher headcount and an increase in stock-based compensation expense and payroll taxes related to awards made in connection with and after our IPO.

We continue to evaluate the impact of COVID-19 on our business and actively manage our consumer acquisition spending according to market conditions.

General and Administrative

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
General and administrative	\$ 39,579	\$ 6,332	\$ 33,247	525%
<i>As a percentage of total revenue</i>	22%	5%		

General and administrative expenses for the three months ended June 30, 2021 increased by \$33.2 million, or 525%, compared to the three months ended June 30, 2020. This increase was primarily due to \$24.0 million of expense related to the Founders Awards made in connection with the IPO as further described in Note 10 of our condensed consolidated financial statements. The increase in general and administrative expense was also due to a \$5.9 million increase in other executive and administrative payroll and related expenses due to higher headcount and an increase in stock-based compensation expense and payroll taxes related to other awards made in connection with and after our IPO, and a \$1.9 million increase in acquisition related and other professional service fees to support our growth and operations as a public company after our IPO.

Depreciation and Amortization

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Depreciation and amortization	\$ 8,369	\$ 4,521	\$ 3,848	85%
<i>As a percentage of total revenue</i>	5%	4%		

Depreciation and amortization expenses for the three months ended June 30, 2021 increased by \$3.8 million, or 85%, compared to the three months ended June 30, 2020. This increase was due primarily to a \$1.6 million increase in capitalized software amortization due to higher capitalized costs for platform improvements and the introduction of new products and features and a \$1.6 million increase in amortization related to acquired intangible assets.

Other Income, Net

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Other income, net	\$ —	\$ (16)	\$ 16	(100)%
<i>As a percentage of total revenue</i>	0%	0%		

Other income, net was not material in the three months ended June 30, 2021 and 2020.

Interest Income

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Interest income	\$ (13)	\$ (41)	\$ 28	(68)%
<i>As a percentage of total revenue</i>	0%	0%		

Interest income was not material in the three months ended June 30, 2021 and 2020.

Interest Expense

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Interest expense	\$ 5,906	\$ 6,795	\$ (889)	(13)%
<i>As a percentage of total revenue</i>	3%	6%		

Interest expense for the three months ended June 30, 2021 decreased by \$0.9 million, or 13%, compared to the three months ended June 30, 2020 primarily due to lower average debt balances and lower interest rates.

Income Tax Benefit (Expense)

	Three Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Income tax benefit (expense)	\$ 37,305	\$ (7,661)	\$ 44,966	(587)%
<i>Effective income tax rate</i>	597.5%	21.9%		

For the three months ended June 30, 2021, we had an income tax benefit of \$37.3 million, compared to income tax expense of \$7.7 million for the three months ended June 30, 2020 and an effective income tax rate of 597.5% and 21.9%, respectively. The change in our income tax benefit (expense) was primarily due to the change from pre-tax income to loss in addition to the tax effects of nondeductible officers' stock-based compensation expense and excess tax benefits related to our equity awards. The pre-tax loss for the three months ended June 30, 2021 was partially driven by the \$24.0 million of stock-based compensation expense related to the Founders Awards made in connection with our IPO.

Six Months Ended June 30, 2021 Compared to Six Months Ended June 30, 2020

Revenue

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Prescription transactions revenue	\$ 278,918	\$ 232,565	\$ 46,353	20%
Subscription revenue	26,323	11,998	14,325	119%
Other revenue	31,825	12,140	19,685	162%
Total revenue	<u>\$ 337,066</u>	<u>\$ 256,703</u>	<u>\$ 80,363</u>	<u>31%</u>

Prescription transactions revenue for the six months ended June 30, 2021 increased \$46.4 million, or 20%, compared to the six months ended June 30, 2020, driven primarily by a 26% increase in the number of our average Monthly Active Consumers, partially offset by lower contribution-per-consumer due solely to the acquisition of Scriptcycle. Scriptcycle active consumers are included in our Monthly Active Consumers number beginning in the fourth quarter of 2020, the first full quarter post its acquisition. We believe prescription transactions revenue continues to be impacted by COVID-19.

Subscription revenue for the six months ended June 30, 2021 increased \$14.3 million, or 119%, compared to the six months ended June 30, 2020, driven primarily by an increase in the number of subscribers to 1.1 million as of June 30, 2021, compared to 0.6 million as of June 30, 2020, as well as favorable change in subscription plan mix.

Other revenue for the six months ended June 30, 2021 increased \$19.7 million, or 162%, compared to the six months ended June 30, 2020. This increase was primarily due to an increase in revenue from our pharma manufacturer solutions offering and an increase in telehealth revenue.

We expect the percentage growth in subscription and other revenue to continue to outpace our prescription transactions revenue as we continue to scale the capabilities and platforms of our subscription, pharma manufacturer solutions and telehealth service offerings.

Costs and Operating Expenses

Cost of Revenue, Exclusive of Depreciation and Amortization

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Cost of revenue, exclusive of depreciation and amortization	\$ 21,518	\$ 12,843	\$ 8,675	68%
<i>As a percentage of total revenue</i>	6%	5%		

Cost of revenue for the six months ended June 30, 2021 increased \$8.7 million, or 68%, compared to the six months ended June 30, 2020. This increase was primarily driven by a \$2.7 million increase in outsourced and in-house personnel related consumer support expense to support our growth, a \$1.8 million increase in provider cost related to our telehealth offerings driven by an increase in the number of online provider visits, a \$1.4 million increase in hosting expenses, a \$1.2 million increase in merchant fees and a \$0.8 million increase in allocated overhead.

Product Development and Technology

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Product development and technology	\$ 55,727	\$ 22,287	\$ 33,440	150%
<i>As a percentage of total revenue</i>	17%	9%		

Product development and technology expenses for the six months ended June 30, 2021 increased by \$33.4 million, or 150%, compared to the six months ended June 30, 2020. This increase was primarily due to increases in product development payroll and related expenses of \$26.2 million due to higher headcount and an increase in stock-based compensation expense and payroll taxes related to awards made in connection with and after our IPO. The increase in product development and technology expense was also due to an increase in allocated overhead of \$3.8 million in support

of our product development efforts and an increase in third-party services and contractor expenses related to product development of \$3.5 million.

Sales and Marketing

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Sales and marketing	\$ 168,075	\$ 115,082	\$ 52,993	46%
<i>As a percentage of total revenue</i>	50%	45%		

Sales and marketing expenses for the six months ended June 30, 2021 increased by \$53.0 million, or 46%, compared to the six months ended June 30, 2020. This increase was primarily due to a \$30.6 million increase in advertising expenses and a \$17.6 million increase in sales and marketing payroll and related expenses due to higher headcount and an increase in stock-based compensation expense and payroll taxes related to awards made in connection with and after our IPO.

We continue to evaluate the impact of COVID-19 on our business and actively manage our consumer acquisition spending according to market conditions.

General and Administrative

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
General and administrative	\$ 83,365	\$ 12,219	\$ 71,146	582%
<i>As a percentage of total revenue</i>	25%	5%		

General and administrative expenses for the six months ended June 30, 2021 increased by \$71.1 million, or 582%, compared to the six months ended June 30, 2020. This increase was primarily due to \$54.0 million of expense related to the Founders Awards made in connection with the IPO as further described in Note 10 of our condensed consolidated financial statements. The increase in general and administrative expense was also due to a \$11.4 million increase in other executive and administrative payroll and related expenses due to higher headcount and an increase in stock-based compensation expense and payroll taxes related to other awards made in connection with and after our IPO, and a \$4.4 million increase in acquisition related and other professional service fees to support our growth and operations as a public company after our IPO.

Depreciation and Amortization

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Depreciation and amortization	\$ 13,730	\$ 8,866	\$ 4,864	55%
<i>As a percentage of total revenue</i>	4%	3%		

Depreciation and amortization expenses for the six months ended June 30, 2021 increased by \$4.9 million, or 55%, compared to the six months ended June 30, 2020. This increase was due primarily to a \$2.8 million increase in capitalized software amortization due to higher capitalized costs for platform improvements and the introduction of new products and

features and a \$1.5 million increase in depreciation of property and equipment driven by the completion of the build of our new headquarters in Santa Monica, California.

Other Income, Net

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Other income, net	\$ —	\$ (21)	\$ 21	(100)%
<i>As a percentage of total revenue</i>	0%	0%		

Other income, net was not material in the six months ended June 30, 2021 and 2020.

Interest Income

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Interest income	\$ (29)	\$ (116)	\$ 87	(75)%
<i>As a percentage of total revenue</i>	0%	0%		

Interest income was not material in the six months ended June 30, 2021 and 2020.

Interest Expense

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Interest expense	\$ 11,811	\$ 15,433	\$ (3,622)	(23)%
<i>As a percentage of total revenue</i>	4%	6%		

Interest expense for the six months ended June 30, 2021 decreased by \$3.6 million, or 23%, compared to the six months ended June 30, 2020 primarily due to lower average debt balances and lower interest rates.

Income Tax Benefit (Expense)

	Six Months Ended June 30,		Change	
	2021	2020	\$	%
	(dollars in thousands)			
Income tax benefit (expense)	\$ 49,860	\$ (15,427)	\$ 65,287	(423)%
<i>Effective income tax rate</i>	291.1%	22.0%		

For the six months ended June 30, 2021, we had an income tax benefit of \$49.9 million, compared to income tax expense of \$15.4 million for the six months ended June 30, 2020 and an effective income tax rate of 291.1% and 22.0%, respectively. The change in our income tax benefit (expense) was primarily due to the change from pre-tax income to loss in addition to the tax effects of nondeductible officers' stock-based compensation expense and excess tax benefits related to our equity awards. The pre-tax loss for the six months ended June 30, 2021 was partially driven by the \$54.0 million of stock-based compensation expense related to the Founders Awards made in connection with our IPO.

Liquidity and Capital Resources

Overview

Since our inception, we have financed our operations primarily through net cash provided by operating activities, equity issuances, and borrowings under our long-term debt arrangements. Our primary requirements for liquidity and capital are to finance working capital, capital expenditures and general corporate purposes. Our principal sources of liquidity are expected to be our cash and cash equivalents and borrowings available under our \$100.0 million secured asset-based Revolving Credit Facility. As of June 30, 2021 we had cash and cash equivalents of \$894.7 million and \$90.9 million available under our Revolving Credit Facility.

We believe that our net cash provided by operating activities, cash on hand and availability under our Revolving Credit Facility will be adequate to meet our operating, investing and financing needs for at least the next 12 months. Our future capital requirements will depend on many factors, including our revenue growth, the timing and extent of investments to support such growth, the expansion of sales and marketing activities, and many other factors as described in the section entitled "Risk Factors" of our 2020 10-K and this Quarterly Report on Form 10-Q. We historically have not had any off-balance sheet arrangements nor do we currently have any off-balance sheet arrangements as defined under SEC rules.

If necessary, we may borrow funds under our Revolving Credit Facility to finance our liquidity requirements, subject to customary borrowing conditions. To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all. In particular, the widespread COVID-19 pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital. If we are unable to raise additional funds when or on the terms desired, our business, financial condition and results of operations could be adversely affected.

In light of the large number of RSUs subject to the Founders Awards that were granted in connection with our IPO in September 2020, we have incurred and anticipate that we will incur substantial additional stock-based compensation expense and expend substantial funds to satisfy tax withholding and remittance obligations as these RSUs vest over time. The grant date fair value of the Founders Awards was \$533.3 million. All of the stock price goals with respect to the performance vesting portion of the Founders Awards (the "Performance-Vesting Founders Awards," see Note 10 of our condensed consolidated financial statements) were achieved in October 2020. As a result, all 16,422,044 Performance-Vesting Founders Awards vested in 2020, and we recognized a total of approximately \$373.0 million of stock-based compensation expense related to the Founders Awards during 2020. During the three and six months ended June 30, 2021, we recognized an additional \$24.0 million and \$54.0 million of stock-based compensation expense, respectively, resulting in a cumulative total of \$427.0 million of stock-based compensation expense recognized related to the Founders Awards as of June 30, 2021. The unrecognized stock-based compensation expense associated with the time vesting portion of the Founders Awards of \$106.3 million as of June 30, 2021 is expected to be recognized over the weighted average remaining service period of 1.7 years. In addition, as a result of the Founders Awards, and the Performance-Vesting Founders Awards in particular, a large number of shares of Class B common stock will be issued on the applicable settlement dates. On the settlement dates for the RSUs, we plan to withhold shares and remit taxes on behalf of the holders of such Founders Awards at applicable statutory rates, which we refer to as net settlement, which may result in substantial tax withholding obligations. As an employee earns compensation, both the employer and the employee are liable for some portion of Social Security taxes and Medicare taxes (collectively referred to as "FICA" taxes) on the compensation. FICA taxes are generally due in the period when the substantial risk of forfeiture lapses. As the Performance-Vesting Founders Awards vested in October 2020, we accelerated the settlement of 0.7 million RSUs during the fourth quarter of 2020 sufficient to satisfy FICA tax withholding obligations due in the year of vesting. The remaining non-accelerated 15.7 million Performance-Vesting Founders Awards shares will not be issued until October 2023 or, if earlier, a change in control event, as defined in the RSU agreements governing the Founders Awards.

Assuming an approximate 47% tax withholding rate and stock price of \$65.00 per share at vesting and settlement, for the 15.7 million Performance-Vesting Founders Award shares that vested as described in the preceding paragraph, we estimate that our cash obligation on behalf of our Co-Founders to the relevant tax authorities to satisfy tax withholding obligations would be approximately \$481.7 million, and we would deliver an aggregate of approximately 8.3 million shares of our Class B common stock to net settle these awards, after withholding an aggregate of approximately 7.4 million shares of our Class B common stock. Cash payments for income tax withholdings are due upon the settlement date of the RSUs which is the third anniversary of the applicable vesting date or, if earlier, upon a qualifying change in control event. The actual amount of the tax obligations and the number of shares to be delivered could be higher or lower, depending on the price of our Class A common stock upon settlement and the applicable tax withholding rates then in effect. We also anticipate expending substantial funds to satisfy tax withholding and remittance obligations for other equity awards granted to our employees as they vest over time.

First Lien Credit Agreement

Our first lien credit agreement (the “First Lien Credit Agreement”) provides for a term loan with an original amount of \$700.0 million (the “First Lien Term Loan Facility”). We also have a line of credit with a maximum amount of \$100.0 million (the “Revolving Credit Facility”) associated with the First Lien Credit Agreement.

The Revolving Credit Facility and the First Lien Term Loan Facility under the First Lien Credit Agreement are collateralized by substantially all of our assets, including our intellectual property, and 100% of the equity interest of GoodRx, Inc.

The First Lien Credit Agreement that governs the Revolving Credit Facility and the First Lien Term Loan Facility contains certain affirmative and negative covenants, including, among other things, restrictions on indebtedness, liens, fundamental changes, repurchases of stock, dividends and other distributions. GoodRx, Inc. is restricted from making dividend payments, loans or advances to GoodRx Intermediate Holdings, LLC and GoodRx Holdings, Inc. In addition, GoodRx, Inc. is subject to a financial covenant whereby GoodRx, Inc. is required to maintain a First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement) not to exceed 8.2 to 1.0. At June 30, 2021, we were in compliance with the covenants under the First Lien Credit Agreement.

Revolving Credit Facility

Loans under the Revolving Credit Facility bear interest at a rate per annum equal to the LIBO Screen Rate (as defined in the First Lien Credit Agreement) plus a variable margin rate, which is based on our most recently determined First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement), that ranges from 2.50% to 3.00%. The Revolving Credit Facility has a variable commitment fee, which is based on our most recently determined First Lien Net Leverage Ratio (as defined in the First Lien Credit Agreement), and ranges from 0.25% to 0.50% per annum. In addition, the Revolving Credit Facility has a fixed fronting fee of 0.125% per annum of our aggregate undrawn and disbursed but unreimbursed letters of credit. The Revolving Credit Facility expires on October 11, 2024. As of June 30, 2021, there was no outstanding principal balance under our Revolving Credit Facility.

Under the terms of a lease agreement entered into during September 2019, GoodRx, Inc. assigned to the landlord drawdown rights against the Revolving Credit Facility for up to \$9.0 million to meet the contractual line of credit requirement in the lease agreement. The landlord can draw on the Revolving Credit Facility in the event of our default on rent or damages to the building. The assigned rights to the landlord will be held for the initial three years of the lease term, and subject to certain conditions, the letter of credit will decrease thereafter by up to 10% per year based upon the original amount to no less than \$2.0 million. This outstanding letter of credit to the landlord reduces our available borrowings under the Revolving Credit Facility by an amount equal to the value of assigned rights. There were outstanding letters of credit issued against the Revolving Credit Facility for \$9.1 million as of June 30, 2021, which reduces our available borrowings under the Revolving Credit Facility to \$90.9 million.

First Lien Term Loan Facility

The First Lien Term Loan Facility accrues interest at a rate per annum equal to the LIBO Screen Rate (as defined in the First Lien Credit Agreement) plus a variable margin rate, which is based on our most recently determined Net Leverage Ratio (as defined in the First Lien Credit Agreement), that ranges from 2.75% to 3.00% per annum. The First Lien Credit Agreement requires quarterly principal payments through September 2025, with any remaining unpaid principal and any accrued and unpaid interest due on the maturity date of October 10, 2025.

The effective interest rate on the First Lien Term Loan Facility was 3.39% and 3.83% for the three months ended June 30, 2021 and 2020, respectively and 3.39% and 4.33% for the six months ended June 30, 2021 and 2020, respectively.

The carrying value of the First Lien Term Loan Facility was \$664.9 million, net of unamortized debt issuance costs and discount of \$12.7 million, as of June 30, 2021.

Holding Company Status

We are a holding company that does not conduct any business operations of our own. As a result, we are largely dependent upon cash distributions and other transfers from our subsidiaries to meet our obligations and to make future dividend payments, if any. The First Lien Credit Agreement contains covenants restricting payments of dividends by our subsidiaries, including GoodRx, Inc., unless certain conditions are met. These covenants provide for certain exceptions for specific types of payments. Based on these restrictions, all of the net assets of GoodRx, Inc. were restricted pursuant to the terms of the First Lien Credit Agreement as of June 30, 2021. Since the restricted net assets of GoodRx, Inc. and its subsidiaries exceed 25% of our consolidated net assets, in accordance with Regulation S-X, refer to our audited consolidated financial statements included in our 2020 10-K for condensed parent company financial information of GoodRx Holdings, Inc.

Cash Flows

	Six Months Ended June 30,	
	2021	2020
	(in thousands)	
Net cash provided by operating activities	\$ 80,411	\$ 83,825
Net cash used in investing activities	(142,416)	(8,319)
Net cash (used in) provided by financing activities	(14,883)	25,069
Net change in cash, cash equivalents and restricted cash	<u>\$ (76,888)</u>	<u>\$ 100,575</u>

Net Cash Provided by Operating Activities

Net cash provided by operating activities was \$80.4 million for the six months ended June 30, 2021 consisting of \$32.7 million of net income, adjusted for \$104.9 million of non-cash expenses, made up primarily of stock-based compensation of \$87.2 million, including \$54.0 million of stock-based compensation related to the Founders Awards made in connection with the IPO, partially offset by \$57.2 million of net cash used as a result of changes in operating assets and liabilities. The changes in operating assets and liabilities were primarily driven by an increase in income tax receivable due to our second quarter tax benefit as well as increases in accounts receivable due to our growing operations.

Net cash provided by operating activities was \$83.8 million for the six months ended June 30, 2020 consisting of \$54.7 million of net income, adjusted for \$19.3 million of non-cash expenses and \$9.8 million of net cash provided by changes in our operating assets and liabilities. The changes in operating assets and liabilities were primarily driven by increases in accounts receivable, prepaid expenses and other current assets and accrued expenses and other current liabilities due to our growing operations.

Net Cash Used in Investing Activities

Net cash used in investing activities of \$142.4 million for the six months ended June 30, 2021 was related to \$125.7 million in cash consideration, net of cash acquired, related to acquisitions, \$13.6 million for capitalized software and \$3.1 million of capital expenditures, due primarily to leasehold improvements and furniture and fixtures related to the completion of our new office facility in Santa Monica, California. In May 2021, we entered into a non-cancelable lease agreement to lease additional space adjacent to our new office facility in Santa Monica, California. We anticipate that we will invest in additional capital expenditures with respect to the expanded leased space principally in 2022, which is the earliest we expect to gain access to and control of the expanded leased property.

Net cash used in investing activities of \$8.3 million for the six months ended June 30, 2020 was related to \$6.5 million for capitalized software and \$1.8 million for capital expenditures.

Net Cash (Used in) Provided by Financing Activities

Net cash used in financing activities of \$14.9 million for the six months ended June 30, 2021 was related to \$26.0 million of payments for employee taxes related to net share settlement of equity awards, \$3.5 million in long-term debt principal payments related to our First Lien Term Loan Facility and \$0.8 million payment for contingent consideration related to the acquisition of Scriptcycle, partially offset by \$15.4 million in proceeds from the exercise of stock options.

Net cash provided by financing activities of \$25.1 million for the six months ended June 30, 2020 was primarily related to \$28.0 million in proceeds from our Revolving Credit Facility, \$1.9 million from the exercise of stock options, partially offset by \$3.5 million in long-term debt principal payments related to our First Lien Term Loan Facility and payments of \$1.3 million of debt issuance costs related to increasing the amount of our line of credit in May 2020.

Contractual Obligations and Commitments

Other than as described in Note 8 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q, there have been no material changes to our contractual obligations and commitments compared with those described in our 2020 10-K.

Critical Accounting Policies and Estimates

During the three months ended June 30, 2021, there have been no significant changes to our critical accounting policies and estimates compared with those disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2020 10-K.

Recent Accounting Pronouncements

Refer to Note 2 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

There have been no material changes in our market risk from the disclosure included under "Quantitative and Qualitative Disclosures of Market Risk" in the 2020 10-K.

Item 4. Controls and Procedures

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our co-principal executive officers and principal financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, and as a result of the material weaknesses described below, our co-principal executive officers and principal financial officer concluded that, as of June 30, 2021, our disclosure controls and procedures were not effective at the reasonable assurance level.

Material Weaknesses

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual and interim financial statements will not be detected or prevented on a timely basis.

In connection with the preparation of our consolidated financial statements for 2019, we identified certain control deficiencies in the design and operation of our internal control over financial reporting that constituted material weaknesses. The material weaknesses are:

- We did not design or maintain an effective control environment commensurate with our financial reporting requirements. We lacked a sufficient number of professionals with an appropriate level of accounting knowledge, training and experience to appropriately analyze, record and disclose accounting matters timely and accurately. Additionally, the limited personnel resulted in an inability to consistently establish appropriate authorities and

responsibilities in pursuit of our financial reporting objectives, as demonstrated by, amongst other things, insufficient segregation of duties in our finance and accounting functions.

- We did not effectively design and maintain controls in response to the risks of material misstatement. Specifically, changes to existing controls or the implementation of new controls have not been sufficient to respond to changes to the risks of material misstatement to financial reporting, due in part to acquisitions and other changes to our business.

These material weaknesses contributed to the following additional material weaknesses:

- We did not design and maintain formal accounting policies, processes and controls to analyze, account for and disclose complex transactions.
- We did not design and maintain formal accounting policies, procedures and controls to achieve complete, accurate and timely financial accounting, reporting and disclosures, including controls over the preparation and review of business performance reviews, account reconciliations and journal entries. Additionally, we did not design and maintain controls over the classification and presentation of accounts and disclosures in the financial statements.
- We did not design and maintain effective controls over certain information technology (“IT”) general controls for information systems that are relevant to the preparation of our financial statements. Specifically, we did not design and maintain: (i) program change management controls to ensure that IT program and data changes affecting financial IT applications and underlying accounting records are identified, tested, authorized, and implemented appropriately; (ii) user access controls to ensure appropriate segregation of duties and that adequately restrict user and privileged access to certain financial applications, programs and data to appropriate company personnel; (iii) computer operations controls to ensure that critical batch jobs are monitored and data backups are authorized and monitored, and (iv) testing and approval controls for program development to ensure that new software development is aligned with business and IT requirements.

These material weaknesses resulted in adjustments identified by our independent registered public accounting firm and recorded by us primarily related to goodwill, capitalized software, leases, debt extinguishment, revenue recognition and sales allowances. These material weaknesses could result in a misstatement of our accounts or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Measures

We are compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404(a) of Sarbanes-Oxley Act and we are taking steps to remediate the material weaknesses. Management, with the participation of the audit committee and the board of directors, is engaged in remedial activities to address the material weaknesses described above. As of June 30, 2021, substantially all remediation efforts planned to address the material weaknesses have been designed and implemented by management. These implemented controls and procedures are subject to ongoing testing including their operating effectiveness over a sustained period of financial reporting cycles. The finalization of our remediation measures is ongoing and includes the following:

- We have prepared our remediation plan for each of the material weaknesses and trained process owners, evaluated the design of controls and are monitoring the results of our testing.
- We have engaged third party professionals to advise management in connection with the remediation of each of the material weaknesses including testing the operating effectiveness of controls.
- We have hired additional accounting, human resources, payroll and IT personnel to bolster our technical reporting, transactional accounting and IT capabilities. We have more than doubled our finance and accounting personnel since the beginning of 2020 through June 30, 2021. We implemented controls to formalize roles and review responsibilities to align with our team’s skills and experience and implemented formal controls over segregation of duties. We continue to evaluate our staffing needs and plan to hire additional resources as necessary to support our operations.
- We have implemented procedures to identify and evaluate changes in our business and the impact on our controls.
- We completed the implementation of software solutions in the second quarter of 2021 to support our ability to monitor, assess, and remediate segregation of duties related issues, as well as support our ongoing compliance efforts with Section 404(a) of Sarbanes-Oxley Act.

- We have formally assessed, and will continue to formally assess, complex accounting transactions and other technical accounting and financial reporting matters including controls over the preparation and review of accounting memoranda addressing these matters. During the third and fourth quarters of 2020, we implemented controls to identify complex accounting transactions and to require that the accounting implications of such transactions are formally assessed, documented and reviewed by a relevant senior member of our accounting team. In addition, we have engaged third party subject matter experts to advise us with respect to certain complex non-routine transactions in addition to management's review of such transactions, where appropriate.
- Since the beginning of 2020, we implemented several new information systems including a new enterprise resource planning system. We are continuing the process of designing and implementing controls over these systems to, among other things, automate certain controls, enforce segregation of duties and facilitate the review of journal entries.
- We have formalized critical accounting policies to achieve complete, accurate and timely financial accounting, reporting and disclosures. Moreover, we have implemented formal processes, policies, and procedures supporting our financial close process, including creating standard balance sheet reconciliation templates, establishing and reviewing thresholds for business performance reviews, and formalized procedures over the review of financial statements. We have implemented an external financial reporting function within our existing finance team to support our regulatory external financial reporting objectives.
- We continue to enhance our IT governance processes, including automating components of our change management and logical access processes, enhancing role-based access and logging capabilities, implementing automated controls, enhancing testing and approval controls for program development, and implementing more robust IT policies and procedures over change management and computer operations.

We believe we are making progress toward achieving the effectiveness of our internal control over financial reporting and disclosure controls and procedures. The actions that we are taking are subject to continued testing, ongoing senior management review, as well as audit committee oversight. We will not be able to conclude whether the steps we are taking will fully remediate these material weaknesses in our internal control over financial reporting until we have completed our remediation efforts and subsequent evaluation of their effectiveness. We may also conclude that additional measures may be required to remediate the material weaknesses in our internal control over financial reporting, which may necessitate additional implementation and evaluation time. We will continue to assess the effectiveness of our internal control over financial reporting and take steps to remediate the known material weaknesses expeditiously.

Changes in Internal Control Over Financial Reporting

We are taking actions to remediate the material weaknesses relating to our internal control over financial reporting. Other than the changes to our internal control over financial reporting described in "Remediation Measures" above, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information required under this Part II, Item 1 is set forth in Note 8 to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q is incorporated herein by this reference.

Item 1A. Risk Factors

For a discussion of potential risks and uncertainties related to us, see the information included in Part I, Item 1A, "Risk Factors" of our 2020 10-K. There have been no material changes to the risk factors previously disclosed in our 2020 10-K, except as noted below:

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

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

On May 28, 2021 the Department of the Treasury released the General Explanation of the Administration's Fiscal Year 2022 Revenue Proposals, also known as the Green Book, outlining a number of proposed amendments to the Internal Revenue Code, including significant changes for corporate taxpayers which includes a proposal to increase the federal corporate tax rate from 21% to 28%. The tax increase legislation is in the early stages of the legislative process and timing of potential tax law changes remain uncertain since the tax increase proposals will need the support of all 50 Democratic Senators. If adopted as proposed, the increase of the corporate tax rate would adversely affect our results of operations in future periods.

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

Unregistered Sales of Equity Securities

None.

Use of Proceeds

On September 25, 2020, we completed our IPO. All shares sold were registered pursuant to a registration statement on Form S-1 (File No. 333-248465), as amended (the "Registration Statement"), declared effective by the SEC on September 22, 2020.

There has been no material change in the expected use of the net proceeds from our IPO as described in our Registration Statement. The remaining net proceeds from our IPO have been invested in investment grade, interest-bearing instruments.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/ Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation.	8-K	001-39549	3.1	9/28/20	
3.2	Amended and Restated Bylaws.	8-K	001-39549	3.2	9/28/20	
4.1	Form of Certificate of Class A Common Stock.	S-1/A	333-248465	4.1	9/22/20	
4.2	Form of Certificate of Class B Common Stock.	S-8	333-249069	4.4	9/25/20	
10.1 [^]	First Amendment to Office Lease Agreement by and between GoodRx, Inc. and CSHV Pen Factory, LLC, dated August 14, 2020.					*
10.2 [^]	Second Amendment to Office Lease Agreement by and between GoodRx, Inc. and CSHV Pen Factory, LLC, dated May 27, 2021.					*
31.1	Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).					*
31.2	Certification of Co-Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).					*
31.3	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).					*
32.1	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350.					**
32.2	Certification of Co-Chief Executive Officer pursuant to 18 U.S.C. Section 1350.					**
32.3	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.					**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					*
101.SCH	Inline XBRL Taxonomy Extension Schema Document					*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					*

* Filed herewith.

** Furnished herewith.

[^] Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

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.

GOODRX HOLDINGS, INC.

Date: August 12, 2021

By: _____
/s/ Douglas Hirsch
Douglas Hirsch
Co-Chief Executive Officer
(Principal Executive Officer)

Date: August 12, 2021

By: _____
/s/ Trevor Bezdek
Trevor Bezdek
Co-Chief Executive Officer
(Principal Executive Officer)

Date: August 12, 2021

By: _____
/s/ Karsten Voermann
Karsten Voermann
Chief Financial Officer
(Principal Financial and Accounting Officer)

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

FIRST AMENDMENT TO OFFICE LEASE

THIS FIRST AMENDMENT TO OFFICE LEASE (this “First Amendment”), dated as of August 14, 2020 (the “Effective Date”), is entered into by and between **CSHV PEN FACTORY, LLC**, a Delaware limited liability company (“Landlord”), and **GOODRX**, a Delaware corporation (“Tenant”), with reference to the following:

RECITALS

A. WHEREAS, Landlord and Tenant entered into that certain Office Lease dated September [undated], 2019 (the “Lease”), for the lease of certain premises (the “Premises”) consisting of approximately 73,869 rentable square feet located on the ground floor and mezzanine level of that certain building (the “Building”) with an address of 2701 Olympic Boulevard, West Building, Santa Monica, California 90404, commonly known and identified as “Pen Factory”, as more particularly described in the Lease. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Lease. Unless the context clearly indicates otherwise, all references to the “Lease” in the Lease and in this First Amendment shall hereinafter be deemed to refer to the Lease, as amended hereby.

B. WHEREAS, Landlord and Tenant desire by this First Amendment to amend the Lease in order to (a) establish the Commencement Date, (b) resolve certain disputes regarding the condition of the Base Building and costs related to the Tenant Improvements, and (b) further amend, modify and supplement the Lease as set forth herein.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), for the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

AGREEMENT

1. Dispute. Landlord delivered the Premises to Tenant on September 16, 2019. During the construction of the Tenant Improvements, Tenant made certain claims (including, without limitation, as set forth in correspondence from Tenant to Landlord dated May 20, 2020 and June 1, 2020) regarding certain aspects of the Premises, the Project and the Base Building, including, without limitation, claims pursuant to Section 1.3 of the Tenant Work Letter (the “Work Letter”) attached to the Lease as Exhibit B (collectively, the “Base Building Claims”), and Tenant submitted a claim to Landlord regarding certain reimbursable costs arising from and associated with the Base Building Claims pursuant to Section 6.9 of the Work Letter (the “Reimbursement Claim” and, together with the Base Building Claims, collectively, the “Aggregate Claims”). Landlord and Tenant have agreed to resolve the Aggregate Claims by agreeing to the “Commencement Date Adjustment” and the “Release” described below.

2. Establishment of Commencement Date. In accordance with Section 7.2 of the Summary, the Lease Commencement Date was contemplated to be the date which is 270 days

following the Delivery Date. Based on Landlord's delivery of the Premises on September

16, 2019, the Lease Commencement Date would have been June 12, 2020. However, Landlord has agreed to delay the Lease Commencement Date to July 1, 2020 (the “Commencement Date Adjustment”) in exchange for the Release.

3. Release. For valuable consideration and the mutual covenants and agreements contained herein, effective as of the Effective Date, Tenant, on behalf of itself and its affiliated companies, consultants, fiduciaries, agents, servants, employees, partners, shareholders, members, predecessors, advisors, managers, trustees, ancillary trustees, beneficiaries, representatives, officers, directors, attorneys, guarantors, successors and assigns (collectively and severally, the “Affiliated Entities”), hereby fully and forever releases and discharges Landlord and its Affiliated Entities (including, without limitation, LaSalle Investment Management, Inc., “CALSTRS” (as defined below), and all persons and entities acting by, through, under or in concert with them, or any of them, of and from and against any and all actions, adjudications, awards, causes of action, claims, costs, damages, demands, expenses (including, without limitation, attorneys’ fees and costs and court costs), fees, fines, forfeitures, injuries, judgments, liabilities, liens, losses, obligations, orders, penalties, proceedings, stop notices and suits (collectively, “Claims”), known or unknown, fixed or contingent, at law or in equity, by reason of, arising out of, based upon or relating to any matter, cause or thing whatsoever (including, without limitation, based on negligence or strict liability) occurring on or prior to the Effective Date, which Tenant now has or may hereafter have against Landlord, its Affiliated Entities, or any of them, including, without limitation, in any way arising or resulting from or in connection with or related to (a) the Lease, the Project or the Premises or the condition of any portion thereof (including, by way of example only and without limitation, any non-compliance with applicable Laws, regarding any non-compliance of the Base Building with any applicable Laws, and the Base Building Claims), (b) any Landlord Delay resulting from the Aggregate Claims, and (c) any amounts due from Landlord pursuant to Section 6.9 of the Work Letter, including, without limitation, with respect to the Reimbursement Claim (collectively, the “Release”). Notwithstanding the foregoing, Landlord and Tenant agree that, subject to Sections 5 and 6 below, the Release does not include a waiver or release of any of Landlord’s ongoing maintenance and repair obligations under the Lease, including, without limitation, pursuant to Section 5.2.2.2 of the Lease, the last sentence of Section 6.1.5 of the Lease, or Articles 7, 11 or 22 of the Lease (collectively, the “Landlord Ongoing Obligations”).

Tenant acknowledges that it is familiar with and understands California Civil Code Section 1542, which provides as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

Tenant hereby waives and relinquishes every right or benefit that it has or may have under California Civil Code Section 1542 to the full extent that it may lawfully waive such right or benefit. In connection with such waiver and relinquishment, Tenant acknowledges that it may discover facts in addition to or different from those that it knows or believes to be true with

respect to the subject matter of this First Amendment and/or the waiver(s) set forth herein, but that it is Tenant's intention hereby to fully, finally and forever waive and release all Claims, known or unknown, suspected or unsuspected, that may exist or heretofore have existed or that may come into existence hereinafter with respect to such Claims, as well as any and all other Claims and/or matters covered herein or contemplated hereby. The releases given in this Section shall be and remain in effect as full and complete releases notwithstanding the discovery or existence of any such additional or different facts. Tenant acknowledges and agrees that it has been represented by legal counsel of its choice in connection with this First Amendment, and that such counsel has explained to Tenant the provisions of this Section. By initialing below, Tenant confirms it has agreed to the provisions of this Section.

Tenant's initials: /s/ TB /s/ DH

4. Notices to Landlord/Rent Payments. Until such time as Landlord delivers written notice to Tenant of any change to any such address, Landlord's addresses for any Notices, and Landlord's address for any Rent payment, shall be as follows:

(a) Landlord's Notice Address:

c/o LaSalle Investment Management, Inc.
333 W. Wacker Drive, Suite 2300
Chicago, Illinois 60606
Attention: [***]
Email: [***]

with a copy to:

[***]

and a copy to:

CSHV Pen Factory, LLC
c/o Lincoln Property Company
915 Wilshire Blvd., Suite 2050
Los Angeles, CA 90017
Attn: Property Manager

(b) Landlord's Rent Payment Address:

Payable to: CSHV Pen Factory, LLC

if paid by mail, then to:

CSHV Pen Factory, LLC
c/o Lincoln Property Company
915 Wilshire Blvd., Suite 2050
Los Angeles, CA 90017
Attn: Property Manager

if paid by wire, then to:

[***]

5. Condition of Premises. Subject to Landlord's representations and the Landlord Ongoing Obligations (but specifically excluding Section 6.9 of the Work Letter), Tenant acknowledges that, as of the Effective Date, (a) it is familiar with the condition of the Premises, (b) it accepts the Premises in its "as-is, where-is and with all faults" condition without improvement or allowance, subject to the work that Landlord has agreed to perform at its sole cost and expense as outlined on Schedule 1 attached hereto (collectively, the "Schedule 1 Items"), and (c) Landlord has made no representation or warranty regarding the condition of the Premises or the suitability thereof for Tenant's business.

6. Tenant's and Landlord's Estoppels. Tenant hereby certifies and acknowledges that, as of the Effective Date, and conditioned on the mutual execution and delivery of this Agreement and subject to the Landlord Ongoing Obligations, (a) to Tenant's actual knowledge without duty of investigation or inquiry, Landlord is not in default under the Lease; (b) all conditions of the Lease to be performed by Landlord necessary to the enforceability of the Lease have been satisfied; (c) Tenant has not delivered any notice to Landlord regarding a default by Landlord under the Lease which remains uncured; (d) to Tenant's actual knowledge without duty of investigation or inquiry, there are no offsets against Rent; (e) Tenant has delivered to Landlord the L-C in the amount of \$9,000,000.00; (f) all improvement work to be performed by Landlord under the Lease has been completed in accordance with the Lease (with the exception of the Schedule 1 Items) and has been accepted by Tenant; and (g) to Tenant's actual knowledge without duty of investigation or inquiry, there is no Landlord Delay or Force Majeure Delay or any event which, but for the delivery of notice or passage of time, would constitute a Landlord Delay or Force Majeure Delay, as set forth in Section 5.1 of the Work Letter. Tenant acknowledges and agrees that: (i) the representations herein set forth constitute a material consideration to Landlord in entering into this First Amendment; (ii) such representations are being made by Tenant for purposes of inducing Landlord to enter into this First Amendment; and (iii) Landlord is relying on such representations in entering into this First Amendment. "Tenant's actual knowledge without duty of investigation or inquiry" shall mean and refer to the actual knowledge without investigation or inquiry of Andrew Barrett-Weiss, the Workplace Experience Manager for Tenant, and, as of the Effective Date, Tenant hereby represents and warrants to Landlord that Andrew Barrett-Weiss is the Workplace Experience Manager for Tenant and has a job description that requires knowledge of

7.

matters and information related to the Lease. Landlord hereby certifies and acknowledges that, as of the Effective Date, and conditioned on the mutual execution and delivery of this Agreement and subject to Tenant's ongoing obligations under the Lease, (A) to Landlord's actual knowledge without duty of investigation or inquiry, Tenant is not in default under the Lease; (B) Landlord has not delivered any notice to Tenant regarding a default by Tenant under the Lease which remains uncured, and (C) Landlord is holding the L-C in the amount of \$9,000,000.00. As used in this First Amendment, "Landlord's actual knowledge without duty of investigation or inquiry" shall mean and refer to the actual knowledge without investigation or inquiry of Amy Xu, the asset manager of the Building, and, as of the Effective Date, Landlord hereby represents and warrants to Tenant that Amy Xu is the asset manager of the Building and has a job description that requires knowledge of matters and information related to the Lease.

8. Brokers. Landlord and Tenant each hereby represents and warrants to the other that it has not entered into any agreement or taken any other action that might result in any obligation on the part of Landlord or Tenant to pay any brokerage commission, finder's fee or other compensation with respect to this First Amendment, and each agrees to protect, defend, indemnify and hold the other harmless from and against any and all Claims in any way arising or resulting from or in connection with or related to any breach or inaccuracy of such representation and warranty made by such indemnifying party.

9. Landlord's Limitation of Liability. The terms and provisions of Section 26.14 of the Lease are expressly incorporated herein by reference.

10. Exculpation.

(a) Landlord's Exculpation; LaSalle Investment Management as Signatory. This First Amendment is being executed by LaSalle Investment Management, Inc. ("LaSalle") as investment manager for California State Teachers' Retirement System, a public entity created pursuant to the laws of the State of California ("CALSTRS"), the sole member of Landlord. No present or future officer, director, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent of Landlord or CALSTRS shall have any personal liability, directly or indirectly, and recourse shall not be had against any such officer, director, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent under or in connection with the Lease or any other document or instrument heretofore or hereafter executed in connection with the Lease. Tenant hereby waives and releases any and all such personal liability and recourse. The limitations of liability provided in this Section are in addition to, and not in limitation of, any limitation on liability applicable to Landlord provided by applicable Laws or in any other contract, agreement or instrument. Tenant further acknowledges that LaSalle has entered into this First Amendment as investment manager to CALSTRS, the sole member of Landlord, and Tenant agrees that all persons dealing with LaSalle must look solely to Landlord for the enforcement of any Claims arising under the Lease (subject to the limitations upon Landlord's liability set forth above), as neither LaSalle nor any of its affiliated entities nor any of their respective officers, directors, agents, managers, trustees, employees, members, investment managers, partners or shareholders assume any personal, corporate, partnership, limited liability

(b)

company, or other liability for any of the obligations entered into by LaSalle as investment manager for CALSTRS, the sole member of Landlord.

(c) **Tenant's Exculpation.** No present or future officer, director, shareholder, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent of Tenant or any of Tenant's affiliates shall have any personal liability, directly or indirectly, and recourse shall not be had against any such officer, director, shareholder, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent, under or in connection with the Lease or any other document or instrument heretofore or hereafter executed in connection with the Lease. Landlord hereby waives and releases any and all such personal liability and recourse. The limitations of liability provided in this Section 9(b) are in addition to, and not in limitation of, any limitation on liability applicable to Tenant provided by applicable Laws or in any other contract, agreement or instrument.

11. Acknowledgement, Representation and Warranty Regarding Prohibited Transactions. Tenant acknowledges that Landlord is wholly owned by CALSTRS, a unit of the California Government Operations Agency established pursuant to Title 1, Division 1, Parts 13 and 14 of the California Education Code, Sections 22000, et seq., as amended (the "Education Code"). As a result, Tenant acknowledges that CALSTRS is prohibited from engaging in certain transactions with or for the benefit of an "employer", "employing agency", "member", "beneficiary" or "participant" (as those terms are defined or used in the Education Code). In addition, Tenant acknowledges that certain restrictions under the Internal Revenue Code, 26 U.S.C. Section 1, et seq. (the "Code") may apply to distributions made by CALSTRS to its members, beneficiaries and participants. Accordingly, Tenant represents and warrants to Landlord and CALSTRS that (a) Tenant is neither an employer, employing agency, member, beneficiary or participant; (b) Tenant has not made any contribution or contributions to Landlord or CALSTRS; (c) neither an employer, employing agency, member, beneficiary nor participant, nor any person who has made any contribution to Landlord or CALSTRS, nor any combination thereof, is related to Tenant by any relationship described in Section 267(b) of the Code; (d) neither Landlord, CALSTRS, LaSalle, their affiliates, related entities, agents, officers, directors or employees, nor any CALSTRS board member, employee or internal investment contractor thereof or therefor (collectively, "Landlord Affiliates") has received or will receive, directly or indirectly, any payment, consideration or other benefit from, nor does any Landlord Affiliate have any agreement or arrangement with, Tenant or any person or entity affiliated with Tenant, relating to the transactions contemplated by this First Amendment except as expressly set forth in this First Amendment; and (e) no Landlord Affiliate has any direct or indirect ownership interest in Tenant or any person or entity affiliated with Tenant.

12. Miscellaneous. Landlord and Tenant hereby ratify and confirm their respective rights and obligations under the Lease. Except as specifically amended in this First Amendment, the Lease is and shall remain in full force and effect according to the terms thereof (including, without limitation, with respect to Section 22 of the Lease, which the parties specifically acknowledge shall apply with respect to this First Amendment with the same force and effect as if fully incorporated into and written for this First Amendment). In the event of any conflict between the terms of the Lease and the terms of this First Amendment, the terms of this

13.

First Amendment shall control. The headings to sections of this First Amendment are for convenient reference only and shall not be used in interpreting this First Amendment. This First Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Delivery of an electronically executed signature page hereof by electronic transmission (including, without limitation, via emailed .pdf or DocuSign) shall specifically be deemed as effective as delivery of a manually executed signature page hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Landlord and Tenant have caused their duly authorized representatives to execute this First Amendment as of the date first above written.

“LANDLORD”:

CSHV PEN FACTORY, LLC,
a Delaware limited liability company

By: California State Teachers’ Retirement System, a public entity
created pursuant to the laws of the State of California, its sole
member

By: LaSalle Investment Management, Inc.
Its: Investment Manager

By: /s/ Amy Xu Authorized
Signatory

“TENANT”:

GOODRX, INC.,
a Delaware corporation

By: /s/ Doug Hirsch

Name: Its:

Doug Hirsch

Co- CEO

By: /s/ Trevor Bezdek

Name: Its:

Trevor Bezdek Co-CEO

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

Exhibit 10.2

SECOND AMENDMENT TO OFFICE LEASE

THIS SECOND AMENDMENT TO OFFICE LEASE dated as of May 27, 2021

(this "Second Amendment"), is entered into by and between **CSHV PEN FACTORY, LLC**, a Delaware limited liability company ("Landlord"), and **GOODRX, INC.**, a Delaware corporation ("Tenant"), with reference to the following:

RECITALS

A. WHEREAS, Landlord and Tenant entered into that certain Office Lease dated September [undated], 2019 (the "Original Lease"), as amended by that certain First Amendment to Office Lease dated as of August 14, 2020 (the "First Amendment" and, together with the Original Lease, collectively, the "Lease"), by and between Landlord and Tenant, for the lease of certain premises (the "Existing Premises") consisting of approximately 73,869 rentable (65,661 usable) square feet known as Suite 200 in that certain building (the "Building") with an address of 2701 Olympic Boulevard, West Building/Building A, Santa Monica, California 90404, commonly known and identified as being part of Pen Factory, as more particularly described in the Lease. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Lease. Unless the context clearly indicates otherwise, all references to the "Lease" in the Lease and in this Second Amendment shall hereinafter be deemed to refer to the Lease, as amended hereby.

B. WHEREAS, Landlord and Tenant desire by this Second Amendment to amend the Lease in order to (a) expand the Existing Premises to include the balance of the rentable and usable square footages of the Building, i.e., approximately 57,880 rentable (51,449 usable) square feet known as Suite 300 in the Building, as more particularly shown on Exhibit A attached hereto and incorporated herein (the "Expansion Space"; the Expansion Space, together with the Existing Premises, may collectively be referred to herein as the "Expanded Premises"), (b) provide for the Lease Term applicable to the Expansion Space, (c) provide for the Base Rent applicable to the Expansion Space, (d) provide for the construction of the "Second Amendment Tenant Improvements" (as such term is defined in that certain Second Amendment Work Letter (the "Second Amendment Work Letter") attached hereto and incorporated herein as Exhibit B), and (e) further amend, modify and supplement the Lease as set forth herein.

NOW, THEREFORE, in consideration of the foregoing Recitals (which are incorporated herein by this reference), for the mutual promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

AGREEMENT

1. Expansion Space.

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

(a) Addition of Expansion Space. In addition to the Existing Premises, effective as of October 1, 2022 (the “Expansion Space Commencement Date”) and continuing for the duration of the “Expansion Space Lease Term” (as defined below), Landlord shall lease to

(b)

Tenant, and Tenant shall lease from Landlord, the Expansion Space upon all of the terms of the Lease, as modified herein. For the avoidance of doubt, the parties acknowledge that the Expansion Space Commencement Date shall not be deemed to have occurred if Tenant accesses the Expansion Space early for the “Construction License Period Early Access” or the “Non-Intrusive Early Access” as each such term is defined in Sections 1(d) and (e) below, respectively. Effective as of the Expansion Space Commencement Date, unless the context clearly indicates otherwise, all references to the “Premises” contained in the Lease shall mean and refer to the entirety of the space in the Existing Premises and the Expansion Space, which together is approximately 131,749 rentable (117,110 usable) square feet. Landlord and Tenant hereby acknowledge and agree that the rentable and usable square footages of the Existing Premises, the Expansion Space and the Expanded Premises as stated in this Second Amendment shall be deemed final, conclusive and binding for all purposes under the Lease and, notwithstanding anything to the contrary contained in the Lease, unless stated otherwise in the Lease (including, without limitation, under Section 1.2 of the Original Lease and Section 8(b)(ii)(B) below), shall not be subject to change even if any of the actual rentable or usable square footages are more or less than such stated amounts. Notwithstanding anything to the contrary contained in this Second Amendment (but subject to the remaining terms of this sentence), if (i) substantial completion of the Second Amendment Tenant Improvements is actually delayed as a result of (A) an occurrence under Section 5.2.3.2(i) or (ii) of the Original Lease (dealing with Hazardous Materials) (and Tenant hereby certifies and acknowledges to Landlord that, as of the date of mutual execution of this Second Amendment, Tenant knows of no such occurrence), (B) any maintenance or repair required for the Expansion Space (and not for the Existing Premises or any other portion of the Project), but only to the extent (x) such maintenance or repair is Landlord’s sole and express obligation under Section 7.1 of the Original Lease (for purposes of this subsection (B) only, the parties specifically agree that (aa) anything constituting a BS/BS Exception shall not be deemed Landlord’s sole and express obligation, and (bb) the definition of BS/BS Exception shall not be deemed to include the insurance exclusion originally provided in such Section 7.1 of the Original Lease), and (y) the need for such maintenance or repair was not caused or exacerbated by any Tenant Party or otherwise in connection with Tenant’s performance of the Second Amendment Tenant Improvements or by Tenant’s use or occupancy of the Existing Premises, (C) fire or other casualty covered by Article 11 of the Original Lease, or (D) eminent domain, condemnation or the grant of a deed or other instrument in lieu of eminent domain or condemnation that, in any such case, is covered by Article 13 of the Original Lease, and (ii) such delay is the sole cause (i.e., is not shared with any other cause, including, without limitation, Force Majeure, Tenant’s failure to reasonably and diligently perform the construction of the Second Amendment Tenant Improvements, and/or any other delay caused by Tenant or other event, action or inaction) of the Second Amendment Tenant Improvements not being substantially complete by October 1, 2022 (any such delay under these subsections (i) and (ii) may be referred to herein as a “Special Circumstances Delay”), then, subject to the remaining terms of this sentence, (1) the Expansion Space Commencement Date shall be delayed by one (1) day for each day after October 1, 2022 that such substantial completion does not occur solely as a result of a Special Circumstances Delay, (2) the “Expansion Space Lease Expiration Date” (as defined below) shall also be delayed on the same day-for-day basis, and (3)

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

the parties shall promptly enter into an amendment to the Lease reflecting the foregoing, which amendment shall also update accordingly and commensurately all dates and other terms of this Second Amendment tied to the Expansion Space Commencement Date occurring on October 1, 2022 and the Expansion Space Lease Expiration Date occurring on July 31, 2033 (it being the specific

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

intent of the parties that the same terms of this Second Amendment shall still apply after accounting for such Special Circumstances Delay); provided, that, notwithstanding anything to the contrary contained herein, no Special Circumstances Delay shall be deemed to have occurred unless (I) Tenant has delivered written notice to Landlord that a Special Circumstances Delay is pending (if Tenant is reasonably capable of making such determination) or has occurred, (II) Landlord fails to cure any such pending delay before it becomes an actual delay, or, if an actual delay has already occurred pursuant to the foregoing, Landlord fails to cure such actual delay within three (3) business days after Landlord's receipt of such notice from Tenant, and (III) Tenant, as a result of the Special Circumstances Delay, cannot and does not conduct normal business operations from the Expansion Space during any applicable period beginning on October 1, 2022 and ending on the new and delayed Expansion Space Commencement Date resulting from the Special Circumstances Delay (all of which under this subsection (III) shall be reasonably verified and documented by the parties using reasonable cooperation).

(c) **Potential Demising Work**. Notwithstanding anything to the contrary contained in the Lease, if, at any time after February 28, 2031 (the "Existing Premises Lease Expiration Date"), Tenant leases a portion but not all of the Expanded Premises such that Landlord requires the separate demise of the portion so leased by Tenant from any portion leased by another tenant or occupant, then, in such event, Tenant shall be responsible for and shall promptly pay all costs incurred by Landlord (which shall be incurred at least substantially in accordance with standards applicable to Comparable Buildings) in connection with separately demising any such portions, including, without limitation, for any such work consisting of (i) installing demising walls, (ii) modifying ceilings, floors, electrical, HVAC, mechanical, plumbing, fire-life-safety and other systems, and (iii) painting.

(d) **Deck Area**. Effective as of the Expansion Space Commencement Date, the "Deck Area" as defined in Section 1.1.4 of the Original Lease shall be deemed to include (and the terms of the Original Lease regarding the Deck Area, including, without limitation, the terms of such Section 1.1.4, shall also be deemed to apply to) the following: two (2) outdoor decks adjacent to the south side of the Expansion Space as shown on Exhibit A attached hereto (for such purposes, the "New Deck Areas"). For the avoidance of doubt, the parties specifically agree that nothing contained in this paragraph shall be deemed to modify the terms of such Section 1.1.4 of the Original Lease regarding the Deck Area applicable to the Existing Premises, except as follows (which modification shall be deemed to apply with respect to the New Deck Areas as well): both references to "the expiration or earlier termination of this Lease" in such Section 1.1.4 shall be deemed deleted and replaced with "the expiration or earlier termination of this Lease for the portion of the Premises that is attached to the applicable Deck Area". Also, for the avoidance of doubt, the parties specifically acknowledge that the terms of Section 1.1.4 of the Original Lease granting Tenant exclusive rights shall also apply with respect to the New Deck Areas during the Expansion Space Lease Term.

(e) **Construction License Period**. During the period (the "Construction License Period") beginning on January 1, 2022 (the "Construction License Period Commencement Date") and ending upon the occurrence of the Expansion Space Commencement Date (i.e., on October 1, 2022), Landlord shall allow Tenant an exclusive license to occupy the Expansion Space

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(f)

for the sole purpose of Tenant prosecuting construction of the Second Amendment Tenant Improvements, installing Tenant's permitted furniture, fixtures and equipment in the Expansion Space, moving into the Expansion Space, and conducting Tenant's business at the Expansion Space in accordance with, and subject to, the terms of the Lease, and not for any other use or purpose (collectively, the "Construction License Period Use"). Tenant's occupancy of the Expansion Space during the Construction License Period shall be subject to all the terms of the Lease (including, without limitation, those concerning Tenant's indemnification, insurance, maintenance and repair obligations) as if the Lease were a license agreement for the Expansion Space, except that (i) Tenant shall not be required to pay Base Rent for the Expansion Space, Tenant's Share of Direct Expenses for the Expansion Space (as it relates to both the Building and the Project, as applicable) or parking charges for the Expansion Space (but Tenant shall still be subject to all of the foregoing payment obligations for the Existing Premises in accordance with, and subject to, the terms of the Lease), (ii) Tenant's parking rights shall be as provided in this paragraph instead of as provided elsewhere in this Second Amendment for the Expansion Space, and any obligation of Landlord to provide utilities and services for the Expansion Space shall be as provided in this paragraph instead of as provided in the Original Lease, and (iii) Tenant shall not be required to vacate and surrender the Expansion Space upon the expiration of the Construction License Period (it being the specific agreement of the parties that, upon such expiration, Tenant's license of the Expansion Space hereunder shall become a lease of the Expansion Space under the terms of the Lease). Subject to any applicable indemnification obligation of Landlord under Section 10.1 of the Original Lease (and Tenant's assumptions of risk and releases as provided under such Section 10.1), Tenant hereby agrees to protect, defend, indemnify and hold Landlord harmless from and against any and all Claims in any way arising or resulting from or in connection with this paragraph. Subject to the terms of the Lease (including, without limitation, the rules and regulations attached as Exhibit E to the Original Lease), during the Construction License Period and only to the extent required for the Construction License Period Use, the parties hereby agree as follows (for the avoidance of doubt, this sentence shall specifically not apply with respect to the Existing Premises): (A) Tenant and its employees, the "Architect", the "Engineers", the "Contractor" and "Tenant's Agents" (as each such term is defined in the Second Amendment Work Letter) shall have the right to reasonable parking at the Project in reasonable cooperation with Landlord without the payment of any parking charges for the same, and

(B) Landlord shall, without additional charge to Tenant, use reasonable efforts to provide (but only to the extent the same are not impacted by the performance of the Second Amendment Tenant Improvements) normal and customary electricity, HVAC, water and/or elevator service within the Expansion Space for Tenant and its employees, the Architect, the Engineers, the Contractor and Tenant's Agents; provided, that " , without additional charge to Tenant," as used in this subsection (B) shall not apply with respect to any portion of the Expansion Space from which Tenant is conducting business. The terms of this paragraph may collectively be referred to as the "Construction License Period Early Access".

(g) Non-Intrusive Early Access. Provided that any such access is non-

intrusive and otherwise does not affect the condition of the Expansion Space or require any physical work to be performed within the Expansion Space, Landlord shall allow, subject to Landlord's availability, Tenant to access the Expansion Space prior to the Construction License

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Period Commencement Date (such right to access the Expansion Space shall expire and be of no further force or effect upon the occurrence of the Construction License Period Commencement Date) for the

(h)

sole purpose of Tenant performing visual/walk-through planning, visual/walk-through due diligence, measuring, space planning, and designing, all to the extent reasonably required by Tenant in preparation for the Second Amendment Tenant Improvement work and Tenant's occupancy under the Second Amendment. Tenant shall in no event conduct business in connection with any period of entry into the Expansion Space under this paragraph. As soon as reasonably possible prior to Tenant's entry into the Expansion Space as permitted by the terms of this paragraph, Tenant shall submit a request to Landlord, for its written approval (not to be unreasonably withheld, conditioned or delayed), which request shall reasonably detail the timing and purpose of Tenant's entry. Any entry into the Expansion Space by Tenant under this paragraph (all subject to approval in writing in advance by Landlord, which shall not be unreasonably withheld, conditioned or delayed) shall be at the sole risk of Tenant, including, without limitation, theft, bodily injury, vandalism or other damage (but subject in any event to any applicable indemnification obligation of Landlord under Section

10.1 of the Original Lease). For the avoidance of doubt, the parties specifically acknowledge that, during any period of entry into the Expansion Space by Tenant in accordance with, and subject to, the terms of this paragraph, Tenant shall not be required to pay Base Rent for the Expansion Space, Tenant's Share of Direct Expenses for the Expansion Space (as it relates to both the Building and the Project, as applicable), parking charges for the Expansion Space, or any other charges under the Lease that would otherwise be applicable to the Expansion Space (but Tenant shall still be subject to all of the foregoing payment obligations for the Existing Premises in accordance with, and subject to, the terms of the Lease); provided, that the parties specifically acknowledge that Tenant's indemnification obligations, assumptions of risk and releases as provided under Section 10.1 of the Original Lease shall apply with respect to any such entry into the Expansion Space by Tenant. Subject to any applicable indemnification obligation of Landlord under Section 10.1 of the Original Lease, Tenant hereby agrees to protect, defend, indemnify and hold Landlord harmless from and against any and all Claims in any way arising or resulting from or in connection with this paragraph. The terms of this paragraph may collectively be referred to as the "Non-Intrusive Early Access".

2. Lease Term, Option Terms, Termination Rights for Expansion Space.

(a) Lease Term for Expansion Space. Effective as of the Expansion Space Commencement Date, the Lease Term shall be separately applicable to the Expansion Space; provided, that, notwithstanding anything to the contrary contained in the Lease and with respect to the Expansion Space only, instead of the initial Lease Term for the Expansion Space being scheduled to expire on the Existing Premises Lease Expiration Date (i.e., February 28, 2031) (as it is for the Existing Premises), the initial Lease Term shall, unless sooner terminated in accordance with the terms of the Lease, instead continue past such Existing Premises Lease Expiration Date to instead expire on the Expansion Space Lease Expiration Date (the Lease Term applicable to the Expansion Space may be separately referred to herein as the "Expansion Space Lease Term", and the Lease Term applicable to the Existing Premises may be separately referred to herein as the "Existing Premises Lease Term"). Accordingly, effective as of the Expansion

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Space Commencement Date, (i) all references in the Lease to the “Lease Term” shall, unless the context clearly indicates otherwise, apply to both or each (as applicable) of the Existing Premises and/or the Expansion Space, and (ii) all references in the Lease to the “Lease Expiration Date” shall be deemed to mean the Existing Premises Lease Expiration Date for the Existing Premises and July 31, 2033 for the Expansion Space (for such purposes, the “Expansion Space Lease Expiration Date”). For the

(b)

avoidance of doubt, the parties specifically agree that nothing contained in this paragraph shall be deemed to modify the Existing Premises Lease Expiration Date. In addition, and notwithstanding anything to the contrary contained in the Lease, because the Lease Term is currently not scheduled to be co-terminus for the Existing Premises and the Expansion Space, any term of the Lease that is based on the expiration or earlier termination of the Lease Term shall, unless the context clearly indicates otherwise (or unless the Lease is subsequently amended in the sole and absolute discretion of the parties to be co-terminus), be deemed to separately and independently apply to the expiration or earlier termination of the Lease Term for the Existing Premises or the Expansion Space, as applicable.

(c) Option Term for Expansion Space. The terms of the Extension Option Rider shall separately apply to the Expansion Space and, accordingly, shall be deemed incorporated into this Second Amendment for such purposes, except that, notwithstanding anything to the contrary contained in the Extension Option Rider, with respect to the Expansion Space only,

- (i) if the first Option Term is exercised as provided in the Extension Option Rider (as modified herein), such exercise shall, instead of extending the initial Lease Term as originally provided therein, instead extend the initial Expansion Space Lease Term, (ii) the reference to the “initial Lease Term” in Section 3(i) of the Extension Option Rider shall be deemed deleted and replaced with “initial Expansion Space Lease Term”, and (iii) the references to the “Premises” in the Extension Option Rider shall be deemed deleted and replaced with “Expansion Space”. For the avoidance of doubt, the parties specifically agree that nothing contained in this paragraph shall be deemed to modify the separate and independent applicability of the Extension Option Rider to the Existing Premises in accordance with, and subject to, the terms therein, or to apply any of the modifications applicable under this paragraph to the Expansion Space, except that, with respect to the Existing Premises only, the references to the “Premises” in the Extension Option Rider shall be deemed deleted and replaced with “Existing Premises”. Also, for the avoidance of doubt, the parties specifically agree that (A) with respect to the Expansion Space, (1) if the first Option Term is successfully exercised, such first Option Term shall commence on August 1, 2033 and, unless sooner terminated in accordance with the terms of the Lease, end on July 31, 2038, and (2) if the second Option Term is successfully exercised, such second Option Term shall commence on August 1, 2038 and, unless sooner terminated in accordance with the terms of the Lease, end on July 31, 2043; and
- (B) with respect to the Existing Premises, (1) if the first Option Term is successfully exercised, such first Option Term shall commence on March 1, 2031 and, unless sooner terminated in accordance with the terms of the Lease, end on February 28, 2036, and (2) if the second Option Term is successfully exercised, such second Option Term shall commence on March 1, 2036 and, unless sooner terminated in accordance with the terms of the Lease, end on February 28, 2041.

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(d) Termination Rights for Expansion Space.

(i) Tenant's Termination Right for Expansion Space.

Notwithstanding anything to the contrary contained in this Second Amendment, Tenant shall have the one-time right ("Tenant's Termination Right") to terminate the Lease for the Expansion Space only, effective as of 11:59:59 p.m., Pacific Time, on February 28, 2031 (for such purposes, the "Termination Date"); provided that, as a condition precedent to such early termination: (A) Landlord shall have received written notice (the "Tenant Termination Notice") from Tenant on or before

(ii)

February 28, 2030 (the "Outside Tenant Termination Notice Date"), stating that Tenant intends to terminate the Lease for only the Expansion Space pursuant to the terms of this Section; and (B) Tenant shall cure any "Material Default" (as defined below). Within thirty (30) days after Landlord's receipt of the Tenant Termination Notice, Landlord shall provide written notice (the "Termination Fee Notice") to Tenant setting forth a calculation of the unamortized sum, as of the Termination Date, of the following amounts (collectively, the "Termination Fee"): the Second Amendment Tenant Improvement Allowance paid by Landlord (which shall specifically be deemed to also include any amounts deducted from or otherwise applied against the Second Amendment Tenant Improvement Allowance in accordance with, and subject to, the terms of the Second Amendment Work Letter), any brokerage commissions paid by Landlord in connection with this Second Amendment, and the "Expansion Space Base Rent Abatement" (as defined below) provided to Tenant, all as amortized on a straight-line basis without interest over the entirety of the originally-scheduled full initial Expansion Space Lease Term beginning from and after the Expansion Space Commencement Date. Absent demonstrable error in the Termination Fee Notice of Landlord's calculation of the Termination Fee (in which case the parties shall work together in good faith to resolve such error as soon as reasonably possible), Tenant shall pay the Termination Fee to Landlord within thirty (30) days after Tenant's receipt of the Termination Fee Notice or resolution of any such error, as applicable. Provided that Tenant performs all of the foregoing in accordance with the terms of this Section, the Lease shall automatically terminate and be of no further force or effect for the Expansion Space (except as set forth below) as of the Termination Date as if such Termination Date were the originally-scheduled Expansion Space Lease Expiration Date under this Second Amendment, and Landlord and Tenant shall thereafter be relieved of their respective obligations under the Lease for the Expansion Space with the same force and effect as would have been the case upon the originally-scheduled Expansion Space Lease Expiration Date; accordingly, Landlord and Tenant shall have all the rights and remedies with respect to any obligation of the other under the Lease for the Expansion Space that accrues on or prior to the Termination Date and is not satisfied by Landlord or Tenant, as applicable, on or prior to the Termination Date (e.g., Tenant's obligations regarding indemnity, insurance, maintenance and repair, surrender, any demising of the Premises, and with respect to Tenant's payment of any Rent; without limiting the generality of the foregoing, such payment obligation of Tenant shall specifically include the payment of any amounts owed in connection with any future reconciliation of Direct Expenses in accordance with the terms of the Lease), and with respect to any obligations of Landlord or Tenant, as applicable, that expressly survive the expiration or earlier termination of the Lease (as applied to the Expansion Space). Notwithstanding anything to the contrary contained in this Second Amendment, upon Tenant's delivery of the Tenant Termination Notice, Tenant's right to exercise any Option Term for the Expansion Space shall terminate and be of no further

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force or effect. If Tenant exercises Tenant's Termination Right in accordance with the terms herein, on the Termination Date, Tenant shall vacate the Expansion Space and surrender and deliver exclusive possession thereof to Landlord in accordance with the terms of the Lease. Tenant's Termination Right shall expire and be of no further force or effect if Tenant fails to deliver the Tenant Termination Notice to Landlord by the Outside Tenant Termination Notice Date. If Tenant exercises Tenant's Termination Right in accordance with the terms of this Section but retains possession of the Expansion Space or any part thereof after the Termination Date, then, in addition to all other rights and remedies Landlord may have pursuant to the Lease and at law and in equity, Tenant shall be deemed a holdover tenant with respect to the Expansion Space only and the terms of Section 16 of the Original Lease shall apply.

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Tenant's Termination Right is personal only to the Tenant named in this Second Amendment (the "Named Tenant") or any Permitted Transferee Assignee, and may not be exercised by any other Tenant, assignee, subtenant or other transferee of or successor to any portion of the Named Tenant's interest under the Lease or to the Expansion Space. As used herein, a "Material Default" shall mean any monetary default under the Lease by Tenant beyond all applicable notice and cure periods, and any other material default under the Lease by Tenant beyond all applicable notice and cure periods (including, without limitation, in connection with any failure by Tenant to make any material repair required of Tenant under the Lease, and with respect to any Hazardous Materials contamination caused by Tenant) as reasonably determined by Landlord in a manner consistent with the standards applicable to Comparable Buildings in any event.

(iii) Landlord's Termination Right for Expansion Space.

Notwithstanding anything to the contrary contained in this Second Amendment, Landlord shall have the one-time right ("Landlord's Termination Right"; Landlord's Termination Right, together with Tenant's Termination Right, may collectively be referred to in this Second Amendment as the "Termination Rights") to terminate the Lease for the Expansion Space only, effective as of 11:59:59 p.m., Pacific Time, on the Termination Date, if for any reason (A) the first Option Term for the Existing Premises is not exercised or the initial Lease Term for the Existing Premises is not actually renewed pursuant to the Extension Option Rider, as modified herein), and (B) the initial Lease Term for the Existing Premises is otherwise not extended or renewed beyond the Expansion Space Lease Expiration Date by mutual written agreement of the parties; provided that, as a condition precedent to such early termination, Tenant shall have received written notice (the "Landlord Termination Notice") from Landlord stating that Landlord intends to terminate the Lease for only the Expansion Space pursuant to the terms of this Section, and setting forth the Termination Fee. The timing for any such delivery by Landlord of the Landlord Termination Notice shall be as follows: (1) if such Landlord Termination Notice is pursuant to Tenant not exercising its first Option Term for the Existing Premises, then it shall be so delivered by no later than March 31, 2030, or (2) if such Landlord Termination Notice is pursuant to Tenant attempting to exercise its first Option Term for the Existing Premises but such exercise not being successful, then it shall be so delivered by the later to occur of March 31, 2030 or the date that is thirty (30) days after Landlord reasonably confirms that such exercise has not been successful (and Tenant shall reasonably cooperate with Landlord in making such confirmation, including, without limitation and if factually correct, by acknowledging in writing that any such exercise has not been successful). In any event, absent demonstrable error in the Landlord Termination Notice of Landlord's calculation of the Termination Fee (in which case the parties shall work together in good faith to resolve such error as soon as reasonably possible), Tenant shall pay fifty percent (50%) of the Termination Fee (which shall be deemed payment in full, even though such payment is for less than the full Termination Fee) to Landlord within thirty (30) days after Tenant's receipt of the Landlord Termination Notice or resolution of any such error, as applicable. Provided that Landlord performs all of the foregoing in accordance with the terms of this Section, the Lease for the Expansion Space shall automatically terminate and be of no further force or effect (except as set forth below) as of the Termination Date as if such Termination Date were the originally-scheduled Expansion Space Lease Expiration Date under this Second Amendment, and Landlord and Tenant shall thereafter be relieved of their respective obligations under the Lease for the Expansion Space with the same force and effect as would have been the case upon the originally-scheduled Expansion Space Lease Expiration Date; accordingly, Landlord and Tenant shall have

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the rights and remedies with respect to any obligation of the other under the Lease for the Expansion Space that accrues on or prior to the Termination Date and is not satisfied by Landlord or Tenant, as applicable, on or prior to the Termination Date (e.g., Tenant's obligations regarding indemnity, insurance, maintenance and repair, surrender, any demising of the Premises, and with respect to Tenant's payment of any Rent; without limiting the generality of the foregoing, such payment obligation of Tenant shall specifically include the payment of any amounts owed in connection with any future reconciliation of Direct Expenses in accordance with the terms of the Lease), and with respect to any obligations of Landlord or Tenant, as applicable, that expressly survive the expiration or earlier termination of the Lease (as applied to the Expansion Space). Notwithstanding anything to the contrary contained in this Second Amendment, upon Landlord's delivery of the Landlord Termination Notice, Tenant's right to exercise any Option Term for the Expansion Space shall terminate and be of no further force or effect. If Landlord exercises Landlord's Termination Right in accordance with the terms herein, on the Termination Date, Tenant shall vacate the Expansion Space and surrender and deliver exclusive possession thereof to Landlord in accordance with the terms of the Lease. Landlord's Termination Right shall expire and be of no further force or effect if Landlord fails to deliver the Landlord Termination Notice to Tenant by the Outside Landlord Termination Notice Date. If Landlord exercises Landlord's Termination Right in accordance with the terms of this Section but Tenant retains possession of the Expansion Space or any part thereof after the Termination Date, then, in addition to all other rights and remedies Landlord may have pursuant to the Lease and at law and in equity, Tenant shall be deemed a holdover tenant with respect to the Expansion Space only and the terms of Section 16 of the Original Lease shall apply.

(v) **Conflict**. Notwithstanding anything to the contrary contained herein, if Tenant attempts to validly exercise Tenant's Termination Right and Landlord attempts to validly exercise Landlord's Termination Right, then Tenant's exercise of Tenant's Termination Right shall control and Landlord's exercise of Landlord's Termination Right shall not take effect. In addition, if Tenant's Termination Right or Landlord's Termination Right is exercised such that the Lease would, upon such termination, remain in effect for the Existing Premises, then the parties shall promptly enter into an amendment to the Lease reflecting such downsizing of the Premises (and the adjustment of Lease terms that are dependent upon the size of the Premises).

3. Base Rent. In addition to any other amounts due and payable by Tenant in connection with the Lease to be paid in the manner specified therein (including, without limitation, Base Rent for the Existing Premises, Tenant's Share of Direct Expenses, and parking charges), Tenant shall, beginning on the Expansion Space Commencement Date, pay in the manner specified in the Lease, Base Rent for the Expansion Space as follows:

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Dates	Monthly Base Rent	Annual Base Rent
[***]*	[***]*	[***]*
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

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[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

*Notwithstanding anything to the contrary contained in this Second Amendment, but subject to the terms of this paragraph, Base Rent for the Expansion Space only (but not for the Existing Premises) shall be abated during the ten (10) consecutive month period beginning on November 1, 2022 and ending on August 31, 2023 (collectively, the “Expansion Space Base Rent Abatement”). Tenant shall pay any other amounts due in connection with the Lease during any such months of Expansion Space Base Rent Abatement (including, without limitation, Base Rent for the Existing Premises, Tenant’s Share of Direct Expenses, and parking charges). If there is any Material Default, any remaining Expansion Space Base Rent Abatement shall be suspended from the initial date the default that became a Material Default occurred, until such time, if ever, that such Material Default is cured. For the avoidance of doubt, the parties specifically agree that nothing contained in this Second Amendment shall be deemed to modify the Base Rent payable for the Existing Premises under the terms of the Lease.

4. Tenant’s Share; Public Entity Ownership of Project.

(a) **Tenant’s Share.** Effective as of the Expansion Space Commencement Date, (i) Tenant’s Share of the Building for the Expansion Space shall be [***]%, and (ii) Tenant’s Share of the Project for the Expansion Space shall be [***]%. For the avoidance of doubt, the parties specifically agree that nothing contained in this paragraph shall be deemed to modify Tenant’s Share of the Building for the Existing Premises (i.e., [***]%) or Tenant’s Share of the Project for the Existing Premises (i.e., [***]%).

(b) **Public Entity Ownership of Project.** Notwithstanding anything to the contrary contained in the Lease, effective retroactively to the Lease Commencement Date, Tenant acknowledges and agrees that for so long as the Project is owned by the State of California or any local public entity of government, including, without limitation, a state public retirement system, the Lease and Tenant’s interest hereunder may constitute a possessory interest subject to property taxation and as a result may be subject to the payment of property taxes levied on that interest. In addition and notwithstanding anything to the contrary contained in the Lease, effective retroactively to the Lease Commencement Date, for so long as the Project is owned by a state public retirement system, the full cash value, as defined in Sections 110 and 110.1 of the California Revenue and Taxation Code, of the possessory interest upon which property taxes will be based will equal the greater of (i) the full cash value of the possessory interest, or (ii) if Tenant has leased less than all of the Project, Tenant’s Share of the full cash value of the Project that would have been enrolled if the Project had been subject to property tax upon acquisition by the state public retirement system.

5. Parking. Effective as of the Expansion Space Commencement Date, the terms of the Lease applicable to parking shall apply in full force and effect to the Expansion Space (including, without limitation, the terms of Sections 24.2 and 24.3 of the Original Lease and the parking rules and regulations attached as Exhibit E to the Original Lease); provided, that,

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notwithstanding anything to the contrary contained in the Lease, Section 12 of the Summary and Section 24.1 of the Original Lease (except for the last sentence of such Section 24.1, which shall apply to the “Expansion Space Passes”, as defined below) shall not apply to the Expansion Space; and provided, further, that, effective as of the Expansion Space Commencement Date and notwithstanding anything to the contrary contained in the Lease, the terms of the Lease applicable to parking are hereby modified as follows for the Expansion Space only (for the avoidance of doubt, the parties specifically agree that nothing contained in this Section 5 shall be deemed to modify the terms of the Lease applicable to parking for the Existing Premises):

(a) **Expansion Space Passes**. For as long as the Lease for the Expansion Space is in effect, (i) Tenant shall rent two (2) unreserved parking passes per 1,000 usable square feet of the Expansion Space (the foregoing parking space ratio shall be known herein as the “Mandatory Expansion Space Parking Ratio”), which amounts to a total of one hundred and three (103) unreserved parking passes (collectively, the “Mandatory Expansion Space Unreserved Passes”), for parking by Tenant’s employees and Permitted Occupants in the Parking Areas; (ii) notwithstanding the immediately preceding subsection (i), three (3) of such Mandatory Expansion Space Unreserved Passes shall be deemed automatically converted to reserved parking passes in the locations therefor outlined on Exhibit C attached hereto and incorporated herein (collectively, the “Expansion Space Reserved Passes”), and shall be rented by Tenant for parking by Tenant’s employees and Permitted Occupants in the Parking Areas; and (iii) Tenant shall have the right to rent or surrender from time to time (and upon no less than thirty (30) days’ prior written notice delivered by Tenant to Landlord in any event) up to two (2) unreserved parking passes per 1,000 usable square feet of the Expansion Space (the foregoing parking pass ratio shall be known herein as the “Optional Expansion Space Parking Ratio”), which amounts to a total of up to one hundred and three (103) unreserved parking passes (collectively, the “Optional Expansion Space Unreserved Passes”), for parking by Tenant’s employees and Permitted Occupants in the Parking Areas; provided, that, subject to the “Conditional Extra Space Right” (as defined below), Tenant shall have no further right to rent any Optional Expansion Space Unreserved Pass if at any time during the Expansion Space Lease Term, for a period of six (6) or more consecutive months, Tenant ceases to use such Optional Expansion Space Unreserved Pass. In addition, if any unreserved parking passes in the Parking Areas are available on a month-to-month basis (as determined by Landlord in its sole but good faith discretion; provided, that any such unreserved parking pass that is subject to the “Priority Lease”, as defined below, shall specifically be deemed unavailable for such purposes), Tenant shall have the right (the “Conditional Extra Space Right”) to rent or surrender from time to time (and upon no less than thirty (30) days’ prior written notice delivered by Tenant to Landlord in any event), and subject, on such month-to-month basis, to the continuation of any such availability in any event (as determined by Landlord in its sole but good faith discretion), up to one (1) unreserved parking pass per 1,000 usable square feet of the Expansion Space (the foregoing parking space ratio shall be known herein as the “Conditional Parking Ratio”), which amounts to a total of up to fifty-one (51) unreserved parking passes (collectively, the “Conditional Expansion Space Unreserved Passes”; the Mandatory Expansion Space Unreserved Passes plus the Expansion Space Reserved Passes, any Optional Expansion Space Unreserved Passes and any Conditional Expansion Space Unreserved Passes may collectively be referred to herein as the “Expansion Space Passes”), for parking by Tenant’s employees and Permitted Occupants in the Parking Areas; and

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(b) **Generally.** For the avoidance of doubt, the parties specifically agree that the Expansion Space Passes shall be in lieu and in place of any other parking passes or ratios that would otherwise be applicable to the Expansion Space under the terms of the Original Lease, including, without limitation, pursuant to Section 12 of the Summary and Section 24.1 of the Original Lease.

7. **Building Signage.** Effective as of the date of this Second Amendment, “Tenant’s Signage” as defined in Section 21.3.1 of the Original Lease shall be deemed to include (and the terms of the Original Lease regarding Tenant’s Signage, including, without limitation, the terms of such Section 21.3, shall also be deemed to apply to) the following: (a) the existing one (1) sign containing Tenant’s logo located on one of the entry doors of the Building, and (b) up to two (2) additional signs containing Tenant’s name and/or logo located on the exterior of the Building, so that Tenant would have a total of up to three (3) exterior Building signs (for such purposes, collectively, the “Building Signage”). So long as Tenant leases the entirety of the Expanded Premises, Landlord hereby agrees that the Building Signage is exclusive to Tenant and that Landlord shall not grant any other exterior Building signage rights to any other party or entity. Tenant’s right to Building Signage is personal only to the Named Tenant or any Permitted Transferee Assignee, and may not be otherwise assigned, subleased or transferred or succeeded to. For the avoidance of doubt, the parties specifically agree that nothing contained in this paragraph shall be deemed to modify the terms of such Section 21.3 regarding the Monuments, except that the parties acknowledge and hereby correct the following typo in the second sentence of Section 21.3.2 of the Original Lease (which correction shall be deemed to apply with respect to the Building Signage as well): “Tenant’s signage program for the Project” as such language appears therein shall be deemed deleted and replaced with “Landlord’s signage program for the Project”.

8. **Right of First Offer**

(a) **Exercise.** Subject and subordinate to then-existing rights of Awesomeness, LLC and Kite Pharma, Inc. (collectively, including any assignees, subtenants and other transferees of and successors to the same, the “Priority Parties”) under an existing occupancy agreement for the “Offer Space”, as defined below (as such occupancy agreement may have been and may hereafter be amended and otherwise modified, collectively, the “Priority Lease”), any extension or renewal of the Priority Lease (regardless of whether or not any Priority Party has any current right to extend or renew), and/or any replacement of the Priority Lease with any new lease or other occupancy agreement with any Priority Party in lieu of an extension or renewal, regardless of whether or not any Priority Party has any current right to extend or renew, Landlord shall, prior to offering the same to any other party (other than the then-current tenant or other occupant therein), first offer (the “Right of First Offer”) to lease to Tenant all, and not less than all, of any space in the East Building (any such space, an “Offer Space”) the first time, but not any subsequent time (and, whether or not Tenant takes such space in accordance with the terms of this Section 7, the Right of First Offer shall terminate with respect to such Offer Space at hand) such Offer Space becomes available; such offer shall be in writing and shall specify the lease terms for such Offer Space, including the rent to be paid for such Offer Space and the date on which such Offer Space shall be included as part of the Premises (an “Offer Notice”). Within five (5) business days after Landlord delivers to Tenant an Offer Notice, and subject to “Tenant’s Special ROFO Rights” (as defined

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(b)

below), Tenant shall notify Landlord in writing whether Tenant elects to lease the entire Offer Space on the terms set forth in such Offer Notice. If Tenant timely elects to lease such Offer Space, then Landlord and Tenant shall execute an amendment to the Lease, effective as of the date such Offer Space is to be included as part of the Premises, on the terms set forth in such Offer Notice and, to the extent not inconsistent with such Offer Notice, the terms of the Lease; provided, that (i) the terms of this Section 7 shall thereafter be void and of no further force or effect with respect to such Offer Space, (ii) to the extent not inconsistent with the terms of such Offer Notice, Tenant's Share, the L-C Amount (or, if applicable pursuant to the terms of Section 25.8 of the Original Lease, any Security Deposit), any reduction of the L-C Amount available pursuant to the terms of Section 25.3 of the Original Lease, and the parking passes to be rented pursuant to the Mandatory Expansion Space Parking Ratio shall be equitably and proportionately increased (or, in the case of any applicable L-C Amount reduction, equitably and proportionately adjusted) in proportion to the increase in the rentable (or, with respect to such parking passes, usable) square footage of the Premises, (iii) unless otherwise hereafter expressly agreed in writing by the parties in their sole and absolute discretion, no special terms from the Lease (as reasonably determined by Landlord; provided, that renewal rights, expansion rights, termination rights, monument signage rights, Building signage rights, dog rights, abatement rights, reserved parking rights, roof rights, generator rights, permitted user/occupant rights, and rights to self-perform janitorial services shall specifically be deemed special terms for such purposes) shall apply to such Offer Space, and (iv) subject to Landlord's ongoing maintenance and repair obligations and except to the extent otherwise set forth (if at all) in such Offer Notice, Tenant shall accept such Offer Space in an "AS-IS" condition and Landlord shall not provide to Tenant any allowances (e.g., moving allowance, construction allowance, and the like) or other tenant inducements (including, without limitation, any rent credits or abatements). Notwithstanding anything to the contrary contained in the Lease, if Tenant exercises the Right of First Offer, Landlord may, in its sole and absolute discretion, elect to terminate Tenant's Termination Right by delivering written notice of such election to Tenant at any time.

(c) Failure to Exercise. If Tenant declines, fails or is otherwise unable to timely exercise the Right of First Offer for the Offer Space at hand, then, subject to "Tenant's Special ROFO Rights" (as defined below), the Right of First Offer shall lapse with respect to the Offer Space at hand (the "Lapse"), time being of the essence with respect to the exercise thereof (it being understood that, whether or not Tenant takes such Offer Space, the Right of First Offer is a one-time right only with respect to such Offer Space), and Landlord may lease all or a portion of such Offer Space to third parties on such terms as Landlord may elect; provided, that if the material economic terms for such Offer Space or such lesser portion equate to less than ninety-five percent (95%) of those offered to Tenant in such Offer Notice (equitably pro-rated for any such lesser portion), then the Right of First Offer shall again apply with respect to such Offer Space or any such lesser portion, pursuant to the terms hereof; and provided, further, that if Landlord does not lease all or a portion of such Offer Space within one hundred eighty (180) days following the Lapse (subject to extension to the extent Landlord prior to the expiration of such one hundred eighty (180) day period has been and continues to negotiate in good faith with the same party for such Offer Space), then the Right of First Offer shall again apply with respect to such Offer Space, pursuant to the terms herein (Tenant's rights under this sentence may collectively be referred to herein as "Tenant's Special ROFO Rights"). Unless already or hereafter otherwise expressly

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agreed to by Landlord in writing in Landlord's sole and absolute discretion, in no event shall Landlord be obligated to pay a

(d)

commission with respect to any space leased by Tenant under this Section 7, and Tenant shall protect, defend, indemnify and hold Landlord and its agents and representatives harmless from and against any and all "Claims" (as defined below) in any way arising or resulting from or in connection with or related to commissions or other compensation claimed by any broker or agent thereto to the extent Landlord has not so expressly agreed in writing to pay the same in accordance with the foregoing. If Tenant declines, fails or is otherwise unable to exercise the Right of First Offer, Tenant shall, promptly following Landlord's request therefor, acknowledge such inability in writing for the benefit of Landlord.

(e) **Termination.** Notwithstanding anything to the contrary contained in this Section 7, the Right of First Offer shall terminate and be of no further force or effect if (i) the Lease or Tenant's right to possession of any portion of the Expanded Premises is terminated, (ii) Tenant or any Permitted Transferee, Permitted Transferee Assignee or Permitted Occupant fails to occupy at least fifty percent (50%) of the Expanded Premises from and after the Expansion Space Commencement Date, (iii) less than two (2) years remain in the then-applicable Lease Term for the Existing Premises, except that the termination under this subsection (iii) shall not apply to the extent that Tenant extends both the Existing Premises Lease Term and the Expansion Space Lease Term for successive periods of at least five (5) additional years apiece, (iv) there is, at any time during Tenant's exercise of the Right of First Offer, a Default, or if, at any time, there have been more than two (2) Defaults in the immediately preceding twelve (12) month period or more than five (5) Defaults at any time in the aggregate, (v) Landlord enters into an occupancy agreement with any of the Priority Parties for any Offer Space, (vi) Tenant has delivered the Tenant Termination Notice or exercised Tenant's Termination Right, (vii) Landlord has delivered the Landlord Termination Notice or exercised Landlord's Termination Right, (viii) Landlord duly delivers an Offer Notice (subject to Tenant's Right of First Offer with respect to the Offer Space at hand as provided in the Offer Notice, it being acknowledged by the parties that, as a one-time right in accordance with the terms herein, the Right of First Offer shall terminate and be of no force or effect once Tenant has been given the opportunity to exercise or decline to exercise the Right of First Offer for the Offer Space at hand in accordance with the terms herein), but subject in any event to Tenant's Special ROFO Rights, or (ix) Tenant does not deliver with any acceptance of an Offer Notice Tenant's most recent financial statement for the last completed calendar year, certified as true, correct and complete by an authorized officer of Tenant and demonstrating that, to Landlord's reasonable and good faith satisfaction (and not as a subterfuge to void any right of Tenant under the Lease), Tenant's financial condition is reasonably sufficient to fulfill the obligations of Tenant under the Lease; provided, that notwithstanding anything to the contrary contained in this Section 7(c)(ix), Tenant shall not be required to separately deliver any financial statement under this Section 7(c)(ix) if Tenant is a publicly traded corporation at the time it would otherwise be required to separately deliver such financial statement and such financial information is publicly available to Landlord (in such event, Landlord shall be responsible for accessing such financial information). The Right of First Offer is personal only to the Named Tenant or any Permitted Transferee Assignee, and may not be exercised by any other Tenant, assignee, subtenant or other transferee of or successor to any portion of the Named Tenant's interest under the Lease or to the Premises. Tenant shall have no remedies for Landlord's failure to deliver possession of

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any portion of an Offer Space to Tenant due to any holding over by any other tenant or occupant of any portion of such Offer Space in violation of the terms of any lease or other agreement; provided, that Landlord shall use commercially reasonable

(f)

efforts to cause the timely vacation of such Offer Space by any such tenant or occupant upon the expiration or earlier termination of the occupancy agreement therefor.

9. Lease Modifications/Clarifications.

(a) Janitorial Services. For the avoidance of doubt, the parties specifically acknowledge and agree that, effective as of the Expansion Space Commencement Date, the terms of Section 6.8 of the Original Lease (entitled “Janitorial Services”) shall apply to the Expanded Premises.

(b) Conceptual Pre-Approval of Future Alterations. For the avoidance of doubt, the parties specifically acknowledge and agree that the terms of Section 8.1.1 of the Original Lease shall continue to apply in full force and effect, except that, effective as of the Expansion Space Commencement Date, such terms shall be deemed modified as follows:

(i) the terms of Section 8.1.1(i) (relating to Skylights) of the Original Lease shall be deemed to apply to the Expanded Premises;

(ii) the “and” that immediately precedes Section 8.1.1(iii) of the Original Lease shall be deemed deleted and the following shall be added at the end of such Section 8.1.1(iii) as the new Section 8.1.1(iv): “, and (iv) so long as Tenant leases the Expanded Premises, any proposed modification to any exterior portion of the Expanded Premises (including, without limitation, regarding painting of the exterior of the Building, texture, movement of exterior walls, removal of exterior walls and replacing the same with glass doors or windows or roll-up doors with respect to the Building, and/or creation of any atrium or outdoor spaces attached to the Building)”;

provided, that, with respect to such new subsection (iv), (A) even if the rentable and/or usable square footage(s) of the Expanded Premises decreases as a result of any such modification, the rentable and usable square footages of the Expanded Premises as stated in this Second Amendment shall not be decreased, nor shall any of the terms of the Lease that are based on such rentable and/or usable square footages be modified as a result of such decrease, it being the specific intent of the parties that the economic terms of the Lease shall not be modified to the detriment of Landlord as a result of any such modifications, (B) if the rentable and/or usable square footage(s) of the Expanded Premises increases as a result of any such modification (an “Actual Increase”), then during the portion of the Lease Term that occurs on or prior to the Expansion Space Lease Expiration Date, the rentable and usable square footages of the Expanded Premises as stated in this Second Amendment shall not be increased, nor shall any of the terms of the Lease that are based on such rentable and/or usable square footages be modified as a result of such Actual Increase, it being the specific intent of the parties that the economic terms of the Lease shall not be modified to the detriment of Tenant as a result of any such modifications; however, for any extension or renewal of the Lease Term of any portion of the Expanded Premises that is in effect beyond the Expansion Space Lease Expiration Date, the rentable and usable square footages of the Expanded Premises as stated in this Second Amendment and that are part of any such Actual Increase shall

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be deemed proportionately increased, and the parties shall promptly enter into an amendment to the Lease reflecting such Actual Increase and commensurately adjusting the terms of the Lease that are based on such rentable and usable square footages (e.g., Base Rent, Tenant's Share of Direct Costs, and the number of parking passes

(iii)

to which Tenant is entitled under the Lease based on parking ratios applicable to the Expansion Space), (C) Landlord shall specifically have the right to refuse consent to any such modification if Landlord in good faith believes any such modification could detract from the value of the Project or, except to the extent any such modification will be removed pursuant to subsection (D) that immediately follows, make leasing or otherwise marketing the Expanded Premises to another tenant more difficult, and (D) Landlord shall inform Tenant at the time Landlord consents to any such modification whether any such modification will need to be removed at the expiration or earlier termination of the Lease Term for any portion of the Expanded Premises (in which event the terms of the Lease regarding removal and restoration of Alterations and other improvements shall, at such time, apply with respect to any such modification, including, without limitation, such terms regarding repair and restoration);

(iv) for purposes of application to the foregoing new Section 8.1.1(iv) only, the reference in Section 8.1.1 to the "Tenant Improvements" shall be deemed deleted and replaced with "Second Amendment Tenant Improvements";

(v) "8.5" as it appears in such Section 8.1.1 is hereby deleted and replaced with "8.4" (it being acknowledged by the parties that the initial reference to such a Section 8.5 was a typo, and no such Section 8.5 exists); and

(vi) the terms of the last sentence of such Section 8.1.1 shall apply to any work contemplated under such Section 8.1.1 that Landlord reasonably determines could invalidate Landlord's roof warranty.

(c) **Landlord's Property**. For the avoidance of doubt, the parties specifically acknowledge and agree that the terms of Section 8.4 of the Original Lease shall continue to apply in full force and effect, except that, (i) for purposes of such Section 8.4 only, any reference therein to the "Tenant Improvements" shall mean not just the Tenant Improvements as defined pursuant to the Original Lease, but also the Second Amendment Tenant Improvements, (ii) the references to "at the expiration or earlier termination of this Lease" in such Section 8.4 shall be deemed deleted and replaced with "at the expiration or earlier termination of this Lease for the portion of the Premises that is the subject of the applicable Alterations and/or Tenant Improvements", (iii) notwithstanding anything to the contrary contained in the Lease, Tenant shall have no obligation to remove (A) the three (3) stairwells (including guardrails) already installed in the Existing Premises as of the date of this Second Amendment, and (B) the two (2) additional stairwells Tenant has notified Landlord that Tenant plans to install for the Expansion Space in accordance with, and subject to, the terms of the Lease, and (iv) Landlord shall inform Tenant at the time Landlord approves or consents to any Second Amendment Tenant Improvements whether any such Second Amendment Tenant Improvements will need to be removed at the expiration or earlier termination of the Lease Term for the portion of the Expanded Premises that is the subject of such Second Amendment Tenant Improvements (in which event the terms of the Lease

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regarding removal of Second Amendment Tenant Improvements shall, at such time, apply with respect to any such Second Amendment Tenant Improvements, including, without limitation, such terms regarding repair and restoration); provided, that, notwithstanding anything to the contrary contained in this

(d)

Second Amendment, Tenant shall not be required to remove any Second Amendment Tenant Improvements that consist of ordinary and customary general office improvements.

(e) Telecommunications Equipment. For the avoidance of doubt, the parties specifically acknowledge and agree that, effective as of the Expansion Space Commencement Date, Tenant's lease of the Expansion Space shall be subject to Section 26.41 of the Original Lease (entitled "Telecommunications Equipment"), except that such Section 26.41 is hereby modified as follows: the reference to "prior to the expiration or earlier termination of this Lease" in such Section

26.41 shall be deemed deleted and replaced with "the expiration or earlier termination of this Lease for the portion of the Premises that is served by the applicable Telecommunications Equipment".

(f) Emergency Generator. For the avoidance of doubt, the parties specifically acknowledge that Tenant shall not be entitled to any additional Generator as a result of leasing the Expansion Space; instead the terms of Section 26.42 of the Original Lease (entitled "Emergency Generator") entitling Tenant to one (1) Generator in accordance with, and subject to, the terms therein shall remain in full force and effect without modification by this Second Amendment. Any work proposed to be done by Tenant to connect the Generator to the Expansion Space (as well as the Existing Premises) shall be subject to the terms of the Lease regarding work applicable to the Generator, including, without limitation, such Section 26.42 of the Original Lease, and all at Tenant's sole cost and expense.

(g) Dogs. For the avoidance of doubt, the parties specifically acknowledge and agree that, effective as of the Expansion Space Commencement Date, Tenant's lease of the Expansion Space shall be subject to Section 26.43 of the Original Lease (entitled "Dogs").

(h) Common Area Courtyard. Reference is made to that certain approximately 10,000 square foot Common Area outdoor courtyard located, as of the date of this Second Amendment, between the Building and the East Building (the "Common Area Courtyard"). Notwithstanding anything to the contrary contained in this Second Amendment, so long as Tenant leases the entirety of the Expanded Premises and subject in any event to Landlord's right to temporarily or permanently remove the Common Area Courtyard as a Common Area at any time or from time to time in Landlord's sole and absolute discretion, Landlord shall not enter into a lease or other occupancy agreement for the entirety of the Common Area Courtyard for the exclusive use of another tenant or occupant (a "3rd Party Courtyard Lease"); provided, that, Landlord may enter into any 3rd Party Courtyard Lease for less than the entirety of the Common Area Courtyard, but in such case the Lease shall be promptly amended (based on substantially the same terms of the Lease applicable to the Deck Areas) to grant Tenant a license for the exclusive use of a portion of the Common Area Courtyard equal to Tenant's Share of the Project for the then-applicable aggregate Premises (in which case any such 3rd Party Courtyard Lease shall in the

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aggregate be for not more than the remaining portion of the Common Area Courtyard not so licensed by Tenant).

(i) **Notices to Tenant.** Until such time as Tenant delivers written notice to Landlord of any change to any such address, Tenant's addresses for any Notices shall be as follows:

(j)

Tenant's Notice Addresses (4 separate notices):

GoodRx, Inc.
2701 Olympic Boulevard, West Building
Santa Monica, California 90404
Attention: Trevor Bezdek, CEO,
Romin Nabiey, VP Finance,
Gracye Cheng, VP Legal,
and
Andrew Barrett-Weiss, Director,
Workplace Experience

10. Condition of Premises. Without limitation as to Landlord's ongoing maintenance and repair obligations under the Lease, Tenant acknowledges that (a) it has been occupying and continues to occupy the Existing Premises, (b) it is familiar with the condition of the Expanded Premises, (c) subject to completion of the construction of the Second Amendment Tenant Improvements and any payment of the Second Amendment Tenant Improvement Allowance in accordance with, and subject to, the terms of the Second Amendment Work Letter, other than the remaining portion of the Tenant Improvement Allowance under the Original Lease (which remaining portion is, as of the date of this Second Amendment, \$438,616.78), Tenant accepts the Expanded Premises in its "as-is, where-is and with all faults" condition without improvement or allowance, and (d) Landlord has made no representation or warranty regarding the condition of the Expanded Premises or the suitability thereof for Tenant's business.

11. Estoppels.

(a) **Tenant's Estoppel.** Tenant hereby certifies and acknowledges to Landlord that, as of the date of mutual execution of this Second Amendment, to Tenant's actual knowledge without duty of investigation or inquiry, (i) Landlord is not in default under the Lease; (ii) Tenant does not have any defenses to its obligations under the Lease; (iii) there are no offsets against Rent; (iv) Tenant has delivered to Landlord the L-C in the amount of \$9,000,000.00; and (v) Landlord has completed any improvements and paid any allowances required to be constructed or paid by Landlord in accordance with the terms of the Lease, other than the remaining portion of the Tenant Improvement Allowance under the Original Lease (which remaining portion is, as of the date of this Second Amendment, \$[***]) and subject to construction of the Second Amendment Tenant Improvements and payment of any Second Amendment Tenant Improvement Allowance in accordance with, and subject to, the terms of the Second Amendment Work Letter. Tenant

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acknowledges and agrees that: (A) the certifications and acknowledgments herein set forth constitute a material consideration to Landlord in entering into this Second Amendment; (B) such certifications and acknowledgments are being made by Tenant for purposes of inducing Landlord to enter into this Second Amendment; and (C) Landlord is relying on such certifications and acknowledgments in entering into this Second Amendment. As used in this Second Amendment, “Tenant’s actual knowledge without duty of investigation or inquiry” shall mean and refer to the actual knowledge without duty of investigation or inquiry of Andrew Barrett-Weiss, the Workplace Experience Manager for Tenant, and, as of the date of mutual execution of this Second Amendment, Tenant

(iii)

hereby represents and warrants to Landlord that Andrew Barrett-Weiss is the Workplace Experience Manager for Tenant and has a job description that requires knowledge of matters and information related to the Lease.

(b) **Landlord’s Estoppel.** Landlord hereby certifies and acknowledges to Tenant that, as of the date of mutual execution of this Second Amendment, to Landlord’s actual knowledge without duty of investigation or inquiry, (i) Tenant is not in default under the Lease; (ii) Landlord does not have any defenses to its obligations under the Lease; and (iii) Landlord is holding the L-C in the amount of \$9,000,000.00. Landlord acknowledges and agrees that: (A) the certifications and acknowledgments herein set forth constitute a material consideration to Tenant in entering into this Second Amendment; (B) such certifications and acknowledgments are being made by Landlord for purposes of inducing Tenant to enter into this Second Amendment; and (C) Tenant is relying on such certifications and acknowledgments in entering into this Second Amendment. As used in this Second Amendment, “Landlord’s actual knowledge without duty of investigation or inquiry” shall mean and refer to the actual knowledge without duty of investigation or inquiry of Amy Xu, the asset manager of the Building, and, as of the date of mutual execution of this Second Amendment, Landlord hereby represents and warrants to Tenant that Amy Xu is the asset manager of the Building and has a job description that requires knowledge of matters and information related to the Lease.

12. Brokers. Except with respect to LA Realty Partners and Cushman & Wakefield of California, Inc., the brokers involved in this Second Amendment (collectively, the “Brokers”), Landlord and Tenant each hereby represents and warrants to the other that such party making such representation and warranty has not entered into any agreement or taken any other action that might result in any obligation on the part of Landlord or Tenant to pay any brokerage commission, finder’s fee or other compensation with respect to this Second Amendment, and each agrees to protect, defend, indemnify and hold the other harmless from and against any and all actions, adjudications, awards, causes of action, claims, costs, damages, demands, expenses (including, without limitation, attorneys’ fees and costs and court costs), fees, fines, forfeitures, injuries, judgments, liabilities, liens, losses, obligations, orders, penalties, proceedings, stop notices and suits (collectively, “Claims”) in any way arising or resulting from or in connection with or related to any breach or inaccuracy of such representation and warranty made by such party. Any commission payable by Landlord to the Brokers based on this Second Amendment shall be pursuant to the terms of a separate agreement.

13. Limitations of Liability. It is expressly understood and agreed that

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notwithstanding anything to the contrary contained in the Lease, and notwithstanding any applicable Law to the contrary, the liability of Landlord hereunder (including any successor landlord) and any recourse by Tenant against Landlord shall be limited solely and exclusively to the interest of Landlord in and to the Building (which shall include, without limitation, unencumbered insurance proceeds, condemnation proceeds, proceeds of sale and rents and other income from the Building), and neither Landlord, nor any of its constituent partners, shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. Notwithstanding anything to the contrary contained in the Lease, except with respect to Landlord's right to consequential damages as provided in Article

14.

16 of the Original Lease and except with respect to Tenant's liability for any disturbance or exacerbation of Hazardous Materials by Tenant, under no circumstances shall Landlord or Tenant be liable for consequential, punitive or special damages, including, without limitation, injury to either party's business or for any loss of income or profit therefrom; provided, that the foregoing shall not be deemed to limit Landlord's remedies with respect to any Rent payable to Landlord.

15. Exculpation.

(a) Landlord's Exculpation; LaSalle Investment Management as Signatory. This Second Amendment is being executed by LaSalle Investment Management, Inc. ("LaSalle") as investment manager for California State Teachers' Retirement System, a public entity created pursuant to the laws of the State of California ("CALSTRS"), the sole member of Landlord. No present or future officer, director, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent of Landlord or CALSTRS shall have any personal liability, directly or indirectly, and recourse shall not be had against any such officer, director, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent under or in connection with the Lease or any other document or instrument heretofore or hereafter executed in connection with the Lease. Tenant hereby waives and releases any and all such personal liability and recourse. The limitations of liability provided in this Section are in addition to, and not in limitation of, any limitation on liability applicable to Landlord provided by applicable Laws or in any other contract, agreement or instrument. Tenant further acknowledges that LaSalle has entered into this Second Amendment as investment manager to CALSTRS, the sole member of Landlord, and Tenant agrees that all persons dealing with LaSalle must look solely to Landlord for the enforcement of any Claims arising under the Lease (subject to the limitations upon Landlord's liability set forth above and in the Lease), as neither LaSalle nor any of its affiliated entities nor any of their respective officers, directors, agents, managers, trustees, employees, members, investment managers, partners or shareholders assume any personal, corporate, partnership, limited liability company, or other liability for any of the obligations entered into by LaSalle as investment manager for CALSTRS, the sole member of Landlord.

(b) Tenant's Exculpation. No present or future officer, director, shareholder, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent of Tenant or any of Tenant's affiliates shall have any personal liability, directly or indirectly, and recourse shall not be had against any such

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

officer, director, shareholder, employee, trustee, partner, member, manager, retirant, beneficiary, internal investment contractor, investment manager or agent, under or in connection with the Lease or any other document or instrument heretofore or hereafter executed in connection with the Lease. Landlord hereby waives and releases any and all such personal liability and recourse. The limitations of liability provided in this Section 13(b) are in addition to, and not in limitation of, any limitation on liability applicable to Tenant provided by applicable Laws or in any other contract, agreement or instrument.

16. Acknowledgment, Representation and Warranty Regarding Prohibited Transactions. Tenant acknowledges that Landlord is wholly owned by CALSTRS, a unit of the
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California Government Operations Agency established pursuant to Title 1, Division 1, Parts 13 and 14 of the California Education Code, Sections 22000, et seq., as amended (the “Education Code”). As a result, Tenant acknowledges that CALSTRS is prohibited from engaging in certain transactions with or for the benefit of an “employer”, “employing agency”, “member”, “beneficiary” or “participant” (as those terms are defined or used in the Education Code). In addition, Tenant acknowledges that certain restrictions under the Internal Revenue Code, 26 U.S.C. Section 1, et seq. (the “Code”) may apply to distributions made by CALSTRS to its members, beneficiaries and participants. Accordingly, Tenant represents and warrants to Landlord and CALSTRS that (a) Tenant is neither an employer, employing agency, member, beneficiary or participant; (b) Tenant has not made any contribution or contributions to Landlord or CALSTRS; (c) neither an employer, employing agency, member, beneficiary nor participant, nor any person who has made any contribution to Landlord or CALSTRS, nor any combination thereof, is related to Tenant by any relationship described in Section 267(b) of the Code; (d) neither Landlord, CALSTRS, LaSalle, their affiliates, related entities, agents, officers, directors or employees, nor any CALSTRS board member, employee or internal investment contractor thereof or therefor (collectively, “Landlord Affiliates”) has received or will receive, directly or indirectly, any payment, consideration or other benefit from, nor does any Landlord Affiliate have any agreement or arrangement with, Tenant or any person or entity affiliated with Tenant, relating to the transactions contemplated by the Lease except as expressly set forth in the Lease; and (e) no Landlord Affiliate has any direct or indirect ownership interest in Tenant or any person or entity affiliated with Tenant.

18. California Accessibility Disclosure. For purposes of Section 1938(a) of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Expanded Premises and the Project have not undergone inspection by a Certified Access Specialist (“CASp”). As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: “A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.” In furtherance of the foregoing,

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Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp reasonably approved by Landlord, subject to Landlord's reasonable rules and requirements; and (b) Tenant, at its sole cost and expense, shall be responsible for making any improvements or repairs to correct violations of construction-related accessibility standards identified by the Tenant requested CASp inspection.

19. Miscellaneous. Landlord and Tenant hereby ratify and confirm their respective rights and obligations under the Lease (without limiting the generality of the foregoing, the parties specifically acknowledge and agree that, even though it was mistakenly identified in the first paragraph of the First Amendment as "GoodRx, a Delaware corporation" instead of by its correct name of "GoodRx, Inc., a Delaware corporation", Tenant at all times has been and continues

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to be the Tenant under the Lease). Except as specifically herein amended, the Lease is and shall remain in full force and effect according to the terms thereof. In the event of any conflict between the terms of the Lease and the terms of this Second Amendment, the terms of this Second Amendment shall control. The headings to sections of this Second Amendment are for convenient reference only and shall not be used in interpreting this Second Amendment. This Second Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. Delivery of an electronically executed signature page hereof by electronic transmission (including, without limitation, via emailed .pdf or DocuSign) shall specifically be deemed as effective as delivery of a manually executed signature page hereof.

[SIGNATURE PAGE FOLLOWS]

Certain information marked as [***] has been excluded from this exhibit because it is both (i) not material and (ii) is the type that the Registrant treats as private or confidential.

IN WITNESS WHEREOF, Landlord and Tenant have caused their duly authorized representatives to execute this Second Amendment as of the date first above written.

“LANDLORD”:

CSHV PEN FACTORY, LLC,
a Delaware limited liability company

By: California State Teachers’ Retirement System, a public entity
created pursuant to the laws of the State of California, its
sole member

/s/ Amy Xu

/s/ Amy Xu

By: LaSalle Investment Management, Inc. Its: Investment Manager

By:_____ Authorized Signatory

“TENANT”:

GOODRX, INC.,
/s/ Ian Karsten Voermann
/s/ Ian Karsten Voermann
a Delaware corporation

By: Name: Ian Karsten Voermann
Its: Chief Financial Officer

CERTIFICATION

I, Trevor Bezdek, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GoodRx Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying 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)) 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) [Omitted];
 - (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 control over financial reporting.

Date: August 12, 2021

By: _____
Trevor Bezdek
Director and Co-Chief Executive Officer
(principal executive officer)

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

In connection with the Quarterly Report on Form 10-Q of GoodRx Holdings, Inc. (the “Company”) for the period ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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 12, 2021

By: /s/ Trevor Bezdek
Trevor Bezdek
Director and Co-Chief Executive Officer
(*principal executive officer*)

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

In connection with the Quarterly Report on Form 10-Q of GoodRx Holdings, Inc. (the “Company”) for the period ended June 30, 2021 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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 12, 2021

By: /s/ Karsten Voermann
 Karsten Voermann
 Chief Financial Officer
 (principal financial and accounting officer)