Risk Factors Comparison 2023-08-23 to 2022-08-16 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

The following is a summary of the risk factors that could adversely affect our Company and the value of an investment in our Company' s securities. Risks Related to our Business Operations • ~~Continuing uncertain economic conditions, including inflation and the risk of a global recession could impair our ability to forecast and may harm our business, operating results, including our revenue growth and profitability, financial condition and cash flows. • We may continue to face financial and operational uncertainty due to the COVID- 19 pandemic, variants thereof, or other pandemics and associated supply chain disruptions. • We may face financial and operational uncertainty due to global economic and political instability and conflicts, such as the conflict between Russia and Ukraine. •~~ We face risks related to competition and consolidation in the healthcare industry. • We may experience delays recognizing or increasing revenue if the sales cycle or implementation period takes longer than expected. • ~~The~~ **We face** ~~risk~~ **risks to** ~~of loss of one or~~ **our business if** ~~more of our larger~~ members ~~which could~~ **of our group purchasing organization (" GPO ") programs** reduce activity levels **, terminate** or ~~that members~~ elect ~~to terminate or~~ not to renew their contracts **on substantially similar terms or at all** . • ~~The~~ **We rely on administrative fees that we receive from GPO suppliers. • We face increased pressure to increase the percentage of administrative fees we share with our GPO members as well as to provide enhanced value through savings guarantees and other arrangements, including as a result of very aggressive competition from other GPOs, which is likely to result in increases in revenue share obligations, some of which may be material, particularly as our current GPO participation agreements approach renewal or if a member undergoes a change of control that triggers a termination right, or as new members join our GPO program. • We face risks of the** markets for our software as a service (" SaaS ") or licensed- based **analytics** products and services may develop more slowly than we expect, or we may convert more SaaS- based products to license- based **analytics** products, which could adversely affect our revenue, growth rates and our ability to maintain or increase our profitability. • Our members are highly dependent on payments from third- party ~~payors~~ **payers** , such as Medicare and Medicaid, the denial or reduction of which could adversely affect demand for our products and services ~~. • We rely on administrative fees that we receive from GPO suppliers~~ . • Our growth may be affected by our ability to offer new and innovative products and services as well as our ability to maintain third- party provider and strategic alliances or enter into new alliances. • We face risks and expenses related to future acquisition opportunities and integration of acquisitions, as well as risks associated with non- controlling investments in other businesses or joint ventures **. • Our evaluation of potential strategic alternatives to enhance value for stockholders may not be successful and have negative impacts on our business and stock price** . • We rely on Internet infrastructure, bandwidth providers, data center providers and other third parties and face risks related to data loss or corruption and cyber- attacks or other data security breaches. • We depend on our ability to use, disclose, de- identify or license data and to integrate third- party technologies. • We face risks related to our use of " open source " software. • We face risks associated with our reliance on contract manufacturing facilities located in various parts of the world. • We may face inventory risk for (i) the personal protective equipment or other products we may purchase at elevated prices during a supply shortage, and (ii) items we purchase in bulk or pursuant to fixed price purchase commitments if we cannot sell such inventory at or above our cost. • We depend on our ability to attract, hire, integrate and retain key personnel. • We ~~face~~ **have** risks ~~related~~ to our ~~current and future indebtedness~~ **business operations due to continuing uncertain economic conditions** , including **but not limited to inflation and the risk of a global recession, which could impair** our ~~existing long- term credit facility~~ - **ability to forecast and may harm our business, operating results, including our revenue growth and profitability, financial condition and cash flows** . • We **may continue to face financial** ~~experience fluctuation in our quarterly cash flows, revenues~~ and ~~results of operations~~ **operational uncertainty due to pandemics, epidemics or public health emergencies, such as the COVID- 19 pandemic, and associated supply chain disruptions** . **• We may face financial and operational uncertainty due to global economic and political instability and conflicts. • We may be adversely affected by global climate change or by** ~~Regulatory~~ **regulatory responses to such change.** Risks **Related to Healthcare and Employee Benefit Regulation** • We are subject to changes and uncertainty in the legal, political, economic and regulatory environment affecting healthcare organizations. • We must comply with complex international, federal and state laws and regulations governing financial relationships among healthcare providers and the submission of false or fraudulent healthcare claims, antitrust and employee benefit laws and regulations and privacy, security and breach notification laws. • **We** ~~Certain of our software products~~ may be subject to regulation **for certain of our software products** regarding health information technology **, artificial intelligence** and medical devices. Legal and Tax- Related Risks • We are subject to litigation from time to time, including the pending ~~shareholder~~ **stockholder** derivative action against certain of our current and former officers and directors. • We must adequately protect our intellectual property, and we face potential claims against our use of the intellectual property of third parties. • We face tax risks, including potential sales and use, franchise and income tax liability in certain jurisdictions, future changes in tax laws and potential material tax disputes. Risks Related to our Corporate Structure • We are obligated to make payments under our Unit Exchange and Tax Receivable Acceleration Agreements, and we may not realize all of the expected tax benefits corresponding to the termination of our prior Tax Receivable Agreement. • Provisions in our certificate of incorporation and bylaws and provisions of Delaware law may impede or prevent strategic transactions, including a takeover of the company. **Risks Related to our Capital Structure, Liquidity and Class A Common Stock • We face risks related to our current and future indebtedness, including our existing long- term credit facility. • We experience fluctuation in our quarterly cash flows, revenues and results of operations.** • We are required to maintain an effective system of internal controls over financial

reporting and remediate any material weaknesses and significant deficiencies identified. • We face risks related to our Class A common stock, including potentially dilutive issuances and uncertainty regarding future dividend payments and stock repurchases. For a more complete discussion of the material risks facing our business, see below. Risks Related to Our Business Operations Continued uncertain economic conditions, including inflation..... for us to obtain additional capital. We face intense competition, which could limit our ability to maintain or expand market share within our industry and harm our business and operating results. The market for products and services in each of our operating segments is fragmented, intensely competitive and characterized by rapidly evolving technology and product standards, dynamic user needs and the frequent introduction of new products and services. We face intense competition from a number of companies, including the companies listed under " Item 1- Business- Competition. " The primary competitors for our Supply Chain Services segment compete with our group purchasing ~~and~~ **,** direct sourcing **and supply chain co- management** activities. Our group purchasing business competes with other **large** ~~national and regional~~ GPOs, including in certain cases GPOs owned by healthcare providers ~~, distributors~~ and ~~wholesalers~~ **on- line retailers** . Our direct sourcing business competes primarily with private label offerings and programs, product manufacturers and distributors. **Our supply chain co- management business competes with organizations that provide supply chain outsourcing or embedded resources and supply chain transformations services.** The competitors in our Performance Services segment compete with our three sub- brands: PINC AI, Contigo Health and Remitra. The primary competitors of PINC AI range from smaller niche companies to large, well- financed and technologically sophisticated entities, and include information technology providers and consulting and outsourcing firms. The primary competitors for Contigo Health are smaller niche and larger well- financed healthcare and insurance companies **and providers of wrap network services** . The primary competitors for Remitra are smaller niche and larger technology companies and financial institutions. With respect to our products and services in both segments, we compete **based** on ~~the basis of~~ several factors, including breadth, depth and quality of our product and service offerings, ability to deliver clinical, financial and operational performance improvement through the use of our products and services, quality and reliability of services, ease of use and convenience, brand recognition and the ability to integrate services with existing technology. Some of our competitors have larger scale, benefit from greater name recognition, and have substantially greater financial, technical and marketing resources. Other of our competitors have proprietary technology that differentiates their product and service offerings from our offerings. As a result of these competitive advantages, our competitors and potential competitors may be able to respond more quickly to market forces, undertake more extensive marketing campaigns for their brands, products and services and make more attractive offers to our current members and customers and potential new members and customers. We also compete **based** on ~~the basis of~~ price ~~,~~ ~~primarily~~ in our Supply Chain Services **and Performance Services** ~~business~~ **businesses** . We may be subject to pricing pressures as a result of, among other things, competition within the industry, consolidation of healthcare industry participants, practices of managed care organizations, changes in laws and regulations applicable to our business operations, government action affecting reimbursement, financial stress experienced by our members and customers, and increased revenue share obligations to members. In our Supply Chain Services segment, competitive pressure is likely to result in increases in revenue share obligations, some of which may be material, particularly as our current GPO participation agreements approach renewal or if a member undergoes a change of control that triggers a termination right, or as new GPO members join our GPO programs. Material increases in revenue share obligations to existing or new GPO members could adversely impact our business, financial condition and results of operations. In this competitive environment, we **may not** ~~cannot be certain that we will~~ be able to retain our current GPO members or expand our member base ~~on~~ **at** historical terms, favorable terms or at all, and the failure to do so may adversely impact our business, financial condition and results of operations. Furthermore, if pricing of our other products and services experiences material downward pressure, our business will be less profitable, and our results of operations will be **materially,** adversely affected. ~~Our~~ **Furthermore, our** Performance Services business also competes ~~, to an extent, on the basis of price and to a greater extent~~ on features and functionality of the solutions we offer through our PINC AI, Contigo Health and Remitra brands. Moreover, we expect that competition will continue to increase as a result of consolidation in both the healthcare information technology and healthcare services industries. If one or more of our competitors or potential competitors were to merge or partner with another of our competitors, or if new competitors were to enter the healthcare space, the change in the competitive landscape could also adversely affect our ability to compete effectively and could **materially** harm our business, financial condition, and results of operations. Consolidation in the healthcare industry could have a material adverse effect on our business, financial condition and results of operations. Many healthcare industry participants are consolidating to create larger and more integrated healthcare delivery systems with greater market power. We expect legal, regulatory and economic conditions to lead to additional consolidation in the healthcare industry in the future. As consolidation accelerates, the economies of scale of our members' organizations may grow. If a member experiences sizable growth following consolidation, it may determine that it no longer needs to rely on us and may reduce its demand for our products and services. Some of these large and growing healthcare systems and **continuum of** ~~non- acute~~ care providers may choose to contract directly with suppliers for certain supply categories, and some suppliers may seek to contract directly with the healthcare providers rather than with GPOs such as ours. In connection with any consolidation, our members may move their business to another GPO, particularly when the acquiring hospital or ~~hospital~~ **health** system is a member of a competing GPO or where the post- acquisition management of our member is aligned with a competing GPO. In addition, as healthcare providers consolidate to create larger and more integrated healthcare delivery systems with greater market power, these providers may try to use their market power to negotiate materially increased revenue share obligations and fee reductions for our products and services across both of our business segments. Finally, consolidation may also result in the acquisition or future development by our members of products and services that compete with our products and services. Any of these potential results of consolidation could have a material adverse effect on our business, financial condition, and results of operations. We may experience material delays in recognizing revenue or increasing revenue, or be required to reverse prior revenue recognition, if the sales cycle or

implementation period with potential new members takes longer than anticipated or our related project estimates are not accurate. A key element of our strategy is to market the various products and services in our Supply Chain Services and Performance Services segments directly to healthcare providers and to increase the number of our products and services utilized by existing members. The evaluation and purchasing process is often lengthy and involves material technical evaluation and commitment of personnel by these organizations. Further, the evaluation process depends on a number of factors, many of which we may not be able to control, including potential new members' internal approval processes, budgetary constraints for technology spending, member concerns about implementing new procurement methods and strategies and other timing effects. In addition, the contract or software implementation process for new products or services can take six months or more and, accordingly, delay our ability to recognize revenue from the sale of such products or services. If we experience an extended or delayed implementation cycle in connection with the sale of additional products and services to existing or new members, it could have a material adverse effect on our business, financial condition and results of operations. In addition, we are required to use estimates to determine revenue recognition for performance- based consulting engagements. These estimates are based on a number of inputs from management regarding project timing, milestone and goal achievement and expected completion dates, each of which may change during the course of the engagement and could result in either delayed revenue recognition or revenue reversals resulting in out of period revenue adjustments, which could have a material adverse effect on our results of operations. In addition, changes in accounting standards that impact revenue recognition as well as conversion of SaaS- based products to licensed- based products, as discussed in the below risk factor " The markets for our SaaS- or licensed- based products and services may develop more slowly than we expect, or we may convert more SaaS- based products to license- based products, which could adversely affect our revenue, growth rates and our ability to maintain or increase our profitability " could adversely impact our ability to recognize revenue consistent with our historical practices and could have a material adverse effect on our business, financial condition and results of operations. If members of our GPO programs reduce activity levels or terminate or elect not to renew their contracts, our revenue and results of operations may decrease materially. We have GPO participation agreements with all of our GPO members. Our GPO participation agreements may generally be terminated for cause or in the event of a change of control of the GPO member. In addition, the GPO member can terminate the GPO participation agreement at the end of the then- current term by notifying us of the member' s decision not to renew. Although we renewed most of our then existing GPO participation agreements primarily for terms of five to seven years at the beginning of fiscal 2021, there can be no assurance that our GPO members will extend or renew their GPO participation agreements on the same or similar economic terms at the end of the term of the agreement, or at all, or that the GPO members will not terminate their GPO participation agreements for cause or due to a change of control of the GPO member. Failure of our GPO members to maintain, extend or renew their GPO participation agreements on the same or similar economic terms, or at all, may have a material adverse impact on our business, financial condition and results of operations. Our success in retaining member participation in our GPO programs depends upon our reputation, strong relationships with ~~such~~ GPO members and our ability to deliver consistent, reliable and high- quality products and services, and a failure in any of these areas may result in the loss of GPO members. Some of our GPO competitors offer higher revenue share arrangements compared to our average arrangements. Our ability to retain and expand participation in our GPO programs depends upon our ability to provide overall value to GPO members, including competitive revenue share arrangements, in an economically competitive environment. In addition, GPO members may seek to modify or elect not to renew their contracts due to factors that are beyond our control and are unrelated to our performance, including a change of control of the GPO member, changes in their strategies **, competitive analysis** or business plans, changes in their supply chain personnel or management, or economic conditions in general. When contracts are reduced by modification or not renewed for any reason, we lose the anticipated future revenue associated with such contracts and, consequently, our revenue and results of operations may decrease materially. Historically, we have enjoyed a strong strategic alignment with our GPO members, in many cases as a result of such GPO members being significant equity owners of both us and Premier LP. As a result of the August 2020 Restructuring, our former member- owners' equity holdings in Premier LP were canceled and converted into shares of our Class A common stock which is publicly traded on the NASDAQ Global Select Market (" NASDAQ ") under the ticker symbol " PINC. " Furthermore, former member- owners who received shares of our Class A common stock as part of the August 2020 Restructuring are free to sell those shares at any time. Any material reduction in our member- owners' equity holdings in us could result in reduced alignment between us and such member-owners, which may make it more difficult to retain these GPO members or to ensure that they extend or renew their GPO participation agreements on the same or similar economic terms, or at all, the failure of which may have a material adverse impact on our business, financial condition and..... our members and, in turn, on our business, financial condition and results of operations. We rely on the administrative fees we receive from our GPO suppliers, and the failure to maintain contracts with these GPO suppliers could have a generally negative effect on our relationships with our members and could adversely affect our business, financial condition and results of operations. Historically, we have derived a substantial amount of our revenue from the administrative fees that we receive from our GPO suppliers. We maintain contractual relationships with these suppliers which provide products and services to our members at reduced costs and which pay us administrative fees based on the dollars spent by our members for such products and services. Our contracts with these GPO suppliers generally may be terminated upon 90 days' notice. A termination of any relationship or agreement with a GPO supplier would result in the loss of administrative fees pursuant to our arrangement with that supplier, which could adversely affect our business, financial condition and results of operations. In addition, if we lose a relationship with a GPO supplier we may not be able to negotiate similar arrangements for our members with other suppliers on the same terms and conditions or at all, which could damage our reputation with our members and adversely impact our ability to maintain our member agreements or expand our membership base and could have a material adverse effect on our business, financial condition and results of operations. In addition, CMS, which administers the Medicare and federal aspects of state Medicaid programs, has issued complex rules requiring pharmaceutical manufacturers to

calculate and report drug pricing for multiple purposes, including the limiting of reimbursement for certain drugs. These rules generally exclude from the pricing calculation administrative fees paid by pharmaceutical manufacturers to GPOs to the extent that such fees meet CMS' s " bona fide service fee " definition. There can be no assurance that CMS will continue to allow exclusion of GPO administrative fees from the pricing calculation, which could negatively affect the willingness of pharmaceutical manufacturers to pay administrative fees to us, which could have a material adverse effect on our member retention, business, financial condition and results of operations. **on our business,financial condition and results of operations.** We derive a material portion of our revenues from our largest members and certain other customers and the sudden loss of one or more of these members or customers could materially and adversely affect our business,financial condition and results of operations.Our top five customers generated revenue of approximately ~~15~~ **21** % and ~~21~~ **28** % of our consolidated net revenues for the fiscal years ended June 30, ~~2023 and~~ 2022 **and 2021** .The sudden loss of any material customer or a number of smaller customers that are participants in our group purchasing programs,or utilize any of our programs or services,or a material change in revenue share or other economic terms we have with such customers could materially and adversely affect our business,financial condition and results of operations.The markets for our SaaS- or licensed- based products and services may develop more slowly than we expect,or we may convert more SaaS- based products to license- based products,which could adversely affect our revenue,growth rates and our ability to maintain or increase our profitability. **Our** ~~As SaaS licensing deals have become a more material aspect of our business,our~~ success will depend on the willingness of existing and potential new customers to increase their use of our SaaS- or licensed- based products and services as well as our ability to sell license- based products to existing and potential new customers at rates sufficient to offset the loss of SaaS- based product sales.Fluctuating member demand ~~and timing~~ for SaaS- or license- based products that materially alter our mix of SaaS- and licensed- based product sales and conversion of SaaS- based products to license- based products can result in volatility of revenue and lower growth rates in any given year which could materially adversely affect our business,financial condition and results of operations.Furthermore,many companies have invested substantial resources to integrate established enterprise software into their businesses and therefore may be reluctant or unwilling to switch to our products and services and some companies may have concerns regarding the risks associated with the security and reliability of the technology delivery model associated with these services.If companies do not perceive the benefits of our products and services,then the market for these products and services may not expand as much or develop as quickly as we expect,which would materially adversely affect our business,financial condition and results of operations.Our members ~~and other customers~~ are highly dependent on payments from third- party healthcare ~~payers~~ **payors** ,including Medicare,Medicaid and other government- sponsored programs,and reductions or changes in third- party reimbursement could adversely affect these members and ~~other customers and~~ consequently our business.Our members ~~and other customers~~ derive a substantial portion of their revenue from third- party private and governmental ~~payers~~ **payors** ,including Medicare,Medicaid and other government sponsored programs.Our sales and profitability depend,in part,on the extent to which coverage of and reimbursement for our products and services our members ~~and other customers~~ purchase or otherwise obtain through us is available to our members ~~and other customers~~ from governmental health programs,private health insurers,managed care plans and other third- party ~~payers~~ **payors** .These third-party ~~payers~~ **payors** are increasingly using their enhanced bargaining power to secure discounted reimbursement rates and may impose other requirements that adversely impact our members ~~and other customers~~ ' ability to obtain adequate reimbursement for our products and services.If third- party ~~payers~~ **payors** do not approve our products and services for reimbursement or fail to reimburse for them adequately,our members ~~and other customers~~ may suffer adverse financial consequences which,in turn,may reduce the demand for and ability to purchase our products or services.In addition,government actions or changes in laws or regulations could limit government spending generally for the Medicare and Medicaid programs,limit payments to healthcare providers and increase emphasis on financially accountable payment programs **such as accountable care organizations,bundled payments and capitated primary care that could have an adverse impact on our members and,in turn,** If we are unable to maintain our relationships with third- party providers or maintain or enter into new strategic alliances, we may be unable to grow our current base business. Our business strategy includes entering into and maintaining strategic alliances and affiliations with leading service providers. These companies may pursue relationships with our competitors, develop or acquire products and services that compete with our products and services, experience financial difficulties, be acquired by one of our competitors or other third party or exit the healthcare industry, any of which may adversely affect our relationship with them. In addition, in many cases, these companies may terminate their relationships with us for any reason with limited or no notice. If existing relationships with third- party providers or strategic alliances are adversely impacted or are terminated or we are unable to enter into relationships with leading healthcare service providers and other GPOs, we may be unable to maintain or increase our industry presence or effectively execute our business strategy. If we are not able to timely offer new and innovative products and services, we may not remain competitive and our revenue and results of operations may suffer. Our success depends on providing products and services within our Supply Chain Services and Performance Services segments that healthcare providers use to improve clinical, financial and operational performance. Information technology providers and other competitors are incorporating enhanced analytical tools and functionality and otherwise developing products and services that may become viewed as more efficient or appealing to our members. If we cannot adapt to rapidly evolving industry standards, technology, member and other customers' needs, including changing regulations and provider reimbursement policies, we may be unable to anticipate changes in our current and potential new members' and other customers' requirements that could make our existing technology, products or service offerings obsolete. We must continue to invest material resources in **software** ~~research and~~ development or acquisitions in order to enhance our existing products and services, maintain or improve our product category rankings and introduce new high- quality products and services that members and potential new members and customers will want. If our enhanced existing or new products and services are not responsive to the needs of our members or potential new members and customers, are not appropriately timed with market opportunity or are not effectively brought to

market, we may lose existing members and be unable to obtain new members and customers, which could have a material adverse effect on our business, financial condition or results of operations. Our acquisition activities could result in operating difficulties, dilution, unrecoverable costs and other negative consequences, any of which may adversely impact our financial condition and results of operations. Our business strategy includes growth through acquisitions of additional businesses and assets. Future acquisitions may not be completed on preferred terms and acquired assets or businesses may not be successfully integrated into our operations or provide anticipated financial or operational benefits. Any acquisitions we complete will involve risks commonly encountered in acquisitions of businesses or assets. Such risks include, among other things: • failing to integrate the operations and personnel of the acquired businesses in an efficient, timely manner ~~, which can be exacerbated by pandemics, such as COVID- 19~~ ; • failure of a selling party to produce all material information during the pre- acquisition due diligence process, or to meet their obligations under post- acquisition agreements; • potential liabilities of or claims against an acquired company or its assets, some of which may not become known until after the acquisition; • an acquired company' s lack of compliance with applicable laws and governmental rules and regulations, and the related costs and expenses necessary to bring such company into compliance; • an acquired company' s general information technology controls or their legacy third- party providers may not be sufficient to prevent unauthorized access or transactions, cyber- attacks or other data security breaches; • managing the potential disruption to our ongoing business; • distracting management focus from our existing core businesses; • encountering difficulties in identifying and acquiring products, technologies, or businesses that will help us execute our business strategy; • entering new markets in which we have little to no experience; • impairing relationships with employees, members, and strategic partners; • failing to implement or remediate controls, procedures and policies appropriate for a public company at acquired companies lacking such financial, disclosure or other controls, procedures and policies, potentially resulting in a material weakness in our internal controls over financial reporting; • unanticipated changes in market or industry practices that adversely impact our strategic and financial expectations of an acquired company, assets or business and require us to write- off or dispose of such acquired company, assets, or business; • the amortization of purchased intangible assets; • incurring expenses associated with an impairment of all or a portion of goodwill and other intangible assets due to the failure of certain acquisitions to realize expected benefits; and • diluting the share value and voting power of existing stockholders. In addition, anticipated benefits of our previous and future acquisitions may not materialize. Future acquisitions or dispositions of under- performing businesses could result in the incurrence of debt, material exit costs, contingent liabilities or amortization expenses, impairments or write- offs of goodwill and other intangible assets, any of which could harm our business, financial condition and results of operations. In addition, expenses associated with potential acquisitions, including, among others, due diligence costs, legal, accounting, technology and financial advisory fees, travel and internal resources utilization, can be material. These expenses may be incurred regardless of whether any potential acquisition is completed. In instances where acquisitions are not ultimately completed, these expenses typically cannot be recovered or offset by the anticipated financial benefits of a successful acquisition. As we pursue our business strategy and evaluate opportunities, these expenses may adversely impact our results of operations and earnings per share. ~~Numerous potential acquisition targets that had previously expressed an interest in commencing strategic discussions with us prior to or early into the COVID- 19 pandemic delayed or deferred indefinitely their exploration of strategic alternatives. Our ability to execute our growth strategy may be materially impacted if COVID- 19 variants or future pandemics, or general market conditions, materially reduce the number of target companies willing to evaluate strategic alternatives and start a process for the sale of part or all of their equity or assets.~~ Our business and growth strategies also include non- controlling investments in other businesses and joint ventures. In the event the companies or joint ventures we invest in do not perform as well as expected, we could experience the loss of some or all of the value of our investment, which loss could adversely impact our financial condition and results of operations. Although we conduct accounting, financial, legal and business due diligence prior to making investments, we cannot guarantee that we will discover all material issues that may affect a particular target business, or that factors outside the control of the target business and outside of our control will not later arise. Occasionally, current and future investments are, and will be, made on a non- controlling basis, in which case we have limited ability to influence the financial or business operations of the companies in which we invest. To the extent we invest in a financially underperforming or unstable company or an entity in its development stage that does not successfully mature, we may lose the value of our investment. We have in the past and may in the future be required to write down or write off our investment or recognize impairment or other charges that could adversely impact our financial condition or results of operations and our stock price. Even though these charges may be non- cash items and not have a material impact on our liquidity, the fact that we report charges of this nature could contribute to negative market perceptions about us and our business strategy and our Class A common stock. We **cannot assure you that our evaluation of potential strategic alternatives to enhance value for stockholders will be successful; and there may be negative impacts on our business and stock price as a result of the process of exploring strategic alternatives. In May 2023, we announced that our Board of Directors is evaluating potential strategic alternatives to enhance value for stockholders. The Board of Directors has established an independent Special Committee composed of independent directors to evaluate any alternatives that may involve actual or potential conflicts of interest and have engaged financial and legal advisors to assist in the process. The strategic process is ongoing. Our Board of Directors has not set a timetable for the strategic process, and as of June 30, 2023, the only decision made relating to any strategic alternatives is the definitive agreement we entered into with OMNIA Partners, LLC, a leading non- healthcare GPO, in June 2023, under which we sold substantially all of our non- healthcare GPO member contracts for an estimated purchase price of approximately $ 800. 0 million subject to certain adjustments. There can be no assurance that the strategic review process by our Board of Directors will result in any further transactions or any other strategic change or outcome, or as to the timing of any of the foregoing. Whether the process will result in any additional transactions, our ability to complete any transaction, and if our Board of Directors decides to pursue one or more transactions, will depend on numerous factors, some of which are beyond our control, including**

the interest of potential acquirers or strategic partners in a potential transaction, the value potential acquirers or strategic partners attribute to our businesses and their respective prospects, market conditions, interest rates and industry trends. Our stock price may be adversely affected if the evaluation does not result in additional transactions or if one or more transactions are consummated on terms that investors view as unfavorable to us. Even if one or more additional transactions are completed, there can be no assurance that any such transactions will be successful or have a positive effect on stockholder value. Our Board of Directors may also determine that no additional transaction is in the best interest of our stockholders. In addition, our financial results and operations could be adversely affected by the strategic process and by the uncertainty regarding its outcome. The attention of management and our Board of Directors could be diverted from our core business operations, and we have diverted capital and other resources to the process that otherwise could have been used in our business operations, and we will continue to do so until the process is completed. We could incur substantial expenses associated with identifying and evaluating potential strategic alternatives, including those related to employee retention payments, equity compensation, severance pay and legal, accounting and financial advisor fees. In addition, the process could lead us to lose or fail to attract, retain and motivate key employees, and to lose or fail to attract customers or business partners, and could expose us to litigation. The public announcement of a strategic alternative may also yield a negative impact on operating results if prospective or existing service providers are reluctant to commit to new or renewal contracts or if existing customers decide to move their business to a competitor. We do not intend to disclose developments or provide updates on the progress or status of the strategic process until our Board of Directors deems further disclosure is appropriate or required. Accordingly, speculation regarding any developments related to the review of strategic alternatives and perceived uncertainties related to the future of the Company could cause our stock price to fluctuate significantly. We rely on Internet infrastructure, bandwidth providers, data center providers and other third parties and our own systems for providing services to our users, and any failure or interruption in the services provided by these third parties or our own systems, including from a cyber or other catastrophic event, could expose us to litigation and negatively impact our relationships with users, adversely affecting our brand, our business and our financial performance. Our ability to deliver our ~~Performance Services segment~~ products is dependent on the development and maintenance of the infrastructure of the Internet and other telecommunications services by third parties. This includes maintenance of a reliable network backbone with the necessary speed, data capacity and security for providing reliable Internet access and services and reliable telephone, Wi- Fi, facsimile and pager systems. We have experienced and expect that we will experience in the future interruptions and delays in these services and availability from time to time. We rely on internal systems as well as third- party suppliers, including bandwidth and telecommunications equipment providers, to provide our services. We have also migrated ~~some of~~ our data center operations to third- party data- hosting facilities. We do not maintain redundant systems or facilities for some of these services. In the event of a material cyber- attack or catastrophic event with respect to one or more of these providers, systems or facilities, we may experience an extended period of system unavailability, which could negatively impact our relationship with users. To operate without interruption, both we and our service providers must guard against: • damage from fire, power loss, and other natural disasters; • communications failures; • software and hardware errors, failures, and crashes; • cyber- attacks, viruses, worms, malware, ransomware and other malicious software programs; • security breaches and computer viruses and similar disruptive problems; and • other potential interruptions. Any disruption in the network access, telecommunications or co- location services provided by our third- party providers or any failure of or by these third- party providers or our own systems to handle current or higher volume of use could materially harm our business. We exercise limited control over these third- party suppliers, which increases our vulnerability to problems with services they provide. Any errors, failures, interruptions or delays experienced in connection with these third- party technologies and information services or our own systems could negatively impact our relationships with users and adversely affect our business and financial performance and could expose us to third- party liabilities, some of which may not be adequately insured. Data loss or corruption due to failures or errors in our systems and service disruptions at our data centers may adversely affect our reputation and relationships with existing members, which could have a negative impact on our business, financial condition and results of operations. Because of the large amount of data that we collect and manage, it is possible that hardware failures or errors in our systems could result in data loss or corruption or cause the information that we collect to be incomplete or contain inaccuracies that our members regard as material. Complex software such as ours may contain errors or failures that are not detected until after the software is introduced or updates and new versions are released. Despite testing by us, from time to time we have discovered defects or errors in our software, and such defects or errors may be discovered in the future. Any defects or errors could expose us to risk of liability to members and the government and could cause delays in the introduction of new products and services, result in increased costs and diversion of development resources, require design modifications, decrease market acceptance or member satisfaction with our products and services or cause harm to our reputation. Furthermore, our members might use our software together with products from other companies. As a result, when problems occur, it might be difficult to identify the source of the problem. Even when our software does not cause these problems, the existence of these errors might cause us to incur material costs, divert the attention of our technical personnel from our product development efforts, impact our reputation and lead to material member relations problems. Moreover, our data centers and service provider locations store and transmit critical member data that is essential to our business. While these locations are chosen for their stability, failover capabilities and system controls, we do not directly control the continued or uninterrupted availability of every location. **We** ~~In addition to the services we provide from our offices, we~~ have migrated ~~the majority of~~ our data center operations to ~~a~~ third- party data- hosting ~~facility~~ **facilities** . Data center facilities are vulnerable to damage or interruption from natural disasters, fires, power loss, telecommunications failures, acts of terrorism, acts of war, and similar events. They are also subject to break- ins, sabotage, intentional acts of vandalism, cyber- attacks and similar misconduct. Despite precautions taken at these facilities, the occurrence of a natural disaster or an act of terrorism, could result

in a decision to close the facilities without adequate notice or other unanticipated problems, which could cause lengthy interruptions in our service. These service interruption events could impair our ability to deliver services or deliverables or cause us to fail to achieve service levels required in agreements with our members, which could negatively affect our ability to retain existing members and attract new members. If our cyber and other security measures are breached or fail and unauthorized access to a member' s data is obtained, or our members fail to obtain proper permission for the use and disclosure of information, our services may be perceived as not being secure, members may curtail or stop using our services and we may incur material liabilities. Our services involve the web- based storage and transmission of members' proprietary information, personal information of employees and protected health information of patients. From time to time **,** we may detect vulnerabilities in our systems, which, even if not resulting in a security breach, may reduce member confidence and require substantial resources to address. If our security measures are breached or fail as a result of third- party action, employee error, malfeasance, insufficiency, defective design or otherwise, someone may be able to obtain unauthorized access to member or patient data. As a result, our reputation could be damaged, our business may suffer, and we could face damages for contract breach, penalties and fines for violation of applicable laws or regulations and material costs for notification to affected individuals, remediation and efforts to prevent future occurrences. In addition to our cyber and other security measures, we rely upon **third- party providers and** our members as users of our system for key activities to promote security of the system and the data within it. On occasion, our **providers security systems have been breached and our** members have failed to perform these activities. Failure of **third- party providers or** members to perform these activities may result in claims against us that could expose us to material expense and harm our reputation. In addition, our members may authorize or enable third parties to access their data or the data of their patients on our systems. Because we do not control such access, we cannot ensure the complete propriety of that access or integrity or security of such data in our systems. In addition, although our development infrastructure is based in the ~~United States~~ **U. S.** , we outsource development work for a portion of our products and services to persons outside the ~~United States~~ **U. S.** , particularly India. We cannot guarantee that the cyber and other security measures and regulatory environment of our foreign partners are as robust as in the ~~United States~~ **U. S** . Any breach of our security by our members or foreign partners could have a material adverse effect on our business, financial condition and results of operations. Additionally, we require our members to provide necessary notices and to obtain necessary permissions and waivers for use and disclosure of the information that we receive. If our members do not obtain necessary permissions and waivers, then our use and disclosure of information that we receive from them or on their behalf may be limited or prohibited by state, federal, or international privacy laws or other laws. Any such failure to obtain proper permissions and waivers could impair our functions, processes and databases that reflect, contain or are based upon such data and may prevent use of such data. Moreover, we may be subject to claims or liability for use or disclosure of information by reason of our lack of a valid notice, permission or waiver. These claims or liabilities could subject us to unexpected costs and adversely affect our business, financial condition and results of operations. We could suffer a loss of revenue and increased costs, exposure to material liability, reputational harm, and other serious negative consequences if we are subject to cyber- attacks or other data security breaches that disrupt our operations or result in the dissemination of proprietary or confidential information about us or our members or other third parties. We manage and store proprietary information and sensitive or confidential data relating to our operations. We may be subject to cyber- attacks on and breaches of the information technology systems we use for these purposes. Experienced computer programmers and hackers may be able to penetrate our network security and misappropriate or compromise our confidential information or that of third parties, create system disruptions, or cause shutdowns. Computer programmers and hackers also may be able to develop and deploy viruses, worms, malware, ransomware and other malicious software programs that attack our systems or products or otherwise exploit security vulnerabilities of our systems or products. In addition, ~~sophisticated~~ hardware and operating system software and applications that we produce or procure from third parties may contain defects in design or manufacture, including " bugs " and other problems that could unexpectedly interfere with the operation of our systems. We expend material capital to protect against the threat of security breaches, including cyber- attacks, viruses, worms, malware, ransomware and other malicious software programs. Substantial additional expenditures may be required before or after a cyber- attack or breach to mitigate in advance or to alleviate any problems caused by cyber- attacks and breaches, including unauthorized access to or theft of personal or patient data and protected health information stored in our information systems and the introduction of computer viruses, worms, malware, ransomware and other malicious software programs to our systems. Our remediation efforts may not be successful and could result in interruptions, delays or cessation of service and loss of existing or potential members. While we provide our domestic and foreign employees and contractors training and regular reminders on important measures they can take to prevent breaches, we often identify attempts to gain unauthorized access to our systems. Given the rapidly evolving nature and proliferation of cyber threats, there can be no ~~assurance~~ **guarantee** our training and network security measures or other controls will detect, prevent or remediate security or data breaches in a timely manner or otherwise prevent unauthorized access to, damage to, or interruption of our systems and operations. For example, it has been widely reported that many well- organized international interests, in certain cases with the backing of sovereign governments, are targeting the theft of patient information through the use of ~~advance~~ **advanced** persistent threats. In recent years, a number of hospitals have reported being the victim of ransomware attacks in which they lost access to their systems, including clinical systems, during the course of the attacks. We are likely to face attempted attacks in the future. Accordingly, we may be vulnerable to losses associated with the improper functioning, security breach or unavailability of our information systems as well as any systems used in acquired operations. Breaches of our security measures and the unapproved use or disclosure of proprietary information or sensitive or confidential data about us or our members or other third parties could expose us, our members or other affected third parties to a risk of loss or misuse of this information, result in litigation, governmental inquiry and potential liability for us, damage our brand and reputation or otherwise harm our business. Furthermore, we are exposed to additional risks because we rely in certain capacities on third- party data management providers whose possible security

problems and security vulnerabilities are beyond our control. We may experience cyber- security and other breach incidents that remain undetected for an extended period. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched, we may be unable to anticipate these techniques or to implement adequate preventative measures to stop or mitigate any potential damage in a timely manner. Given the increasing cyber security threats in the healthcare industry, there can be no ~~assurance~~ **guarantee** we will not experience business interruptions; data loss, ransom, misappropriation or corruption; theft or misuse of proprietary or patient information; or litigation and investigation related to any of those, any of which could have a material adverse effect on our financial position and results of operations and harm our business reputation **. Although we do maintain commercially reasonable insurance policies for cyber- attacks, there can be no guarantee that insurance would be sufficient to cover our losses, nor can it be guaranteed that insurance coverage would be available for every specific incident in accordance with the terms and conditions of the applicable policy coverage** . Any restrictions on our use of, or ability to license, data, or our failure to license data and integrate third- party technologies, could have a material adverse effect on our business, financial condition and results of operations. We depend upon licenses from third parties, most of which are non- exclusive, for some of the technology and data used in our applications, and for some of the technology platforms upon which these applications are built and operate. We also obtain a portion of the data that we use from government entities and public records and from our members for specific member engagements. We cannot assure that our licenses for information will allow us to use that information for all potential or contemplated applications and products. In addition, if our members revoke their consent for us to maintain, use, de- identify and share their data, our data assets could be degraded. In the future, data providers could withdraw their data from us or restrict our usage due to competitive reasons or because of new legislation or judicial interpretations restricting use of the data currently used in our products and services. In addition, data providers could fail to adhere to our quality control standards in the future, causing us to incur additional expense to appropriately utilize the data. If a substantial number of data providers were to withdraw or restrict their data, or if they fail to adhere to our quality control standards, and if we are unable to identify and contract with suitable alternative data suppliers and integrate these data sources into our service offerings, our ability to provide products and services to our members would be materially and adversely impacted, resulting in a material adverse effect on our business, financial condition and results of operations. We also integrate into our proprietary applications and use third- party software to maintain and enhance, among other things, content generation and delivery, and to support our technology infrastructure. Some of this software is proprietary and some is open source. Our use of third- party technologies exposes us to increased risks, including, but not limited to, risks associated with the integration of new technology into our solutions, the diversion of our resources from development of our own proprietary technology and our inability to generate revenue from licensed technology sufficient to offset associated acquisition and maintenance costs. These technologies may not be available to us in the future on commercially reasonable terms or at all and could be difficult to replace once integrated into our own proprietary applications. Our inability to obtain, maintain or comply with any of these licenses could delay development until equivalent technology can be identified, licensed and integrated, which would harm our business, financial condition and results of operations. Most of our third- party licenses are non- exclusive and our competitors may obtain the right to access any of the technology covered by these licenses to compete directly with us. Our use of third- party technologies exposes us to increased risks, including, but not limited to, risks associated with the integration of new technology into our solutions, the diversion of our resources from development of our own proprietary technology and our inability to generate revenue from licensed technology sufficient to offset associated acquisition and maintenance costs. In addition, if our data suppliers choose to discontinue support of the licensed technology in the future, we might not be able to modify or adapt our own solutions. Our use of " open source " software could adversely affect our ability to sell our products and subject us to possible litigation. The products or technologies acquired, licensed or developed by us may incorporate so- called " open source " software, and we may incorporate open source software into other products in the future. There is little or no legal precedent governing the interpretation of many of the terms of certain of these licenses, and therefore the potential impact of these terms on our business is unknown and may result in unanticipated obligations or litigation regarding our products and technologies. For example, we may be subjected to certain conditions, including requirements that we offer our products that use particular open source software at no cost to the user, that we make available the source code for modifications or derivative works we create based upon, incorporating or using the open source software, and / or that we license such modifications or derivative works under the terms of the particular open source license. In addition, if we combine our proprietary software with open source software in a certain manner, under some open source licenses we could be required to release the source code of our proprietary software, which could substantially help our competitors develop products that are similar to or better than ours. If an author or other party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur material legal costs defending ourselves against such allegations and could be subject to material damages. Our direct sourcing activities depend on contract manufacturing facilities located in various parts of the world, and any physical, financial, regulatory, environmental, labor or operational disruption or product quality issues could result in a reduction in sales volumes, the incurrence of substantial expenditures and the loss of product availability. As part of our direct sourcing activities, we contract with manufacturing facilities in various parts of the world, including facilities in Bangladesh, Cambodia, China, India, Malaysia, Sri Lanka, Taiwan, Thailand and Vietnam **as well as domestically within the U. S** . Operations at and securing products from these manufacturing facilities could be curtailed or partially or completely shut down as the result of a number of circumstances, most of which are outside of our control, such as **but not limited to** unscheduled maintenance, power conservation / shortages, an earthquake, hurricane, flood, tsunami or other natural disaster, material labor strikes or work stoppages, government implementation of export limitations or freezes, port or other shipping delays, political unrest or pandemics ~~, such as COVID- 19~~ . We are also subject to some of these risks with manufacturers we contract with in the ~~United States~~ **U. S** . Any material curtailment of production at these facilities, or production issue resulting in a substandard product,

could result in litigation or governmental inquiry or materially reduced revenues and cash flows in our direct sourcing activities. In addition, our business practices in international markets are subject to the requirements of the U. S. Foreign Corrupt Practices Act of 1977, as amended, any violation of which could subject us to material fines, criminal sanctions and other penalties. We expect all of our contracted manufacturing facilities to comply with all applicable laws, including labor, safety and environmental laws, and to otherwise meet our standards of conduct. Our ability to find manufacturing facilities that uphold these standards is a challenge, especially with respect to facilities located outside the ~~United States~~ **U. S** . We also are subject to the risk that one or more of these manufacturing facilities will engage in business practices in violation of our standards or applicable laws, which could damage our reputation and adversely impact our business and results of operations. ~~A~~ **While we continue to promote domestic and geographically diverse manufacturing as part of our supply chain resiliency program, a** material portion of the manufacturing for our direct sourcing activities is **still** conducted in China. As a result, our business, financial condition, results of operations and prospects are affected significantly by economic, political and legal developments in China as well as trade disputes between China and the ~~United States~~ **U. S.** and the potential imposition of bilateral tariffs. In addition, ~~during the COVID- 19 pandemic,~~ China **has** imposed export restrictions and new regulatory requirements on PPE and other medical equipment needed by our member hospitals. The imposition of tariffs or export restrictions on products imported by us from China could require us to (i) increase prices to our members or (ii) locate suitable alternative manufacturing capacity or relocate our operations from China to other countries. In the event we are unable to increase our prices or find alternative manufacturing capacity or relocate to an alternative base of operation outside of China on favorable terms, we would likely experience higher manufacturing costs and lower gross margins, which could have an adverse effect on our business and results of operations. The Chinese economy differs from the economies of most developed countries in many respects, including the degree of government involvement, the level of development, the growth rate, the control of foreign exchange, access to financing and the allocation of resources. Additionally, the facilities in Malaysia with which we contract are particularly susceptible to labor shortages, labor disputes and interruptions, rising labor costs as a result of minimum wage laws, scheduling and overtime requirements and forced or child labor. Validation of our direct sourcing suppliers around the world can be challenging and our vetting process may not eliminate all associated risks, particularly since the information shared is largely dependent on the supplier level of transparency. If one or more of the manufacturing facilities we contract with engage in business practices in violation of our standards or applicable laws, we could experience damage to our reputation and suffer an adverse impact **on** our business, results of operations and reputation. We may have inventory risk for ~~(i) the PPE or other~~ product inventory we purchase at elevated market prices ~~,~~ and ~~(ii)~~ items we purchase in bulk or pursuant to fixed price purchase commitments if we are unable to sell such inventory at or above our cost. As a result, we may experience a material adverse effect on our business, financial condition and results of operations. ~~As~~ **From time to time, we purchase items as** part of ~~our efforts~~ **bulk purchases** to **resell to** ~~satisfy PPE demands of~~ our ~~GPO~~ members **. We may have inventory risk for** ~~during the COVID- 19 pandemic, we purchased PPE~~ product inventory **we purchase** ~~in forward buys~~ at **elevated** ~~then current global~~ market prices, ~~which were elevated due~~ **and items we purchase in bulk or pursuant** to **fixed** ~~the volatility of global market prices~~ **price purchase commitments if we are unable to sell such inventory at or above our cost. If we are unable to sell the products** for ~~PPE products~~ **more than our inventory cost, we could experience a material adverse effect on our business, financial condition and results of operations** . In addition, as we strive to create a healthier global supply chain with more diversification in the country of origin, including a focus on supporting PPE and medical product manufacturing in the ~~United States~~ **U. S.** with our domestic sourcing ~~initiative~~ **initiatives** , we may source more of our products from ~~US~~ **U. S.** - based or near shore manufacturers, which may come at a higher acquisition cost than sourcing from Asia or other lower cost countries. ~~From time to time, we also purchase other items as part of bulk purchases to resell to our members.~~ If ~~we are unable to sell the PPE or other products for more than our inventory cost, we could experience a material adverse effect on our business, financial condition and results of operations. In addition, if~~ our GPO members are unwilling to pay higher prices for products made in the ~~United States~~ **U. S.** , or if they choose to buy lower cost products manufactured in lower cost countries, now or in the future, this may impact our customer growth and results of operations if we have to lower prices to compete or sell our higher- cost inventory. If we lose key personnel or if we are unable to attract, hire, integrate and retain key personnel, our business would be harmed. Our future success depends in part on our ability to attract, hire, integrate and retain key personnel, including our executive officers and other highly skilled technical, managerial, editorial, sales, marketing and customer service professionals. Competition for such personnel is intense and the labor market has tightened considerably **in** ~~as a consequence of~~ the **last several years** ~~COVID- 19 pandemic~~ . We have from time to time in the past experienced, and we expect to continue to experience in the future, difficulty in hiring and retaining highly skilled employees with appropriate qualifications. **Furthermore, in May 2023, we announced that we are evaluating potential strategic alternatives which has the potential to discourage current personnel as well as prospective employees from being a part of our Company.** We cannot be certain of our ability to identify, hire and retain adequately qualified personnel, if we lose key personnel unexpectedly. In addition, to the extent we lose an executive officer or senior manager, we may incur increased expenses in connection with the hiring, promotion or replacement of these individuals and the transition of leadership and critical knowledge. Failure to identify, hire and retain necessary key personnel could have a material adverse effect on our business, financial condition and results of operations. ~~Risks Related to Our Capital Structure~~ **Continued uncertain economic conditions, including inflation** and ~~Liquidity We~~ **the risk of a global recession could impair our ability to forecast and** may **harm** ~~need to obtain additional financing which may not be available or~~ **our business, operating** ~~may be on unfavorable terms and result~~ **results** ~~in dilution to~~ , **including** ~~or~~ **our revenue growth** ~~a diminution of the rights of, our stockholders~~ and **profitability, financial condition and cash flows** ~~cause a decrease in the price of our Class A common stock~~ . ~~We may need to raise additional funds~~ **Continued global economic uncertainty, political conditions and fiscal challenges** in ~~order to~~ **the U. S. and abroad, such as inflation and potential economic recession, have** , among other things ~~among other things~~ ,limited our ability to forecast future demand

for our products and services,contributed to increased periodic volatility in customer demand,impacted availability of supplies and could constrain future access to capital for our suppliers,customers and partners.The impacts of these circumstances are global and pervasive,and the timing and nature of any ultimate resolution of these matters remain highly uncertain.Adverse macroeconomic conditions,including inflation,slower growth or recession,new or increased trade sanctions,tariffs or other barriers to global trade,changes to fiscal and monetary policy and higher interest rates,could materially adversely impact the demand for our products and our operating results. **Starting** ~~In particular,~~ in fiscal 2022 **and continuing in fiscal 2023** ,we **have** experienced inflationary pressure and other constraints in our supply chain.Consequently,these concerns have challenged our business and we expect them to continue to challenge our business for the foreseeable future,which could cause harm to our operating results.Such conditions may result in the failure to meet our forecasted financial expectations and to achieve historical levels of revenue growth.Our financial condition and results of operations for fiscal year 2023 and beyond may continue to be materially and adversely affected by **pandemics,epidemics or public health emergencies,such as** the coronavirus (“ COVID- 19 ”) pandemic **.While both** ~~,reoccurrences of COVID- 19 or variants thereof,or similar pandemics,or other~~ -- **the** ~~future widespread public~~ **U.S.and the World** ~~health~~ **Health** ~~epidemics.The~~ **Organization declared an end to the** COVID- 19 pandemic **as a public health emergency** ~~spread throughout the United States and the rest of the world beginning~~ in ~~early~~ **May** ~~2020~~ **2023 and** ~~.In addition to those~~ -- **the** ~~who were directly affected,millions more~~ **health consequences for the U.S.population** have been **significantly** ~~affected by government and voluntary efforts around the world to slow the spread of the pandemic through quarantines,travel restrictions,business shut- downs,heightened border security and other measures.While the health consequences for the U.S.population have been~~ mitigated ~~to some degree~~ by the availability of vaccines and therapeutics to treat COVID- 19 infections, **pandemics or public health emergencies have in the past and may continue in the future to have** adverse economic impacts ~~continue~~ both domestically and internationally,including the potential for new and extended government imposed lock- downs,border restrictions and transportation and other bottlenecks.As a result of ~~the COVID-~~ **pandemics,epidemics or public health emergencies,our financial condition and results of operations may be adversely affected and we may face material risks due to a number of factors,including,but not limited to** : • ~~finance~~ **Labor shortages in the healthcare workforce and corresponding increases in labor costs. • Changes in the demand for our products and services may create demand uncertainty from both material increases and decreases in demand and pricing for our products and services. • Limited access to our members’ facilities as well as travel restrictions limit their ability to** ~~unanticipated~~ **participate** ~~working~~ in ~~certain~~ **face- to- face events,such as committee meetings and conferences,and limits our ability to foster relationships and effectively deliver existing or sell new** ~~product~~ **products** ~~categories~~ **and services to our members** . ~~If~~ **• Disruption to** the **global** supply chain **,particularly** ~~for materials used~~ in ~~the~~ **China,may impact** products purchased by our members through our GPO or products contract manufactured through our direct sourcing business ~~continue to be adversely impacted by the COVID- 19 pandemic,our supply chain may continue to be disrupted~~ .Failure of our suppliers,contract manufacturers,distributors,contractors and other business partners to meet their obligations to our members,other customers or to us,or material disruptions in their ability to do so due to their own financial or operational difficulties,may adversely impact our operations.• ~~Requests for contract modifications,payment deferrals or exercises of force majeure clauses.~~ We ~~have and~~ may continue to receive requests for contract modifications,payment waivers and deferrals,payment reductions or amended payment terms from our contract counterparties.We ~~have and~~ may continue to receive requests to delay service or payment on performance service contracts **and** ~~.In addition,~~ we ~~have and~~ may continue to receive requests from our suppliers for increases to their contracted prices ~~,~~ **.• A general decline in the overall economic** and ~~such~~ capital ~~requirements; • develop~~ **markets which could increase** ~~or~~ **our cost of capital** ~~enhance our technological infrastructure~~ and **adversely affect** our **ability** ~~existing products and services; • fund strategic relationships; • respond~~ to ~~competitive pressures;~~ **access the capital markets in the future. The ultimate impact of pandemics, epidemics** and ~~• acquire complementary~~ **public health emergencies on our** ~~businesses~~ -- **business** , ~~assets~~ **results of operations** , ~~technologies, products or services. Additional financing~~ **financial condition and cash flows is dependent on future developments, including the duration of any pandemic and the related length of its impact on the U. S. and global economies and their healthcare systems, which are uncertain and cannot be predicted at this time. The impact of pandemics, epidemics or public health emergencies** may ~~not be available~~ **also exacerbate many of the other risks described in this “ Risk Factors ” section. Despite our efforts to manage these impacts, their ultimate impact depends** on **factors beyond** ~~terms favorable to us, or~~ **our knowledge** ~~at all. If adequate funds are not available or are not available on acceptable terms, our~~ - **or control** ~~ability to fund our expansion strategy~~ , **including the duration and severity of any outbreaks and actions** ~~take~~ **taken** ~~advantage of unanticipated opportunities, develop or enhance technology or services or otherwise respond~~ to **contain its spread** ~~competitive pressures would be materially limited. If we raise additional funds by issuing equity or convertible debt securities, our then- existing stockholders may be diluted~~ and **mitigate its public health effects** ~~holders of these newly issued securities may have rights, preferences or privileges senior to those of our then- existing stockholders~~ . The **foregoing and** ~~issuance of these securities may cause a material decrease in the~~ **other continued disruptions in** ~~trading price of our Class A common stock or the value of your~~ - **our business as a result of pandemics, epidemics** ~~investment in us. If we cannot refinance or replace our~~ - **or public health emergencies** ~~existing credit facility at maturity, it~~ could ~~have~~ **result in** a material adverse effect on our **business, results of operations, financial condition, cash flows, prospects and the trading prices of our securities in the future. We are currently operating in a period of economic uncertainty and capital markets disruption, which has been significantly impacted by geopolitical** ~~ability~~ **instability** ~~to fund our~~ **, such as the** ongoing ~~cash requirements~~ **military conflict between Russia and Ukraine and tensions between the U** . ~~Current or future indebtedness~~ **S.** ~~a period of economic uncertainty~~ and **China** ~~capital markets disruption,which has been significantly impacted by geopolitical instability due to the ongoing military conflict between Russia and Ukraine~~ .Our business,financial condition and results of operations may be materially and adversely affected by any negative impact on the global economy and capital markets resulting from ~~the conflict in Ukraine or~~

~~any other~~ geopolitical tensions.U.S.and global markets ~~are~~ **have continued to** ~~experiencing~~ **experience** volatility and disruption ~~following~~ **as** the ~~escalation~~ **result** of geopolitical tensions ~~and~~ **,including** the **ongoing** ~~start of the~~ military conflict between Russia and Ukraine **and tensions between the U** . ~~On February 24~~ **S.and China.These geopolitical tensions have** , ~~2022~~ **and may continue to** , ~~Russian troops began a full- scale military invasion of Ukraine~~ **lead to market disruptions,including significant volatility in commodity prices,energy,credit and capital markets,as well as supply chain interruptions** .In ~~response~~ **addition** , **further escalation** could adversely affect ~~our business~~ **the global economy** and ~~our~~ **financial markets and lead to instability and lack of** liquidity ~~position. We have a five- year $ 1 billion unsecured revolving credit facility. The Credit Facility also provides us the ability to incur incremental term loans and request an increase~~ in **capital markets** ~~the revolving commitments under the credit facility~~ , **potentially making** ~~up to an additional aggregate of $ 350. 0 million, subject to the approval of the lenders under the credit facility. As of June 30, 2022, we had $ 150. 0 million outstanding under this credit facility. Our current credit facility matures on November 9, 2023 and any outstanding indebtedness would be payable on or before that date. If we are not able to refinance or replace our existing credit facility at or before maturity or do so on acceptable terms,~~ it **more** ~~would have a material adverse effect on our ability to fund our ongoing working capital requirements, business strategies, acquisitions and related business investments, future cash dividend payments, if any, or repurchases of Class A common stock under any then existing or future stock repurchase programs, if any. Our indebtedness may increase from time to time in the future for various reasons, including fluctuations in operating results, capital expenditures and potential acquisitions. Any indebtedness we incur and restrictive covenants contained in the agreements related thereto could: • make it~~ difficult for us to ~~satisfy our obligations, including making interest payments on our other debt obligations; • limit our ability to~~ obtain additional ~~financing to operate our business; • require us to dedicate a substantial portion of our cash flow to payments on our debt, reducing our ability to use our cash flow to fund~~ capital ~~expenditures~~ and **negatively impact** ~~working capital and other general operational requirements; • limit our flexibility to execute our business strategy and plan for and react to changes in our business and the healthcare industry; • place us at a competitive disadvantage relative to some of our competitors that have less debt than us; • limit our ability to pursue acquisitions; and • increase our vulnerability to general adverse economic and industry conditions, including changes in interest rates or~~ **our** ~~a downturn in our business or the economy. The occurrence of any one of these events could cause us to incur increased borrowing costs and thus have a material adverse effect on our cost of capital,~~ business, financial condition and results of operations ~~or cause a material decrease in our liquidity and impair our ability to pay amounts due on our indebtedness~~ . ~~Our unsecured revolving credit facility~~ **Climate changes, such as severe weather** ~~contains~~ **conditions , rising sea temperatures and rising sea levels** , among ~~other~~ **others** ~~things~~ , ~~restrictive covenants that will limit our~~ and ~~our subsidiaries' ability~~ **their long- term effects present potential negative effects** to ~~finance future~~ **our business** operations ~~or capital needs or to engage in other business activities. The credit facility restricts~~ , ~~among other things, our ability and the ability of our subsidiaries to incur additional indebtedness or issue guarantees, create liens on our assets, make distributions on or redeem equity interests, make investments, transfer or sell properties or other assets, and engage in mergers, consolidations or acquisitions. Furthermore, the credit facility includes cross- default provisions and requires us to meet specified~~ financial **condition and results of** ~~ratios~~ **operations by decreasing availability of products, increasing compliance** and ~~tests~~ **operational costs and creating volatility and disruption to the global supply chain** . In addition, ~~any debt securities we may~~ **federal, state and local governments could** issue **new** ~~or indebtedness we incur in the future may have similar or more restrictive financial or operational covenants that may limit our~~ **or modify existing legislation** ~~ability to execute our business strategies or operate our Company. Our quarterly revenues~~ and ~~results of operations have fluctuated in~~ **regulations related to greenhouse gas emissions and climate change and** ~~the~~ **these government actions** ~~past and may continue to fluctuate in the future which~~ could **impact us** ~~adversely affect the value of our Class A common stock, our revenues~~ and ~~our liquidity. Fluctuations in our quarterly results of operations may be due to a number of factors, some of which are not within our control, including: • our ability to offer new and innovative products and services; • regulatory changes, including changes in healthcare laws; • unforeseen legal expenses, including litigation and settlement costs; • the purchasing and budgeting cycles of~~ our members ~~; • the lengthy sales cycles for our products and services~~ , ~~which may cause material delays in generating revenues or an inability to generate revenues; • pricing pressures with respect to our future sales; • the timing and success of new product and service offerings by us or by our competitors; • the timing of enterprise license agreements; • member decisions regarding renewal or termination of their~~ **other customers** contracts, especially those involving our larger..... the results of one quarter as an **and suppliers** ~~indication of future performance~~ . ~~If our quarterly results of operations fall below the expectations of securities analysts or investors, the price of the Class A common stock could decline substantially. In addition, any adverse impacts on the Class A common stock may harm the overall reputation of our organization, cause us to lose members and impact our ability to raise additional capital in the future. Risks Related to Healthcare and Employee Benefit Regulation~~ The healthcare industry is highly regulated. Any material changes in the political, economic or regulatory environment that affect the GPO business or the purchasing practices and operations of healthcare organizations, or that lead to consolidation in the healthcare industry, could reduce the funds available to providers to purchase our products and services or otherwise require us to modify our services. Our business, financial condition and results of operations depend upon conditions affecting the healthcare industry generally and hospitals and health systems particularly, as well as our ability to increase the number of programs and services that we sell to our members and other customers. The life sciences and healthcare industry is highly regulated by federal and state authorities and is subject to changing political, economic and regulatory influences. Factors such as changes in reimbursement policies for healthcare expenses, consolidation in the healthcare industry, regulation, litigation and general economic conditions affect the purchasing practices, operations and the financial health of healthcare organizations. In particular, changes in regulations affecting the healthcare industry, such as increased regulation of the purchase and sale of medical products, tariffs, new quality measurement and payment models, data privacy and security, government price controls, modification or elimination of applicable regulatory safe harbors, regulation of third- party administrators or restrictions on

permissible discounts and other financial arrangements, could require us to make unplanned modifications of our products and services, result in delays or cancellations of orders or reduce funds and demand for our products and services. **The** ~~In March 2010, President Barack Obama signed into law the~~ Patient Protection and Affordable Care Act (" ACA ") **,** ~~. The ACA is a sweeping measure~~ designed to expand access to affordable health insurance, control healthcare spending and improve healthcare quality **, set the industry moving in a clear direction on access to health insurance, payment, quality and cost management** . In addition, many states have adopted or are considering changes in healthcare laws or policies in part due to state budgetary shortfalls. ~~The~~ **Although there appears to be greater certainty and a continuation of the policies and directions set forth in the** ACA ~~set the industry moving in a clear direction on access to health insurance, payment, quality and cost management. With~~ **with** ~~the election of President Joe Biden, as well~~ the 2021 U. S. Supreme Court decision upholding the ACA, ~~there appears to be greater certainty and a continuation of the policies and directions set forth in the ACA. While these developments will create greater certainty regarding the continued existence of the ACA and its reforms to the health insurance and healthcare market,~~ healthcare will continue to be a highly ~~partisan and~~ contentious area. This environment is creating risks for healthcare providers and our business that could **cause a material** ~~adversely~~ -- **adverse** ~~affect~~ **effect on** our business and financial performance. If we fail to comply with complex federal and state laws and regulations governing financial relationships among healthcare providers and submission of false or fraudulent claims to government healthcare programs, we may be subject to civil and criminal penalties or loss of eligibility to participate in government healthcare programs. Anti-Kickback Regulations We are subject to federal and state laws and regulations designed to protect patients, government healthcare programs and private health plans from fraudulent and abusive activities. These laws include anti- kickback restrictions and laws prohibiting the submission of false or fraudulent claims. These laws are complex, and their application to our specific products, services and relationships may not be clear and may be applied to our business in ways that we do not anticipate. Federal and state regulatory and law enforcement authorities have over time increased enforcement activities with respect to Medicare and Medicaid fraud **, waste** and abuse regulations and other reimbursement laws and rules. From time to time, we and others in the healthcare industry have received inquiries or requests to produce documents in connection with such activities. We could be required to expend material time and resources to comply with these requests, and the attention of our management team could be diverted to these efforts. Furthermore, if we are found to be in violation of any federal or state fraud **, waste** and abuse laws, we could be subject to civil and criminal penalties and we could be excluded from participating in federal and state healthcare programs such as Medicare and Medicaid. The occurrence of any of these events could materially harm our business, financial performance and financial condition. Provisions in Title XI of the Social Security Act, commonly referred to as the federal Anti- Kickback Statute, prohibit the knowing and willful offer, payment, solicitation or receipt of remuneration, directly or indirectly, in return for the referral of patients or arranging for the referral of patients, or in return for the recommendation, arrangement, purchase, lease or order of items or services that are covered, in whole or in part, by a federal healthcare program such as Medicare or Medicaid. The definition of " remuneration " has been broadly interpreted to include anything of value such as gifts, discounts, rebates, waiver of payments or providing anything at less than its fair market value. Many states have adopted similar prohibitions against kickbacks and other practices that are intended to influence the purchase, lease or ordering of healthcare items and services regardless of whether the item or service is covered under a governmental health program or private health plan. Although certain statutory and regulatory safe harbors exist, these safe harbors are narrow and often difficult to comply with. Congress has appropriated an increasing amount of funds in recent years to support enforcement activities aimed at reducing healthcare fraud **, waste** and abuse. We cannot assure you that our arrangements will be protected by such safe harbors or that such increased enforcement activities will not directly or indirectly have an adverse effect on our business, financial condition or results of operations. Any determination by a state or federal agency that any of our activities violate any of these laws could subject us to civil or criminal penalties, could require us to change or terminate some portions of our operations or business or could disqualify us from providing services to healthcare providers doing business with government programs and, thus, could have a material adverse effect on our business, financial condition and results of operations. CMS has provided specific guidance on the proper treatment on Medicare cost reports of revenue distributions received from GPOs, including us. To assist our members that report their costs to Medicare to comply with these guidelines, such members are required under the terms of the Premier Group Purchasing Policy to appropriately reflect all elements of value received in connection with our IPO, including under agreements entered into in connection therewith, on their cost reports. We furnish applicable reports to such members setting forth the amount of such value, to assist their compliance with such cost reporting requirements. Any determination by a state or federal agency that the provision of such elements of value violate any of these laws could subject us to civil or criminal penalties, could require us to change or terminate some portions of our operations or business, or could disqualify us from providing services to healthcare providers doing business with government programs, and, thus could have a material adverse effect on our business, financial condition and results of operations. ~~We periodically receive and respond to questions from government agencies on various matters, and we responded to an informal request in July 2014 from the United States Department of Health and Human Services (" HHS ") Office of Inspector General to analyze and discuss how the GPO participation agreements comply with the discount safe harbor to the Anti- Kickback Statute. We have had no further correspondence or interaction, oral or written, with the HHS Office of Inspector General regarding Anti- Kickback Statute compliance since that time.~~ There is no safe harbor to the Anti- Kickback Statute that is applicable in its entirety across all of the agreements with our members, and no assurance can be given that the HHS Office of Inspector General or other regulators or enforcement authorities will agree with our assessment. Any determination by a state or federal agency that the terms, agreements and related communications with members, or our relationships with our members violates the Anti- Kickback Statute or any other federal or state laws could subject us to civil or criminal penalties, could require us to change or terminate some portions of our operations or business and could disqualify us from providing services to healthcare providers doing business with government programs and, thus, result in a material adverse effect on our business,

financial condition and results of operations. False Claims Regulations Our business is also subject to numerous federal and state laws that forbid the submission or " causing the submission " of false or fraudulent information or the failure to disclose information in connection with the submission and payment of claims for reimbursement to Medicare, Medicaid, other federal healthcare programs or private health plans. In particular, the False Claims Act, or FCA, prohibits a person from knowingly presenting or causing to be presented a false or fraudulent claim for payment or approval by an officer, employee or agent of the ~~United States~~ **U. S** . In addition, the FCA prohibits a person from knowingly making, using, or causing to be made or used a false record or statement material to such a claim. Violations of the FCA may result in treble damages, material monetary penalties and other collateral consequences, potentially including exclusion from participation in federally funded healthcare programs. The minimum and maximum per claim monetary damages for FCA violations occurring on or after November 2, 2015 and assessed after ~~May 9~~ **January 30** , ~~2022~~ **2023** are from $ ~~12~~ **13** , ~~537~~ **508** to $ ~~25~~ **27** , ~~076~~ **018** per claim, respectively, and will be periodically readjusted for inflation. If enforcement authorities find that we have violated the FCA, it could have a material adverse effect on our business, financial condition and results of operations. Pursuant to the ACA, a claim that includes items or services resulting from a violation of the Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the FCA. These laws and regulations may change rapidly and it is frequently unclear how they apply to our business. Errors created by our products or consulting services that relate to entry, formatting, preparation or transmission of claim or cost report information by our members may be determined or alleged to be in violation of these laws and regulations. Any failure of our businesses or our products or services to comply with these laws and regulations, or the assertion that any of our relationships with suppliers or members violated the Anti- Kickback Statute and therefore caused the submission of false or fraudulent claims, could (i) result in substantial civil or criminal liability, (ii) adversely affect demand for our services, (iii) invalidate all or portions of some of our member contracts, (iv) require us to change or terminate some portions of our business, (v) require us to refund portions of our services fees, (vi) cause us to be disqualified from serving members doing business with government ~~payors~~ **payers** , and (vii) have a material adverse effect on our business, financial condition and results of operations. ERISA Regulatory Compliance As a threshold matter, the obligation for compliance with the Employee Retirement Income Security Act of 1974, as amended, (" ERISA "), the Internal Revenue Code (the " Code "), the ACA, the Heath Insurance Portability and Accountability Act (together with its amendments related to the Health Information Technology for Economic and Clinical Health Act, " HIPAA "), the Mental Health Parity and Addiction Equity Act, the Newborns' and Mothers' Health Protection Act, the Women' s Health and Cancer Rights Act, the Consolidated Omnibus Budget Reconciliation Act (" COBRA "), the Genetic Information Nondiscrimination Act of 2008, and other laws governing self- funded group health plans (collectively " Employee Benefit Laws ") generally rests with our clients as plan sponsors to whom we provide third **-** party administrative (" TPA ") services ~~)~~. That is, employers / clients that sponsor group health plans generally bear the obligation of complying with Employee Benefit Laws, rather than entities, like us, that provide TPA services related to the group health plans. In certain cases, however, TPAs to ERISA plans can become " co- fiduciaries " with their clients and, therefore, can be liable for ERISA compliance in a limited capacity. We could become a co- fiduciary either by (1) entering a contractual obligation to be an ERISA fiduciary or (2) by acting as an ERISA fiduciary based on functions performed. Under ERISA, fiduciary status flows from actions, and TPAs who exercise certain functions, including any discretionary authority or discretionary responsibility over plan administration or exercise any authority or control **with** ~~respecting~~ --- **respect to** management or disposition of plan assets are generally " functional fiduciaries " with respect to (and limited to) the functions performed by the TPA that trigger fiduciary status. We undertake no express liability under ERISA for our clients' ERISA- governed plans in our template contracts. However, deviations from this standard language contained in final contracts could subject us to liability for breaches of fiduciary duty under ERISA (and related claims, such as ERISA prohibited transactions). If current or future antitrust laws and regulations are interpreted or enforced in a manner adverse to us or our business, we may be subject to enforcement actions, penalties and other material limitations on our business. We are subject to federal and state laws and regulations designed to protect competition which, if enforced in a manner adverse to us or our business, could have a material adverse effect on our business, financial condition and results of operations. Over the last decade or so, the group purchasing industry has been the subject of multiple reviews and inquiries by the U. S. Senate and its members with respect to antitrust laws. Additionally, the U. S. General Accounting Office, or GAO, has published several reports examining GPO pricing, contracting practices, activities and fees. We and several other operators of GPOs have responded to GAO inquiries in connection with the development of such reports. No assurance can be given regarding any further inquiries or actions arising or resulting from these examinations and reports, or any related impact on our business, financial condition or results of operations. Congress, the DOJ, the Federal Trade Commission, or FTC, the U. S. Senate or another state or federal entity could at any time open a new investigation of the group purchasing industry, or develop new rules, regulations or laws governing the industry, that could adversely impact our ability to negotiate pricing arrangements with suppliers, increase reporting and documentation requirements, or otherwise require us to modify our arrangements in a manner that adversely impacts our business, financial condition and results of operations. We may also face private or government lawsuits alleging violations arising from the concerns articulated by these governmental factors or alleging violations based solely on concerns of individual private parties. If we are found to be in violation of the antitrust laws, we could be subject to **significant** civil and criminal penalties or damages. The occurrence of any of these events could materially harm our business, financial condition and results of operations. Complex international, federal and state **privacy laws** , as well as ~~international, privacy,~~ security and breach notification laws **,** may increase the costs of operation and expose us to civil and criminal government sanctions and third- party civil litigation. We must comply with extensive federal and state requirements regarding the use, retention, security and re- disclosure of patient / beneficiary healthcare information. The Health Insurance Portability and Accountability Act of 1996, as amended **by** ~~, and~~ the **Health Information Technology for Economic and Clinical Health Act and its implementing** regulations ~~that have been issued under it~~ , which we refer to collectively as **"** HIPAA **"** , contain substantial restrictions and complex requirements with respect to the use and disclosure of **" Protected**

~~certain individually identifiable health~~ **Health** ~~information~~ **Information** **" , referred to** as **defined by HIPAA** ~~" protected health information~~ . ~~"~~ The HIPAA Privacy Rule prohibits a covered entity or a business associate ~~(essentially, a third party engaged to assist a covered entity with enumerated operational and / or compliance functions)~~ from using or disclosing ~~protected~~ **Protected** ~~health~~ **Health** ~~information~~ **Information** unless the use or disclosure is validly authorized by the individual or is specifically required or permitted under the HIPAA Privacy Rule and only if certain complex requirements are met. The HIPAA Security Rule establishes administrative, organizational, physical and technical safeguards to protect the privacy, integrity and availability of electronic ~~protected~~ **Protected** ~~health~~ **Health** ~~information~~ **Information** maintained or transmitted by covered entities and business associates. The HIPAA Breach Notification Rule requires that covered entities and business associates, under certain circumstances, notify patients / beneficiaries and HHS when there has been an improper use or disclosure of ~~protected~~ **Protected** ~~health~~ **Health** ~~information~~ **Information** . Our self- funded health benefit plan, the Premier, Inc. Health & Welfare Plan, ~~and~~ our healthcare provider members **, Performance Services customers, and** ~~(provided that these members engage in HIPAA- defined standard electronic transactions with~~ health ~~plans~~ - **plan clients** ~~, which will be all or the vast majority)~~ are directly regulated by HIPAA as " covered entities. " Most of our ~~U. S.~~ hospital members **/ customers and health plan clients** disclose ~~protected~~ **Protected** ~~health~~ **Health** ~~information~~ **Information** to us so that we may ~~use that information to~~ provide **payment and** ~~certain data analytics, benchmarking, consulting or other operational~~ **operations** ~~and compliance~~ services **.** ~~to these members and accordingly~~ **Accordingly** , we are a " business associate " of those ~~members~~ **covered entities** and are required to protect such **Protected** ~~health~~ **Health** ~~information~~ **Information** under HIPAA ~~. With the enactment of the HITECH Act of 2009 and subsequent promulgation of the HIPAA Omnibus Rule in March 2013, the privacy and security requirements of HIPAA were modified and expanded, and, by way of example, further restrict the disclosure of protected health information by business associates and covered entities for marketing purposes or as part of a sale of the information to a third party, and require notification of affected individuals in the event of a breach. The Breach Notification Rule, included within the HIPAA Omnibus Rule, creates a rebuttable presumption that any acquisition, access, use or disclosure of protected health information not permitted under the Privacy Rule requires notice to affected patients / beneficiaries and HHS~~ . Any failure or perceived failure of our products or services to meet HIPAA standards and related regulatory requirements could expose us to certain notification, penalty and / or enforcement risks, damage our reputation ~~and ,~~ adversely ~~affect~~ **affects** demand for our products and services and **/ or** force us to expend material capital, research and development and **/ or** other resources to modify our products or services to **ensure compliance with** ~~address the privacy and security requirements of our members and~~ HIPAA. In addition to our obligations under HIPAA, there are other federal **and state** laws that include specific privacy and security obligations, above and beyond HIPAA, for certain types of health information and ~~impose~~ **/ or personally identifiable information and may expose us to** additional sanctions and penalties ~~. These rules are not preempted by HIPAA~~ . All 50 states, the District of Columbia, Guam, Puerto Rico and the Virgin Islands have enacted **various types of** legislation requiring **the protection of personally identifiable information and / or** notice to individuals of security breaches of **their identifiable** information ~~involving personal health information, which is not uniformly defined amongst the breach notification laws~~ . Organizations must review each state' s definitions, mandates and notification requirements and timelines to appropriately prepare and notify affected individuals and government agencies, including the attorney general in many states, in compliance with such state laws. Further, most states have enacted patient and / or beneficiary confidentiality laws that protect against the disclosure of confidential medical information, and many states have adopted or are considering adopting further legislation in this area, including privacy safeguards, security standards and special rules for so- called " sensitive " health information, such as mental health, genetic testing results, HIV status and biometric data. These state laws, if more stringent than HIPAA requirements, are not preempted by the federal requirements, and we are required to comply with them as well. The federal government also regulates the confidentiality of substance use disorder treatment records. These regulations, promulgated under 42 C. F. R. Part 2, apply to federally supported substance use disorder treatment programs and lawful holders of substance use disorder treatment records **that originated from** ~~as a result of an individual consenting to their disclosure to~~ such **programs** ~~record holders~~ . ~~We~~ **For some aspects of our business, we** may be considered a lawful holder of treatment records protected **under** 42 C. F. R. Part 2 and therefore have responsibilities to protect ~~such treatment records in ways that go beyond the HIPAA requirements. For example, we may be restricted from disclosing~~ substance use disorder treatment records in ~~response~~ **ways that go beyond the HIPAA requirements. States continue** to ~~requests from~~ **pass personal information privacy** ~~law~~ **laws** ~~enforcement agencies without first receiving a court order~~ **protecting its resident consumers' data and affording individual rights** , ~~or we may be prohibited from disclosing~~ such ~~records to~~ **as access, deletion and prevention of certain types of uses of** ~~third~~ - **their personally identifiable** ~~parties to whom we could typically disclose protected health~~ information ~~under HIPAA~~ . **These laws vary** ~~We may be required to develop additional policies and procedures to address the requirements of 42 C. F. R. Part 2 and more stringent~~ state ~~laws,~~ **- by- state** and **organizations must review each state** ~~we cannot guarantee that we have all such policies and procedures in place. On June 28, 2018, California passed the California Consumer Privacy Act (" CCPA "), which imposes material changes in data privacy regulation in response to consumer demand for better protection of personal data and privacy. CCPA imposes consumer protections that are comparable to the European Union~~ ' s **definitions** ~~General Data Protection Regulation (" GDPR ")~~ and **requirements to ensure compliance** ~~took effect on January 1, 2020~~ . **Currently** ~~In the wake of the CCPA' s passage~~ , **various** ~~approximately 22 other~~ states **, including California, Colorado, Connecticut, Indiana, Iowa, Montana, Tennessee, Texas, Utah and Virginia** have ~~either introduced, proposed or~~ passed **general** ~~similar privacy legislation. Virginia was the second state to create sweeping consumer data privacy protections through the passage of the Consumer Data Protection Act (" CDPA ") which will go into effect on January 1, 2023. On June 8, 2021, Colorado passed the Colorado Privacy Act (" CPA ") which will go into effect on July 1, 2023. These consumer~~ data privacy laws ~~are~~ **, while other states consider** similar ~~in nature~~ **bills.** ~~while~~ **While most** ~~maintaining specific unique requirements and definitions that require close analysis and application of each law to our business practices and related~~ data **accessed or used by Premier is governed**

by HIPAA and is therefore exempt from many ~~protections. Similar proposals are also being considered at the federal level. The CCPA, the most stringent~~ of the state **general** privacy laws, **various areas** ~~applies to a wide range~~ of ~~businesses~~ **Premier (such as marketing and human resources) may access or use data** that **may fall under one** ~~handle Californians' personal information and is not limited in scope to entities that have physical operations in California. It applies to for-~~ **or more** ~~-profit entities " doing business " in the~~ state **general** ~~that either: (i) have a gross annual revenue in excess of $ 25 million; or (ii) annually buy, receive for commercial purposes, sell or share for commercial purposes personal information of 50, 000 or more California consumers, households or devices; or, (iii) derive 50 % or more of their annual revenues from selling California consumers' personal information. CCPA broadens the definition of personal information to include data elements not previously considered under any U. S. law, and we believe that we have taken the steps necessary to comply with new requirements governing the collection, use and sharing of personal information, including updating the disclosures in our~~ privacy ~~notices, establishing processes for responding to consumer rights requests, observing restrictions on data monetization practices, revisiting relationships and, where necessary, revising our agreements with vendors that handle personal information on our behalf. Violations of the CCPA are subject to enforcement by the California Attorney General' s office, which can seek civil penalties of $ 2, 500 for each violation or $ 7, 500 for each intentional violation after notice and a 30- day opportunity to cure have been provided. Enforcement activities under the CCPA by the Attorney General became effective July 1, 2020. The implementation of GDPR on May 25, 2018, a regulation in European Union (" EU ") law~~ **laws** ~~on data protection and privacy for all individuals within the EU and the European Economic Area (" EEA "), can affect our obligations on the receipt, storage and use of personally identifiable information (Personal Data) attributed to individuals residing in the EU and EEA. GDPR applies to all enterprises, regardless of location, that are doing business in the EU, or that collect and analyze data tied to EU and EEA residents in connection with goods / services offered to such individuals. Some of our products and solutions are accessible internationally and such services collect Personal Data attributed to EU and EEA individuals when they engage in the use of our products and solutions. GDPR requires stringent technical and security controls surrounding the storage, use and disclosure of Personal Data, including the right to revoke consent to use, maintain, share or identify the individual through their Personal Data. GDPR is a regulation, not a directive; therefore, it does not require national governments to pass any enabling legislation and is directly binding and applicable. Sanctions under GDPR for violations of certain provisions range from a warning in writing to € 20 million or up to 4 % of the annual worldwide turnover of the preceding financial year for that organization, whichever is greater~~ . We are unable to predict what changes to HIPAA ~~, the GDPR, the CCPA, CDP, CPA~~ or other federal or state laws or regulations might be made in the future or how those changes could affect the demand for our products and services, our business or the associated costs of compliance. Failure to comply with any of the **international,** federal and state standards regarding ~~patient~~ **individuals' data rights** privacy, identity theft prevention and detection and data security may subject us to penalties, including civil monetary penalties and, in some circumstances, criminal penalties. In addition, such failure may materially injure our reputation and adversely affect our ability to retain ~~members~~ and attract new members **or customers** and, accordingly, adversely affect our financial performance. New requirements related to the interoperability of health information technology promulgated by the Office of the National Coordinator for Health Information Technology and enforced by the HHS Office of Inspector General could increase the costs of operation and expose us to civil government sanctions. On May 1, 2020, the Office of the National Coordinator (" ONC ") for Health Information Technology promulgated final regulations under the authority of the 21st Century Cures Act (" ONC Rules ") to impose new conditions to obtaining and maintaining certification of certified health information technology and prohibit certain actors- developers of certified health information technology, health information networks, health information exchanges and ~~health~~ **healthcare** ~~care~~ providers- from engaging in activities that are likely to interfere with the access, exchange or use of electronic health information (information blocking). The final regulations further defined exceptions for activities that are permissible, even though they may have the effect of interfering with the access, exchange or use of electronic health information. The information subject to the information blocking restrictions is limited to electronic individually identifiable health information to the extent that it would be included in a designated record set. Until October 6, 2022, the information subject to the information blocking restrictions is further limited to the data elements represented in the ~~United States~~ **U. S.** Core Data for Interoperability standard. Under the ONC Rules, we are considered a " health IT developer " because of the government certifications we hold in our TheraDoc and eCQM solutions. As such, we have evaluated and assessed the applicability of the ONC Rules to our TheraDoc and eCQM solutions, and we have determined that the ONC Rules currently do not apply to the data we hold on TheraDoc and eCQM solutions because the data is not part of any designated record set. Further, our customers contractually agree that the data that we maintain and process on behalf of our customers does not qualify as a designated record set. We will continue to assess our products and services to discern whether or not they fall under the purview of the ONC Rules. On ~~April 24~~ **June 27** , ~~2020~~ **2023** , the HHS Office of Inspector General ~~published~~ **posted** a ~~proposed~~ **final** rule to incorporate its new civil monetary penalty authority for activities that constitute information blocking. ~~When finalized~~ **Once effective** , the HHS Office of Inspector General may impose information blocking penalties against developers of certified health information technology, health information networks or health information exchanges of up to $ 1 million per violation. The HHS Office of Inspector General **' s** ~~proposed that its~~ civil monetary penalty authority for information blocking will begin 60 days after **the** ~~it issues a~~ final rule **is published** ~~and has indicated that it intends to issue a final rule~~ in ~~September 2022~~ **the Federal Register** . Any application of ONC Rules or similar regulations to our business could adversely affect our financial results by increasing our operating costs, slowing our time to market for our solutions, and making it uneconomical to offer some products. If we become subject to regulation by the Food and Drug Administration because the functionality in one or more of our software applications causes the software to be regulated as a medical device, our financial results may be adversely impacted due to increased operating costs or delayed commercialization of regulated software products. The Food and Drug Administration (" FDA ") has the authority to regulate products that meet the definition of a medical device under the Federal Food, Drug, and Cosmetic Act. To the extent that

functionality or intended use in one or more of our current or future software products causes the software to be regulated as a medical device under existing or future FDA laws or regulations **,** including the 21st Century Cures Act, which addresses, among other issues, the patient safety concerns generated by cybersecurity risks to medical devices and the interoperability between medical devices, we could be required to: • register our company and list our FDA- regulated products with the FDA; • obtain pre- market clearance from the FDA based on demonstration of substantial equivalence to a legally marketed device before marketing our regulated products **or** ~~; •~~ obtain FDA approval by demonstrating the safety and effectiveness of the regulated products prior to marketing; • submit to inspections by the FDA; and • comply with various FDA regulations, including the agency' s quality system regulation, compliant handling and medical device reporting regulations, requirements for medical device modifications, increased rigor of the secure development life cycle in the development of medical devices and the interoperability of medical devices and electronic health records, requirements for clinical investigations, corrections and removal reporting regulations, and post- market surveillance regulations. The FDA can impose extensive requirements governing pre- and post- market activities, such as clinical investigations involving the use of a regulated product, as well as conditions relating to clearance or approval, labeling and manufacturing of a regulated product. In addition, the FDA can impose extensive requirements governing development controls and quality assurance processes. Any application of FDA regulations to our business could adversely affect our financial results by increasing our operating costs, slowing our time to market for regulated software products, subjecting us to additional government oversight and regulatory inspections and making it uneconomical to offer some software products. We are subject to litigation from time to time, which could have a material adverse effect on our business, financial condition and results of operations. We participate in businesses and activities that are subject to substantial litigation. We are from time to time involved in litigation, which may include claims relating to contractual disputes, product liability, torts or personal injury, employment, antitrust, intellectual property or other commercial or regulatory matters. Additionally, if current or future government regulations are interpreted or enforced in a manner adverse to us or our business, specifically those with respect to antitrust or healthcare laws, we may be subject to enforcement actions, penalties, damages and other material limitations on our business. Furthermore, as a public company, we may become subject to stockholder inspection demands under Delaware law, and derivative or other similar litigation that can be expensive, divert human and financial capital to less productive uses, and ~~result in potential reputational damage~~ **benefit a limited number of stockholders rather than stockholders at large** . The August 2020 Restructuring resulted in (i) the announcement of several investigations by private law firms of possible securities law violations; (ii) stockholder inspection demands seeking to investigate possible breaches of fiduciary duties; and (iii) the filing of a ~~shareholder~~ **stockholder** derivative complaint on March 4, 2022, captioned City of Warren General Employees' Retirement System v. Michael Alkire, et al., Case No. 2022- 0207- JTL. The complaint, purportedly brought on behalf of Premier, was filed in the Delaware Court of Chancery against our current and former Chief Executive Officers and current and certain former directors. We are named as a nominal defendant in the complaint. The lawsuit alleges that the named officers and directors breached their fiduciary duties and committed corporate waste by approving agreements between Premier and certain of the former LPs that provided for accelerated payments as consideration for the early termination of the tax receivable agreement (" TRA ") with such LPs. (See " Item 3. Legal Proceedings "). ~~In the event~~ **The complaint asserts** that the **aggregate early termination payment amounts of $ 473. 5 million exceeded the alleged value of the tax assets underlying the TRA by approximately $ 225. 0 million. The complaint seeks unspecified damages, costs and expenses, including attorney fees, and declaratory and other equitable relief. Since the lawsuit is purportedly brought on behalf of Premier, and we are only a nominal defendant, the alleged damages were allegedly suffered by us. The** City of Warren General Employees' Retirement System case, or any ~~of the~~ other matters referenced above that ~~results~~ - **result** in formal litigation, ~~ultimately result in an adverse judgment, we~~ may ~~experience~~ **have** an adverse impact on our financial condition **, reputation** , results of operations or stock price. From time to time, we have been named as a defendant in class action antitrust lawsuits brought by suppliers or purchasers of medical products. Typically, these lawsuits have alleged the existence of a conspiracy among manufacturers of competing products, distributors and / or operators of GPOs, including us, to deny the plaintiff access to a market for certain products, to raise the prices for products and / or to limit the plaintiff' s choice of products to buy. No assurance can be given that we will not be subjected to similar actions in the future or that any such existing or future matters will be resolved in a manner satisfactory to us or which will not harm our business, financial condition or results of operations. We may become subject to additional litigation or governmental investigations in the future. These claims may result in material defense costs or may compel us to pay material fines, judgments or settlements, which, if uninsured, could have a material adverse effect on our business, financial condition, results of operations and cash flows. In addition, certain litigation matters could adversely impact our commercial reputation, which is critical for attracting and retaining customers, suppliers and member participation in our GPO programs. Further, stockholder and other litigation may result in adverse investor perception of our company, negatively impact our stock price and increase our cost of capital. Failure to protect our intellectual property and claims against our use of the intellectual property of third parties could cause us to incur unanticipated expense and prevent us from providing our products and services, which could adversely affect our business, financial condition and results of operations. Our success depends in part upon our ability to protect our core technology and intellectual property. To accomplish this, we rely on a combination of intellectual property rights, including trade secrets, copyrights and trademarks, as well as customary contractual and confidentiality protections and internal policies applicable to employees, contractors, members and business partners. These protections may not be adequate, however, and we cannot assure you that they will prevent misappropriation of our intellectual property. In addition, parties that gain access to our intellectual property might fail to comply with the terms of our agreements and policies and we may not be able to enforce our rights adequately against these parties. The disclosure to, or independent development by, a competitor of any trade secret, know- how or other technology not protected by a patent could materially and adversely affect any competitive advantage we may have over such competitor. The process of enforcing our intellectual property rights through legal

proceedings would likely be burdensome and expensive and our ultimate success cannot be assured. Our failure to adequately protect our intellectual property and proprietary rights could adversely affect our business, financial condition and results of operations. In addition, we could be subject to claims of intellectual property infringement, misappropriation or other intellectual property violations as our applications' functionalities overlap with competitive products, and third parties may claim that we do not own or have rights to use all intellectual property used in the conduct of our business or acquired by us. We could incur substantial costs and diversion of management resources defending any such claims. Furthermore, a party making a claim against us could secure a judgment awarding substantial damages as well as injunctive or other equitable relief that could effectively block our ability to provide products or services. Such claims also might require indemnification of our members at material expense. A number of our contracts with our members contain indemnity provisions whereby we indemnify them against certain losses that may arise from third- party claims that are brought in connection with the use of our products. Our exposure to risks associated with the protection and use of intellectual property may be increased as a result of acquisitions, as we have limited visibility into the development process of acquired entities or businesses with respect to their technology or the care taken by acquired entities or businesses to safeguard against infringement risks. In addition, third parties may make infringement and similar or related claims after we have acquired technology that had not been asserted prior to our acquisition thereof. If we are required to collect sales and use taxes on the products and services we sell in certain jurisdictions or online, we may be subject to tax liability for past sales, future sales may decrease and our financial condition may be materially and adversely affected. Sales tax is currently not imposed on the administrative fees we collect in connection with our GPO programs. If sales tax were imposed in the future on such fees, the profitability of our GPO programs may be materially and adversely affected. Rules and regulations applicable to sales and use tax vary materially by tax jurisdiction. In addition, the applicability of these rules given the nature of our products and services is subject to change. We may lose sales or incur material costs should various tax jurisdictions be successful in imposing sales and use taxes on a broader range of products and services than those currently so taxed, including products and services sold online. A successful assertion by one or more taxing authorities that we should collect sales or other taxes on the sale of our solutions could result in substantial tax liabilities for past and future sales, decrease our ability to compete and otherwise harm our business. If one or more taxing authorities determines that taxes should have, but have not, been paid with respect to our products and services, including products and services sold online, we may be liable for past taxes in addition to taxes going forward. Liability for past taxes may also include very substantial interest and penalty charges. If we are required to collect and pay back taxes (and the associated interest and penalties) and if our members fail or refuse to reimburse us for all or a portion of these amounts, we will have incurred unplanned costs that may be substantial. Moreover, imposition of such taxes on our services going forward will effectively increase the cost of such services to our members and may adversely affect our ability to retain existing members or to gain new members in the areas in which such taxes are imposed. Changes in tax laws could materially impact our effective tax rate, income tax expense, anticipated tax benefits, deferred tax assets, cash flows and profitability. Continued economic and political conditions in the ~~United States~~ **U. S.** could result in changes in U. S. tax laws beyond those enacted in connection with the TCJA on December 22, 2017 and the Coronavirus Aid, Relief, and Economic Security Act (" CARES ") on March 27, 2020. Further changes to U. S. tax laws could impact how U. S. corporations are taxed. Although we cannot predict whether or in what form such changes will pass, if enacted into law, they could have a material impact on our effective tax rate, income tax expense, ability to fully realize anticipated tax benefits that correspond to our fixed payment obligations associated with the acceleration of our TRA, deferred tax assets, results of operations, cash flows and profitability. A loss of a major tax dispute could result in a higher tax rate on our earnings, which could result in a material adverse effect on our financial condition and results of operations. Income tax returns that we file are subject to review and examination. We recognize the benefit of income tax positions we believe are more likely than not to be sustained upon challenge by a tax authority. If any tax authority successfully challenges our positions or if we lose a material tax dispute, our effective tax rate on our earnings could increase substantially and result in a material adverse effect on our financial condition. Risks Related to Our Corporate Structure Payments required under the Unit Exchange and Tax Receivable Acceleration Agreements will reduce the amount of overall cash flow that would otherwise be available to us. In addition, we may not be able to realize all or a portion of the expected tax benefits that correspond to our fixed payment obligations associated with the acceleration of our TRA. We entered into Unit Exchange and Tax Receivable Acceleration Agreements, effective as of July 1, 2020 (the " Unit Exchange Agreements "), with a substantial majority of our member- owners. Pursuant to the terms of the Unit Exchange Agreements, we elected to terminate the TRA upon payment to the member- owners of the discounted present value of the tax benefit payments otherwise owed to them over a 15- year period under the TRA. As a result of the acceleration and termination of the TRA, we are obligated to pay our member- owners approximately $ 472. 6 million in aggregate. Of that amount, an aggregate of $ ~~299~~ **201** . ~~0~~ **2** million remains payable in equal quarterly installments through the quarter ending June 30, 2025. Due to the payments required under the Unit Exchange Agreements, our overall cash flow and discretionary funds will be reduced, which may limit our ability to execute our business strategies or deploy capital for preferred use. In addition, if we do not have available capital on hand or access to adequate funds to make these required payments, our financial condition would be materially adversely impacted. The payments required upon termination of the TRA are based upon the present value of all forecasted future payments that would have otherwise been made under the TRA. These payments are fixed obligations of ours and could ultimately exceed the actual tax benefits that we realize. Additionally, if our actual taxable income were insufficient or there were adverse changes in applicable law or regulations, we may be unable to realize all or a portion of these expected benefits and our cash flows and stockholders' equity could be negatively affected. Our certificate of incorporation and bylaws and provisions of Delaware law may discourage or prevent strategic transactions, including a takeover of our company, even if such a transaction would be beneficial to our stockholders. Provisions contained in our certificate of incorporation and bylaws and provisions of the Delaware General Corporation Law, or DGCL, could delay or prevent a third party from entering into a strategic transaction

with us, even if such a transaction would benefit our stockholders. For example, our certificate of incorporation and bylaws: • divide our Board of Directors into three classes with staggered three- year terms, which may delay or prevent a change of our management or a change in control; • authorize our Board of Directors to issue " blank check " preferred stock in order to increase the aggregate number of outstanding shares of capital stock and thereby make a takeover more difficult and expensive; • do not permit cumulative voting in the election of directors, which would otherwise allow less than a majority of stockholders to elect director candidates; • do not permit stockholders to take action by written consent; • provide that special meetings of the stockholders may be called only by or at the direction of the Board of Directors, the chair of our Board or the chief executive officer; • require advance notice to be given by stockholders of any stockholder proposals or director nominees; • require a super- majority vote of the stockholders to amend our certificate of incorporation; and • allow our Board of Directors to make, alter or repeal our bylaws but only allow stockholders to amend our bylaws upon the approval of 662 / 3 % or more of the voting power of all of the outstanding shares of our capital stock entitled to vote. In addition, we are subject to the provisions of Section 203 of the DGCL which limits, subject to certain exceptions, the right of a corporation to engage in a business combination with a holder of 15 % or more of the corporation' s outstanding voting securities or certain affiliated persons. These restrictions could limit stockholder value by impeding the sale of our company and discouraging potential takeover attempts that might otherwise be financially beneficial to our stockholders. Risks Related to Our **Capital Structure, Liquidity and** Class A Common Stock contracts,especially those involving our larger member relationships;• the amount and timing of costs related to the maintenance and expansion of our business,operations and infrastructure;• the amount and timing of costs related to the development,adaptation,acquisition,or integration of acquired technologies or businesses;• the financial condition of our current and potential new members;• general economic and market conditions and economic conditions specific to the healthcare industry;and • the impact of ~~potential pandemics,epidemics or public health emergencies,including the~~ COVID- 19 ~~pandemic~~ and **future pandemics** ~~any variants,~~ on the economy and healthcare industry.Our quarterly results of operations may vary materially in the future and period- to- period comparisons of our results of operations may not be meaningful **.You should not rely on the results of one quarter as an** If we fail to maintain an effective system of integrated internal controls, we may not be able to report our financial results accurately, we may determine that our prior financial statements are not reliable, or we may be required to expend material financial and personnel resources to remediate any weaknesses, any of which could have a material adverse effect on our business, financial condition and results of operations. Ensuring that we have adequate internal financial and accounting controls and procedures in place so that we can produce accurate financial statements on a timely basis is a costly and time- consuming effort that needs to be evaluated frequently. Section 404 of the Sarbanes- Oxley Act requires public companies to conduct an annual review and evaluation of their internal controls and attestations of the effectiveness of internal controls by independent auditors. Maintaining effective internal controls has been and will continue to be costly and may divert management' s attention. We have identified material weaknesses in our internal controls over financial reporting in the past. Our future evaluation of our internal controls over financial reporting may identify additional material weaknesses that may cause us to (i) be unable to report our financial information on a timely basis or (ii) determine that our previously issued financial statements should no longer be relied upon because of a material error in such financial statements, and thereby result in adverse regulatory consequences, including sanctions by the SEC, violations of NASDAQ listing rules or stockholder litigation. In the event that we identify a material weakness in our internal control over financial reporting, we may need to amend previously reported financial statements and will be required to implement a remediation plan to address the identified weakness, which will likely result in our expending material financial and personnel resources to remediate the identified weakness. There also could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements. Confidence in the reliability of our financial statements also could suffer if we or our independent registered public accounting firm were to report a material weakness in our internal controls over financial reporting. The occurrence of any of these events could materially adversely affect our business, financial condition and results of operations and could also lead to a decline in the price of our Class A common stock. There can be no assurance we will pay dividends on our Class A common stock at current levels or at all, and failure to pay any such dividends could have a material adverse impact on our stock price and your investment in Premier. Since September 2020, we have paid quarterly cash dividends on our Class A common stock. The continued payment of dividends and the rate of any such dividends will be at the discretion of our Board of Directors after taking into account various factors, including our business, operating results and financial condition, current and anticipated capital requirements and cash needs, plans for expansion and any legal or contractual limitations on our ability to pay dividends. If we cease paying dividends, we could experience a material adverse impact on our stock price and your investment may materially decline, and as a result, capital appreciation in the price of our Class A common stock, if any, may be your only source of gain on an investment in our Class A common stock. Our future issuance of common stock, preferred stock, limited partnership units or debt securities could have a dilutive effect on our common stockholders and adversely affect the market value of our Class A common stock. In the future, we could issue a material number of shares of Class A common stock, which could dilute our existing stockholders materially and have a material adverse effect on the market price for the shares of our Class A common stock. Furthermore, the future issuance of shares of preferred stock with voting rights may adversely affect the voting power of our common stockholders, either by diluting the voting power of our common stock if the preferred stock votes together with the common stock as a single class or by giving the holders of any such preferred stock the right to block an action on which they have a separate class vote even if the action were approved by the holders of our common stock. The future issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely affect the market price for our Class A common stock by making an investment in the Class A common stock less attractive. In addition to potential equity issuances described above, we also may issue debt securities that would rank senior to shares of our Class A common stock. Upon our liquidation, holders of our preferred shares, if any, and debt securities and instruments will receive a distribution of our available

assets before holders of shares of our Class A common stock. We are not required to offer any such additional debt or equity securities to existing stockholders on a preemptive basis. Therefore, additional issuances of our Class A common stock, directly or through convertible or exchangeable securities, warrants or options, will dilute the holders of shares of our existing Class A common stock and such issuances, or the anticipation of such issuances, may reduce the market price of shares of our Class A common stock. Any preferred shares, if issued, would likely have a preference on distribution payments, periodically or upon liquidation, which could limit our ability to make distributions to holders of shares of our Class A common stock. Because our decision to issue debt or equity securities or otherwise incur debt in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future capital raising efforts.