

Risk Factors Comparison 2025-02-27 to 2024-02-23 Form: 10-K

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Our business is subject to a number of risks and uncertainties, including those risks discussed at length below. These risks include, among others, the following: • our history of losses and accumulated deficit and the risk that we may not achieve profitability; • risk of the loss of any of our significant Clients or partners, or the loss of a significant number of members or BetterHelp users; • **our ability to compete successfully in competitive markets, including implementing effective solutions that meet the expectations of our Clients and members;** • failures of our ~~cyber-~~ **or our vendors' security-cybersecurity** measures that expose the confidential information of us, our Clients or members; • ~~compliance-~~ **our ability to operate in the heavily regulated healthcare industry, and comply** with regulations concerning data privacy, including personally identifiable information and personal health information; • our ability to recruit, retain and develop our workforce, and in particular software engineers, **as well as a network of qualified providers**; • our ability to obtain additional capital through debt or equity financings on commercially reasonable terms or at all; ~~• evolving government regulations and our ability to stay abreast of new or modified laws and regulations that currently apply or become applicable to our business;~~ • **our ability to operate in the heavily regulated healthcare industry;** • ongoing legal challenges to, or new actions against, our business model, or the failure of the virtual care market to continue to develop; • risks associated with a decrease in the number of individuals offered benefits by our Clients or the number of products and services to which they subscribe; • rapid technological change in the virtual care market or the failure to innovate and develop new applications and services that are adopted; • our expectations and management of ~~future~~ **potential** growth, including our ability to introduce new products, **markets** and any change in product mix that impacts our profitability; • our ability to establish and maintain strategic relationships with third parties; • our ~~ability to recruit and retain a network of qualified providers;~~ • our dependence on a limited number of third-party suppliers for timely access to materials, and the risk of supply chain disruptions or further cost inflation; ~~• our ability to compete successfully in competitive markets;~~ • our level of indebtedness and our ability to fund debt obligations and comply with covenants in our debt instruments; • our dependence on our relationships with affiliated professional entities; • risks specifically related to our ability to operate in competitive international markets and comply with complex non- U. S. legal requirements; • the potential for future non- cash charges for the impairment of goodwill and other intangible assets; • **current and potential future** risk that ~~we may be subject to legal proceedings against us and that~~ the insurance we maintain may not fully cover all potential exposures; and • our ability to integrate acquired businesses and achieve fully the strategic and financial objectives related thereto, and their impact on our financial condition and results of operations.

Risks Related to Our Financial Position We have a history of cumulative losses, which we expect to continue, and we may never achieve or sustain profitability. We have incurred significant losses in each period since our inception. We incurred net losses of **\$ 1, 001. 2 million and \$ 220. 4 million and \$ 13, 659. 5 million** for the years ended December 31, **2024 and 2023 and 2022**, respectively. The net loss for the year **ended** December 31, ~~2022-2024~~ included **a non- cash goodwill impairment charges- charge** of **\$ 790 13, 402. 8 0** million as discussed further below. As of December 31, ~~2023-2024~~, we had an accumulated deficit of **\$ 15-16, 228 229. 7 9** million. These losses and accumulated deficit reflect the large non- cash impairment ~~charges-~~ **charge** for our goodwill and the substantial investments we have made to expand our business and scope of services, acquire new Clients and members, build our proprietary network of healthcare providers, and develop our technology platform. ~~We intend to continue scaling our business to increase our Client, member, and provider bases, broaden the scope of services we offer, and expand our applications of technology through which members can access our services. Accordingly, we anticipate that cost of revenue (exclusive of depreciation and amortization, which are shown separately) and operating expenses may continue to increase depending on our performance and our ability to fund these investments in line with our strategic goals. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses.~~ We cannot assure you that we will achieve profitability in the future or that, if we do become profitable, we will be able to sustain or increase profitability. Our prior losses, combined with our expected future losses, have had and will continue to have an adverse effect on our stockholders' equity and working capital. As a result of these factors and cash flow needs, we may need to raise additional capital through debt or equity financings to fund our operations, and such capital may not be available on reasonable terms, if at all. A significant portion of our revenue comes from a limited number of Clients, the loss of which could have a material adverse effect on our business, financial condition and results of operations. Historically, we have relied on a limited number of Clients for a substantial portion of our total revenue. For the years ended December 31, **2024 and 2023 and 2022**, our top five Clients by revenue accounted for **18 % and 19 % and 20 %** of our total revenue, respectively, **and 31 % and 34 %** of our Integrated Care segment revenue, **respectively. In addition, certain health plans that have historically promoted our services to our employer Clients have developed, and may in the future continue to develop, solutions that replicate our services for- or both periods offer competitive services at discounted prices to our current or prospective Clients, which could result in a loss of Clients, including our largest Clients.** The loss of any of our key Clients, or a failure of some of them to renew or expand their relationships with us, could have a significant impact on the growth rate of our revenue, profitability, and our reputation. In addition, mergers and acquisitions involving our Clients could lead to cancellation or non- renewal of our contracts with those Clients or by the acquiring or combining companies, thereby reducing the number of our existing and potential Clients and members. We may incur additional non- cash impairment charges for our goodwill or **incur** non- cash impairment charges for our other intangible assets which would negatively impact our operating results. Goodwill represents the excess of the total purchase consideration over the fair value of the identifiable assets acquired and liabilities assumed in a

business combination. Goodwill is not amortized but is tested for impairment at the reporting unit level annually on October 1 or more frequently if events or changes in circumstances indicate that it is more likely than not to be impaired. These events include: (i) severe adverse industry or economic trends; (ii) significant company- specific actions, including exiting an activity in conjunction with restructuring of operations; (iii) current, historical or projected deterioration of our financial performance; or (iv) a sustained decrease in our market capitalization, as indicated by our publicly quoted share price. As **a result of sustained decreases in our publicly quoted share price and market capitalization as well as changes in the operating results of the BetterHelp reporting unit, we conducted an interim test of our goodwill, definite- lived intangibles, and other long- lived assets at June 30, 2024. Following this test, we did not identify an impairment to our definite- lived intangible assets or other long- lived assets, but recorded a \$ 790. 0 million non- deductible, non- cash goodwill impairment charge for the three months ended June 30, 2024.** As of December 31, 2023-2024, our balance of definitive- lived intangible assets, net was \$ 1. 7-4 billion and goodwill, all of which **relates to** was carried by the BetterHelp segment, was **\$ 0. 3 billion. On October 1 - 1 billion, 2024, we performed our annual Goodwill-goodwill represents impairment test and determined that, while the there was a significant excess of the total purchase consideration over the BetterHelp reporting unit' s fair value of over its carrying value, the identifiable assets acquired and liabilities assumed in a Integrated Care reporting unit' s fair value was less than its carrying value. If we complete any acquisitions of business-businesses combination. In that would be included in the Integrated Care reporting unit, including the acquisition of Catapult Health, LLC (" Catapult Health "), some or all of any goodwill associated with the acquisition could be subject to an immediate impairment depending on the Integrated Care segment' s the then year ended December 31, 2022, the Company recognized a series of non- current fair value deductible goodwill impairments totaling \$ 13. 4 billion.** In the event there are further adverse changes in our projected cash flows and / or further changes in key assumptions, including but not limited to an increase in the discount rate, **lower market multiples**, lower revenue growth, lower margin, and / or a lower terminal growth rate, we may be required to record additional non- cash impairment charges to our goodwill or other intangibles and / or long- lived assets. Such non- cash charges could have a material adverse effect on our consolidated statements of operations and balance sheets in the reporting period of the charge. For additional information, see Note 6." Goodwill" to the consolidated financial statements. Risks Related to Our Business and Industry The virtual care market is developing and volatile, and if it does not continue to develop, if it develops more slowly than we expect, if it encounters negative publicity, or if our solutions do not drive member engagement, the growth of our business will be harmed. The virtual care market **continues to develop** is relatively new and unproven, and it is uncertain whether it will continue to achieve and sustain high levels of demand, consumer acceptance, and market adoption. The COVID- 19 pandemic increased utilization of virtual care services, but it is uncertain whether such increase in demand will continue in the long- term. Our success will depend to a substantial extent on the willingness of our members to use, and to increase the frequency and extent of their utilization of, our solutions, as well as on our ability to continue to demonstrate the value of virtual care to employers, health plans, government agencies, and other purchasers of healthcare for beneficiaries. Negative publicity concerning our solutions, or the virtual care market as a whole, could limit market acceptance of our solutions. If our Clients or members do not perceive the benefits of our solutions, or if our solutions do not drive member engagement, then our market may not continue to develop, or it may develop more slowly than we expect. Similarly, individual and healthcare industry concerns or negative publicity regarding patient confidentiality and privacy in the context of virtual care could limit market acceptance of our healthcare services. If any of these events occurs, it could have a material adverse effect on our business, financial condition, and results of operations. The impact of potential changes in the healthcare industry and in healthcare spending is currently unknown, but may adversely affect our business, financial condition, and results of operations. Our revenue is dependent on the healthcare industry and could be affected by changes in healthcare spending and policy. The healthcare industry is subject to changing political, regulatory, and other influences. The Patient Protection and Affordable Care Act (" PPACA ") made major changes in how healthcare is delivered and reimbursed, and increased access to health insurance benefits to the uninsured and underinsured population of the U. S. PPACA, among other things, increased the number of individuals with Medicaid and private insurance coverage, implemented reimbursement policies that tie payment to quality, facilitated the creation of accountable care organizations that may use capitation and other alternative payment methodologies, strengthened enforcement of fraud, waste, and abuse laws, and encouraged the use of information technology. Other legislative changes have been proposed and adopted since the PPACA was enacted. These changes include aggregate reductions to Medicare payments to providers of up to 2 % per fiscal year pursuant to the Budget Control Act of 2011 and subsequent laws, which began in 2013 and due to subsequent legislative amendments, will stay in effect through 2030. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers, and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. New laws may result in additional reductions in Medicare and other healthcare funding, which may materially adversely affect Client and member demand and affordability for our solutions and, accordingly, our business, financial condition, and results of operations. Additional changes that may affect our business include the expansion of new programs such as Medicare payment for performance initiatives for physicians under the Medicare Access and CHIP Reauthorization Act of 2015, which first affected physician payment in 2019. At this time, it is unclear how the introduction of the Medicare quality payment program will impact overall physician reimbursement. Such changes in the regulatory environment may also result in changes to our payor mix that may affect our operations and revenue. Further, the PPACA may adversely affect payors by increasing medical costs generally, which could have an effect on the industry and potentially impact our business and revenue as payors seek to offset these increases by reducing costs in other areas. Certain of these provisions are still being implemented and the full impact of these changes on us cannot be determined at this time. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments and other third- party payors will

pay for healthcare products and services, which could adversely affect our business, financial condition, and results of operations. We operate in a competitive industry, and if we are not able to compete effectively, our business, financial condition, and results of operations will be harmed. The virtual care market is competitive, and we expect it to continue to attract increased competition, which could make it difficult for us to succeed. We currently face competition in the virtual care industry for our solutions from a range of companies, including specialized software and solution providers that offer competitive solutions, often at substantially lower prices, and that are continuing to develop additional products and becoming more sophisticated and effective. Aside from other competing virtual care companies and smaller industry participants, we also face competition from companies that offer solutions for mental health and management of chronic conditions, and enterprise companies who are focused on or may enter the healthcare industry, including initiatives and partnerships launched by these large companies. In addition, large, well-financed health plans, technology companies and retailers have in some cases developed or acquired their own tools and may provide these solutions to their customers at discounted prices. Competition from these parties **may result in a loss of Clients and** will result in continued pricing pressures, which is likely to lead to price declines in certain product segments, which could negatively impact our sales, profitability, and market share. Increased competition has also resulted in elongated sales cycles for certain products, including chronic condition management solutions, which may continue to reduce our growth and could negatively impact our sales, profitability, and market share. Some of our competitors may have, or new competitors or alliances may emerge that have, greater name recognition, a larger customer base, longer operating histories, more widely adopted proprietary technologies, greater marketing expertise, larger sales forces, and significantly greater resources than we do. Further, our current or potential competitors may be acquired by third parties with greater available resources. As a result, our competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, or customer requirements and may have the ability to initiate or withstand substantial price competition. **Any further consolidation in the virtual care market may exert downward pressure on prices of our products and services and may have a material adverse impact on our business, financial condition, or results of operations.** In addition, current and potential competitors have established, and may in the future establish, cooperative relationships with vendors of complementary products, technologies, or services to increase the availability of their solutions in the marketplace. Our competitors could also be better positioned to serve certain segments of our markets, which could create additional price pressure. In light of these factors, even if our solutions are more effective than those of our competitors, current or potential Clients or members may accept competitive solutions in lieu of purchasing our solutions. If we are unable to successfully compete, our business, financial condition, and results of operations would be materially adversely affected. If our existing Clients do not continue or renew their contracts with us, renew at lower fee levels, or decline to purchase additional applications and services from us, or if our individual members do not renew their purchase of our solutions, it could have a material adverse effect on our business, financial condition, and results of operations. We expect to derive a significant portion of our revenue from the renewal of existing Client contracts and sales of additional applications and services to existing Clients. As part of our growth strategy, for instance, we have focused on expanding our services amongst current Clients. As a result, selling additional applications and services are critical to our future business, revenue growth, and results of operations. Factors that may affect our ability to sell additional applications and services include, but are not limited to, the following: • the price, performance, and functionality of our solutions; • the availability, price, performance, and functionality of competing solutions; • our ability to develop and sell complementary applications and services; • the stability, performance, and security of our products and solutions; • our ability to effectively fulfill our obligations to our Clients and members, including certain supply-chain functions that are performed in-house; • changes in healthcare laws, regulations, or trends; and • the business environment of our Clients and, in particular, any headcount reductions by our Clients. We generally enter into **contracts with our Clients for a subscription access or Clients-usage fee**. Most of our Clients have no obligation to renew their **subscriptions contracts** for our solutions after the initial term expires. In addition, our Clients may negotiate terms less advantageous to us upon renewal, which may reduce our revenue from these Clients. Our future results of operations also depend, in part, on our ability to expand into new clinical specialties and across care settings and use cases. If our Clients fail to renew their contracts, renew their contracts upon less favorable terms or at lower fee levels, or fail to purchase new products and services from us, our revenue may decline, or our future revenue growth and profitability may be constrained. In addition, after the initial term, a significant number of our Client contracts allow Clients to terminate such agreements for convenience at certain times, typically with ~~one to~~ three months advance notice. We typically incur the expenses associated with integrating a Client's data into our healthcare database and related training and support prior to recognizing meaningful revenue from such Client. Access **fee** revenue is not recognized until our products are implemented for launch. If a Client terminates its contract early and revenue and cash flows expected from a Client are not realized in the time period expected or not realized at all, our business, financial condition, and results of operations could be adversely affected. Similarly, individual members who utilize our BetterHelp services have no obligation to renew their subscriptions, **and the number of BetterHelp paying users has been declining in recent periods. In 2024, BetterHelp paying users decreased by 11 % to 0.41 million**. Failure of ~~such members~~ **additional BetterHelp paying users** to renew their subscriptions could cause the revenue of our BetterHelp segment to **further** decline or constrain **any** future growth. Failure to successfully execute on the terms of our contracts could result in significant harm to our business. Our ability to grow and expand our business is contingent upon our ability to achieve desired performance metrics, cost savings, and / or clinical outcomes improvements under our existing contracts and to favorably resolve contract billing and interpretation issues with our Clients. The healthcare industry has ~~recently~~ shifted toward value-based care, and increasingly our contracts place a portion of our fees at risk or provide for gain share opportunity based on achieving such metrics, savings, and / or improvements. We cannot guarantee that we will achieve and reach mutual agreement with Clients with respect to contractually required performance metrics, cost savings and / or clinical outcomes improvements under our contracts within the expected time frames. Unusual and unforeseen patterns of healthcare utilization by individuals with diseases

or conditions for which we provide services could adversely affect our ability to achieve desired performance metrics, cost savings, and clinical outcomes. Our inability to meet or exceed the targets under our Client contracts could have a material adverse effect on our business, financial condition and results of operations. Also, our ability to provide financial guidance with respect to performance- based contracts is contingent upon our ability to accurately forecast variables that affect performance and the timing of revenue recognition under the terms of our contracts ahead of data collection and reconciliation. In addition, certain of our contracts are increasing in complexity, requiring integration of data, systems, people, programs and services, the execution of sophisticated business activities, and the delivery of a broad array of services to large numbers of people who may be geographically dispersed. The failure to successfully manage and execute the terms of these agreements could result in the loss of fees and / or contracts and could adversely affect our business and results of operations. If the number of individuals covered by our employer, health plan, and other Clients decreases, or the number of applications or services to which they subscribe decreases, our revenue will likely decrease. Under most of our Client contracts, we base our fees on the number of individuals to whom our Clients provide benefits and the number of applications or services subscribed to by our Clients. Many factors may lead to a decrease in the number of individuals covered by our Clients and the number of applications or services subscribed to by our Clients, including, but not limited to, the following: • failure of our Clients to adopt or maintain effective business practices; • changes in the nature or operations of our Clients; • government regulations; and • increased competition or other changes in the benefits marketplace. The number of individuals employed by some of our Clients has decreased, and the number of individuals employed by our Clients may in the future decrease, as a result of economic conditions **or other factors**, which could negatively impact our revenue. If the number of individuals covered by our employer, health plan and other Clients decreases, or the number of applications or services to which they subscribe decreases, for any reason, our revenue will likely **decrease. Similarly, if the engagement of our members with our usage- based services decreases, our revenue could** decrease. We incur significant upfront costs in our Client relationships, and if we are unable to maintain and grow these Client relationships over time, we are likely to fail to recover these costs, which could have a material adverse effect on our business, financial condition and results of operations. We derive most of our revenue from access fees. Accordingly, our business model depends heavily on achieving economies of scale because our initial upfront investment is costly, and the associated revenue is recognized on a ratable basis. We devote significant resources to establish relationships with our Clients and implement our solutions and related services, and Clients often request or require specific features or functions unique to their particular business processes. Accordingly, our results of operations will depend in substantial part on our ability to deliver a successful experience for both Clients and members and persuade our Clients to maintain and grow their relationship with us over time. Additionally, as our business is growing significantly, our Client acquisition costs could outpace our build- up of recurring revenue, and we may be unable to reduce our total operating costs through economies of scale such that we are unable to achieve profitability. If we fail to achieve appropriate economies of scale or if we fail to manage or anticipate the evolution and in future periods, demand, of the access fee model, our business, financial condition, and results of operations could be materially adversely affected. If our applications and services are not adopted by our Clients or members, or if we fail to innovate and develop new applications and services that are adopted by our Clients or members, our revenue and results of operations will be adversely affected. Our longer- term results of operations and ~~continued~~ **any** growth will depend in part on our ability to successfully develop and market new applications and services that our Clients and members want and are willing to purchase. In addition, we have invested, and will continue to invest, significant resources in research and development and acquisitions to enhance our existing solutions and introduce new high- quality applications and services. If existing Clients are not willing to make additional payments for such new applications, or if new Clients and members do not value such new applications, it could have a material adverse effect on our business, financial condition, and results of operations. If we are unable to predict user preferences or if our industry changes, or if we are unable to modify our solutions and services on a timely basis, we may lose Clients or members. Our results of operations would also suffer if our innovations are not responsive to the needs of our Clients and members, appropriately timed with market opportunity, or effectively brought to market. Rapid technological change in our industry and the interoperability with third- party technologies presents us with significant risks and challenges. The virtual care market is characterized by rapid technological change, changing consumer requirements, short product lifecycles, and evolving industry standards. Our success will depend on our ability to enhance our solutions with next- generation technologies and to develop or to acquire and market new services to access new consumer populations. As our operations grow, we must continuously improve and upgrade our systems and infrastructure while maintaining or improving the reliability and integrity of our infrastructure as the cost of technology increases. Our future success also depends on our ability to adapt our systems and infrastructure to meet rapidly evolving consumer trends and demands while continuing to improve the performance, features, and reliability of our solutions in response to competitive services and offerings. We expect the use of alternative platforms such as tablets and wearables will continue to grow and the emergence of niche competitors who may be able to optimize offerings, services, or strategies for such platforms will require new investment in technology. New developments in other areas, such as cloud computing, have made it easier for competition to enter our markets due to lower up- front technology costs. In addition, we may not be able to maintain our existing systems or replace or introduce new technologies and systems as quickly as we would like or in a cost- effective manner. There is no guarantee that we will possess the resources, either financial or personnel, for the research, design, and development of new applications or services, or that we will be able to utilize these resources successfully and avoid technological or market obsolescence. Further, there can be no assurance that technological advances by one or more of our competitors or future competitors will not result in our present or future applications and services becoming uncompetitive or obsolete. If we are unable to enhance our offerings and network capabilities to keep pace with rapid technological and regulatory change, or if new technologies emerge that are able to deliver competitive offerings at lower prices, more efficiently, more conveniently, or more securely than our offerings, our business, financial condition, and results of operations could be adversely affected. Our success will also depend on the availability of our

mobile apps in app stores and in “super-app” environments, and the creation, maintenance, and development of relationships with key participants in related industries, some of which may also be our competitors. In addition, if the accessibility of various apps is limited by government actions, the full functionality of devices may not be available to our members. Moreover, third-party platforms, services, and offerings are constantly evolving, and we may not be able to modify our platform to assure its compatibility with those of third parties. If we lose such interoperability, we experience difficulties or increased costs in integrating our offerings into alternative devices or systems, or manufacturers or operating systems elect not to include our offerings, make changes that degrade the functionality of our offerings, or give preferential treatment to competitive products, the growth of our business, financial condition, and results of operations could be materially adversely affected. This risk may be exacerbated by the frequency with which individuals change or upgrade their devices. In the event individuals choose devices that do not already include or support our platform or do not install our mobile apps when they change or upgrade their devices, our member engagement may be harmed. AI and machine learning serve a key role in many of our services. As with many technological innovations, AI and machine learning present risks and challenges that could affect its adoption, and therefore our business. AI and machine learning present potential bias issues based on our population data and if we enable or offer solutions that draw controversy due to their perceived or actual impact on society, we may experience reputational harm, competitive harm or legal liability. Potential government regulation in the space of AI and machine learning also may increase the burden and cost of research and development in this area, subjecting us to reputational harm, competitive harm or legal liability. Failure to address AI and machine learning bias and ethics issues by us or others in our industry could undermine public confidence in AI and machine learning and slow adoption of AI and machine learning in our products and services. A decline in the prevalence of employer-sponsored healthcare or the emergence of new technologies may render our virtual care solutions obsolete or require us to expend significant resources to remain competitive. The U. S. healthcare industry is massive, with a number of large market participants with conflicting agendas, is subject to significant government regulation, and is currently undergoing significant change. Changes in our industry, for example, away from high deductible health plans, or the emergence of new technologies as more competitors enter our market, could result in our solutions being less desirable or relevant. For example, we currently derive the majority of our revenue in our Integrated Care segment from sales to Clients that purchase healthcare for their employees (either via insurance or self-funded benefit plans). A large part of the demand for our solutions depends on the need of these employers to manage the costs of healthcare services that they pay on behalf of their employees. Some experts have predicted that future healthcare reform will encourage employer-sponsored health insurance to become significantly less prevalent as employees migrate to obtaining their own insurance over the state-sponsored insurance marketplaces. Were this to occur, there is no guarantee that we would be able to compensate for the loss in revenue from employers by increasing sales of our solution to health insurance companies, individuals, or government agencies. In such a case, our business, financial condition, and results of operations would be adversely affected. If healthcare benefits trends shift or entirely new technologies are developed that replace existing solutions, our existing or future solutions could be rendered obsolete, and our business could be adversely affected. In addition, we may experience difficulties with software development, industry standards, design, or marketing that could delay or prevent our development, introduction, or implementation of new applications and enhancements. If we fail to manage our growth effectively, our expenses could increase more than expected, our revenue may not increase and we may be unable to successfully execute on our growth initiatives, business strategies, or operating plans. **The We have experienced significant growth of our business in recent years has, which puts strain strained on our business, technology, operations, and employees, and we anticipate that our Integrated Care segment operations will continue to expand. To manage our current and any anticipated future growth effectively, we must continue to maintain and enhance our information technology infrastructure, financial and accounting systems, and controls. For example, we have upgraded our customer relationship management (“CRM”) and enterprise resource planning (“ERP”) systems in connection with our acquisition and integration activities. Additionally, and we began implementing implemented a new EMR system for certain products. Any Even though we expect expected to realize benefits from the these adoption of this new system systems, any expected benefits will be gradual or may not be realized at all, and there could be integration issues or inefficiencies as operators learn the new system. In addition, the introduction of a new system can lead to errors and loss of data or may not work as intended. The integration process between new and legacy systems may lead to temporary manual processes and possible data integrity issues.** If our data were found to be inaccurate or unreliable due to error or fraud, or if we, or any of the third-party service providers we engage, were to fail to maintain information systems, including our new EMR system, and data integrity effectively, we may not achieve the intended benefits of the new system and could experience operational disruptions that may impact our members and providers and hinder our ability to provide services, retain and attract members, and manage our member risk profiles. We must also attract, train, and retain a significant number of qualified sales and marketing personnel, customer support personnel, professional services personnel, software engineers, technical personnel, finance and accounting personnel, and management personnel, and the availability of such personnel, in particular software engineers, may be constrained. Additionally, our growth strategy requires the collection, storage, and analysis of a high volumes of data from internal and external sources. Failure to effectively utilize our current data or establish and integrate new systems of data capture may adversely impact our ability to achieve our strategic goals and business plans. A key aspect to managing our growth is our ability to scale our capabilities to implement our solutions satisfactorily. Clients often require specific features or functions unique to their membership base, which, at a time of significant growth or during periods of high demand, may strain our implementation capacity and hinder our ability to successfully implement our solutions to our Clients in a timely manner. We may also need to make further investments in our technology and automate portions of our solutions or services to decrease our costs. If we are unable to address the needs of our Clients or members, or our Clients or members are unsatisfied with the quality of our solutions or services, they may not renew their contracts, seek to cancel or terminate their relationship with us, or renew on less favorable terms, any of which could cause our annual net dollar retention rate to decrease. Failure to effectively

manage our growth could also lead us to overinvest or underinvest in development and operations, result in weaknesses in our infrastructure, systems, or controls, give rise to operational mistakes, financial losses, loss of productivity or business opportunities and result in loss of employees and reduced productivity of remaining employees. Our growth is expected **to continue** to require significant capital expenditures and may divert financial resources from other projects such as the development of new applications and services. If our management is unable to effectively manage our growth, our expenses may increase more than expected, our revenue may not increase or may grow more slowly than expected, and we may be unable to implement our business strategy. The quality of our services may also suffer, which could negatively affect our reputation and harm our ability to attract and retain Clients and members. We are continually executing a number of growth initiatives, strategies and operating plans designed to enhance our business, including the introduction of new products and solutions ~~such as virtual primary care~~, **the expansion of BetterHelp into additional international markets and pursuing insurance coverage for BetterHelp in the U. S.** The anticipated benefits from these efforts are based on several assumptions that may prove to be inaccurate. Moreover, we may not be able to successfully complete these growth initiatives, strategies, and operating plans and realize all of the benefits, including growth targets and cost savings, that we expect to achieve, or it may be more costly to do so than we anticipate. A variety of risks could cause us not to realize some or all of the expected benefits. These risks include, among others, delays in the anticipated timing of activities related to such growth initiatives, strategies and operating plans, increased difficulty and cost in implementing these efforts, including difficulties in complying with new regulatory requirements, and the incurrence of other unexpected costs associated with operating the business. Moreover, our continued implementation of these programs may disrupt our operations and performance. As a result, we cannot assure you that we will realize these benefits. If, for any reason, the benefits we realize are less than our estimates or the implementation of these growth initiatives, strategies and operating plans adversely affect our operations or cost more or take longer to effectuate than we expect, or if our assumptions prove inaccurate, our business, financial condition, and results of operations may be materially adversely affected. Recently we have ~~begun to implement~~ **implemented** operational excellence initiatives which include a number of restructuring, realignment and cost reduction initiatives. We may not realize the benefits of these initiatives to the extent or on the timing we anticipated and the ongoing difficulties in implementing these measures may be greater than anticipated and / or offset by inflationary pressures, which could cause us to incur additional costs. In addition, if these measures are not successful or sustainable, we may undertake additional realignment and cost reduction efforts, which could result in significant additional expenses and adversely impact our ability to achieve our other strategic goals and business plans. Our growth depends in part on the success of our strategic relationships with third parties. In order to grow our business, we anticipate that we will continue to depend on our relationships with third parties, including our partner organizations and technology and content providers. For example, we partner with a number of price transparency, health savings account, and other benefits platforms to deliver our solutions to their consumers. Identifying partners and negotiating and documenting relationships with them requires significant time and resources. Our competitors may be effective in providing incentives to third parties to favor their products or services or to prevent or reduce subscriptions to, or utilization of, our products and services. In addition, acquisitions of our partners by our competitors could result in a decrease in the number of our current and potential Clients, as our partners may no longer facilitate the adoption of our applications by potential Clients. If we are unsuccessful in establishing or maintaining our relationships with third parties, our ability to compete in the marketplace or to grow our revenue could be impaired and our business, financial condition, and results of operations may suffer. Even if we are successful, we cannot assure you that these relationships will result in increased Client or member use of our applications or increased revenue. Our business and growth strategy depend on our ability to maintain and expand a network of qualified providers. If we are unable to do so, ~~our any~~ future growth would be limited and our business, financial condition, and results of operations would be harmed. Our success is dependent upon our continued ability to maintain a network of qualified providers, and demand for such providers in both our Integrated Care and BetterHelp ~~businesses~~ **segments** has become increasingly competitive. In order to ensure predictable availability of providers and a consistent member experience, we expect that the THMG Association will **continue to** hire more **employed** providers and rely less on contractors. If ~~we are~~ **the THMG Association is** unable to recruit and retain board- certified physicians, advanced practice providers, mental health providers, and other healthcare professionals, or unable to augment ~~its our or the THMG Association's~~ employee base with contractors to meet resource needs, it would adversely affect our business, financial condition, results of operations, and ability to grow. In any particular market, providers could demand higher payments or take other actions that could result in higher medical costs, less attractive **and reliable** service for our Clients and members, or difficulty meeting regulatory or accreditation requirements. Our ability to develop and maintain satisfactory relationships with providers also may be negatively impacted by other factors not associated with us, such as changes in Medicare and / or Medicaid reimbursement levels and other pressures on healthcare providers and consolidation activity among hospitals, physician groups, and healthcare providers. The failure to maintain or to secure new cost- effective provider contracts may result in a loss of or inability to grow our membership base, higher costs, healthcare provider network disruptions, less attractive service for our Clients and members, and / or difficulty in meeting regulatory or accreditation requirements, any of which could have a material adverse effect on our business, financial condition, and results of operations. Failure to adequately ~~expand~~ **develop** our direct sales force ~~will~~ **could** impede our growth. We believe that our future growth will depend on the continued development of our direct sales force and our ability to obtain new Clients and to manage our existing Client base. Identifying and recruiting qualified personnel and training them requires significant time, expense, and attention. It can take six months or longer before a new sales representative is fully trained and productive. Our business may be adversely affected if our efforts to ~~expand and~~ train our direct sales force do not generate a corresponding increase in revenue. In particular, if we are unable to hire and develop sufficient numbers of productive direct sales personnel or if new direct sales personnel are unable to achieve desired productivity levels in a reasonable period of time, sales of our services will suffer, and our growth will be impeded. Our sales and implementation cycle can be long and unpredictable and requires considerable time

and expense, which may cause our results of operations to fluctuate. The sales cycle for our solutions from initial contact with a potential lead to contract execution and implementation varies widely by Client and solution, ranging from a number of days to approximately 24 months. Business interruptions caused by economic conditions have and may continue to delay or lengthen some of our Clients' sales cycles. Some of our Clients undertake a significant and prolonged evaluation process, including to determine whether our services meet their unique healthcare needs, which frequently involves evaluation of not only our solutions but also an evaluation of those of our competitors, which has in the past resulted in extended sales cycles. For example, this has occurred and may continue to occur with respect to our chronic condition management solutions. Our sales efforts involve educating our Clients about the use, technical capabilities, and potential benefits of our solutions. During the sales cycle, we expend significant time and money on sales and marketing activities, which lowers our operating margins, particularly if no sale occurs. Moreover, our large enterprise Clients often begin to deploy our solutions on a limited basis, but nevertheless demand extensive configuration, integration services, and pricing concessions, which increase our upfront investment in the sales effort with no guarantee that these Clients will deploy our solutions widely enough across their organization to justify our substantial upfront investment. It is possible that in the future we may experience even longer sales cycles, more complex Client needs, higher upfront sales costs, and less predictability in completing some of our sales as we continue to expand our direct sales force, expand into new territories, and market additional applications and services. If our sales cycle lengthens or our substantial upfront sales and implementation investments do not result in sufficient sales to justify our investments, it could have a material adverse effect on our business, financial condition, and results of operations. Economic uncertainties or downturns in the general economy or the industries in which we or our Clients operate could disproportionately affect the demand for our solutions and negatively impact our business, financial condition and results of operations. Economic downturns, market volatility, inflation and uncertainty make it potentially very difficult for our Clients and us to accurately forecast and plan future business activities. During challenging economic times, our Clients may have difficulty gaining timely access to sufficient credit or obtaining credit on reasonable terms, which could impair their ability to make timely payments to us and adversely affect our revenue. If that were to occur, our financial results could be harmed. Furthermore, we have Clients in a variety of different industries. A significant downturn in the economic activity attributable to any particular industry may cause organizations to react by reducing their capital and operating expenditures in general or by specifically reducing their spending on healthcare matters, including chronic care and mental health solutions. In addition, our Clients may delay or cancel healthcare projects or seek to lower their costs by renegotiating vendor contracts. To the extent purchases of our solutions are perceived by Clients and potential Clients to be discretionary, our revenue may be disproportionately affected by delays or reductions in general healthcare spending. Also, competitors may respond to challenging market conditions by lowering prices and attempting to lure away our Clients or members. Similarly, economic conditions may impact the ability of our members to pay for our BetterHelp services, particularly if such services are perceived by members to be discretionary **and too expensive, new users continue to decline or if we are unsuccessful in obtaining insurance coverage for BetterHelp in the U.S.** For example, **BetterHelp paying users decreased during 2024, and any further** decrease in, or reduction in growth of, the number of paying users who utilize our BetterHelp services would negatively impact our business, financial condition and results of operations. Further, challenging economic conditions may impair the ability of our Clients to pay for the applications and services they already have purchased from us and, as a result, our write-offs of accounts receivable could increase. We cannot predict the timing, strength, or duration of any economic slowdown or recovery. If the condition of the general economy or markets in which we operate worsens, our business, financial condition, and results of operations could be harmed. Our quarterly results may fluctuate significantly, which could adversely impact the value of our common stock. Our quarterly results of operations, including our revenue, gross profit, net loss, and cash flows, have varied and may vary significantly in the future, and period-to-period comparisons of our results of operations may not be meaningful. Accordingly, our quarterly results should not be relied upon as an indication of future performance. Our quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, including, without limitation, the following: • the addition or loss of large Clients, including through acquisitions or consolidations of such Clients; • seasonal and other variations in the timing of the sales of our services or the cost of BetterHelp customer acquisitions, as discussed above; • the timing of recognition of revenue, including possible delays in the recognition of revenue due to sometimes unpredictable Client implementation **and launch** timelines and performance guarantees; • the amount and timing of operating expenses related to the maintenance and expansion of our business, operations, and infrastructure ; • **the effectiveness of our revenue cycle management processes** ; • our ability to effectively manage the size and composition of our proprietary network of healthcare professionals relative to the level of demand for services from our members; • the timing and success of introductions of new applications and services by us or our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors, Clients, or strategic partners; • Client renewal rates and the timing and terms of Client renewals; • the mix of applications and services sold during a period; • the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill and / or other assets; and • changes in the value or useful lives of our assets. We are particularly subject to fluctuations in our quarterly results of operations because the costs associated with entering into Client contracts are generally incurred up front, while we generally recognize revenue over the term of the contract. Further, most of our Integrated Care revenue in any given quarter is derived from contracts entered into with our Clients during previous quarters. Consequently, a decline in new or renewed contracts in any one quarter may not be fully reflected in our revenue for that quarter. Such declines, however, would negatively affect our revenue in future periods and the effect of significant downturns in sales of and market demand for our solutions, and potential changes in our rate of renewals or renewal terms, may not be fully reflected in our results of operations until future periods. Our access fee model also makes it difficult for us to rapidly increase our total revenue through additional sales in any period, with the exception of the first quarter during peak benefits enrollment, as revenue from new Clients must be recognized over the applicable term of the contract. Accordingly, the

effect of changes in the industry impacting our business or changes we experience in our new sales may not be reflected in our short-term results of operations. Any fluctuation in our quarterly results may not accurately reflect the underlying performance of our business and could cause a decline in the trading price of our common stock. We depend on a limited number of third-party suppliers for certain components of our medical devices, and the loss of any of these suppliers, or their inability to provide us with an adequate supply of materials, could harm our business. We utilize sole source contract manufacturing vendors to build and assemble our medical device products. The hardware components included in such devices are sourced from various suppliers by the manufacturers thereof and are principally industry standard parts and components that are available from multiple vendors. Quality or performance failures of the devices or changes in the contractors' or vendors' financial or business condition could disrupt our ability to supply quality products to our Clients and members and thereby have a material adverse impact on our business, financial condition, and results of operations. For our business strategy to be successful, our suppliers must be able to provide us with components in sufficient quantities, in compliance with regulatory requirements and quality control standards, in accordance with agreed upon specifications, at acceptable costs and on a timely basis. Increases in our product sales, whether forecasted or unanticipated, could strain the ability of our suppliers to deliver an increasingly large supply of components in a manner that meets these various requirements. Despite the terms in our supply agreements, our suppliers may encounter problems that limit their ability to supply products to us, including financial difficulties, **imposition of tariffs that impact the suppliers' ability to perform their obligations or significantly increase the amount we pay**, labor shortages, shutdowns related to a pandemic or other emergency, shipping delays, or damage to their manufacturing equipment or facilities. As a result, our ability to purchase adequate quantities of our products may be limited. If we fail to obtain sufficient quantities of high-quality components to meet demand on a timely basis, we could lose Clients or members, our reputation may be harmed, and our business could suffer. For certain of our contracts, we have obligations to provide a blood glucose meter and other supplies to new members within a certain specified period of time, and / or to provide replacements for defective blood glucose meters within a certain specified period of time. If we are regularly unable to meet those obligations, our channel partners, resellers, or Clients may decide to terminate their contracts. Depending on a limited number of suppliers, or on a sole supplier, exposes us to risks, including limited control over pricing, availability, quality, and delivery schedules. Moreover, we may not be able to convince suppliers to continue to make components available to us unless there is demand for such components from their other clients. As a result, there is a risk that certain components could be discontinued and no longer available to us, including as a result of economic conditions or other supply chain disruptions. If any one or more of our suppliers cease to provide us with sufficient quantities of components in a timely manner or on terms acceptable to us, we would have to seek alternative sources of supply. Because of factors such as the proprietary nature of our solutions, our quality control standards, and regulatory requirements, we cannot quickly engage additional or replacement suppliers for some of our critical components. Failure of any of our suppliers to deliver products at the level our business requires would limit our ability to meet our sales commitments, which could harm our reputation and could have a material adverse effect on our business. We may also have difficulty qualifying new suppliers and obtaining similar components from other suppliers that are acceptable to the **U.S. Food and Drug Administration (the "FDA")** or other regulatory agencies, and the failure of our suppliers to comply with strictly enforced regulatory and quality requirements could expose us to regulatory action including warning letters, product recalls, termination of distribution, product seizures, or civil penalties. It could also require us to cease using the components, seek alternative components or technologies, and modify our solutions to incorporate alternative components or technologies, which could result in a requirement to seek additional regulatory approvals or clearances for alternative components used in our medical devices. Any disruption of this nature or increased expenses could harm our commercialization efforts and adversely affect our business, financial condition, and results of operations. **From time to time our devices may also be subject to expiration and / or end-of-life from our manufacturers. Failure to effectively mitigate this via safety-stock, new manufacture, or equivalent products could impair our ability to provide care to members**. Additionally, cost inflation has led to higher material costs in recent years, which we may not be able to successfully offset, and any future cost inflation may adversely affect our business, financial condition, and results of operations. Our international operations pose certain political, legal and compliance, operational, regulatory, economic, and other risks to our business that may be different from or more significant than risks associated with our domestic operations, and our exposure to these risks is expected to increase. Our international business is subject to political, legal and compliance, operational, regulatory, economic, and other risks resulting from differing legal and regulatory requirements, political, social, and economic conditions and unforeseeable developments in a variety of jurisdictions. These risks vary widely by country and include varying regional and geopolitical business conditions and demands, government intervention and censorship, discriminatory regulation, nationalization or expropriation of assets, and pricing constraints. Our international solutions need to meet country-specific Client and member preferences as well as country-specific legal requirements, including those related to licensing, **credentialing**, virtual care, privacy, data storage, location, protection, and security. Our ability to conduct virtual care services internationally is subject to the applicable laws governing remote healthcare, including online counseling and therapy services, and the practice of medicine in such location, and the interpretation of these laws is evolving and vary significantly from country to country and are enforced by governmental, judicial, and regulatory authorities with broad discretion. We cannot, however, be certain that our interpretation of such laws and regulations is correct in how we structure our operations, our arrangements with physicians, clinicians, services agreements, and customer arrangements. We earned approximately **14-16%** of revenue internationally in **2023-2024**, and we expect this may **increase as BetterHelp continues to expand internationally**. Our international operations require us to overcome logistical and other challenges based on differing languages, cultures, legal and regulatory schemes, and time zones. Our international operations encounter labor laws, customs, and employee relationships that can be difficult, less flexible than in our domestic operations and expensive to modify or terminate. In some countries we are required to, or choose to, operate with local business partners, which requires us to manage our partner relationships and may reduce our operational flexibility and ability to quickly

respond to business challenges. Our international operations are also subject to particular risks in addition to those faced by our domestic operations, including:

- the need to localize and adapt our solutions for specific countries, including translation into foreign languages and associated expenses;
- obtaining regulatory approvals or clearances where required for the sale of our solutions, devices, and services in various countries;
- potential loss of proprietary information due to misappropriation or laws that may be less protective of our intellectual property rights than U. S. laws or that may not be adequately enforced;
- requirements of foreign laws and other governmental controls, including compliance challenges related to the complexity of multiple, conflicting and changing governmental laws and regulations, including employment, healthcare, tax, privacy, and data protection laws and regulations;
- data privacy laws that require that Client and member data be stored and processed in a designated territory;
- new and different sources of competition and laws and business practices favoring local competitors;
- local business and cultural factors that differ from our normal standards and practices, including business practices that we are prohibited from engaging in by the FCPA and other anti- corruption laws and regulations;
- changes to economic sanctions laws and regulations **and imposition of tariffs**;
- central bank and other restrictions on our ability to repatriate cash from international subsidiaries;
- adverse tax consequences;
- fluctuations in currency exchange rates, economic instability, and inflationary conditions, which could make our solutions more expensive or increase our costs of doing business in certain countries;
- limitations on future growth or inability to maintain current levels of revenues from international sales if we do not invest sufficiently in our international operations;
- different pricing environments, longer sales cycles, and longer accounts receivable payment cycles and collections issues;
- difficulties in staffing, managing and operating our international operations, including difficulties related to administering our stock plans in some foreign countries and increased financial accounting and reporting burdens and complexities;
- difficulties in coordinating the activities of our geographically dispersed and culturally diverse operations;
- political unrest, war, terrorism, economic instability, curtailment of trade, epidemics (~~including such as~~ the COVID- 19 pandemic), or regional natural disasters, particularly in areas in which we have facilities ~~. For example, the conflict in Ukraine and the surrounding region has led to disruption, instability, and volatility in global markets, increased inflation and further disrupted supply chains. Prior to the outbreak of this conflict, we had employees and contractors in Ukraine and surrounding countries, including Belarus, that were primarily focused on technology development, and they and our development efforts were disrupted, and any further disruptions could impact our operations.~~

Our overall success in international markets depends, in part, on our ability to anticipate and effectively manage these risks and there can be no assurance that we will be able to do so without incurring unexpected costs. If we are not able to manage the risks related to our international operations, our business, financial condition, and results of operations may be materially adversely affected. **As of our efforts to expand BetterHelp into additional international markets continues, the risks described above may continue to grow as well.** We depend on our senior management team, and the loss of one or more of our executive officers or key employees or an inability to attract and retain highly skilled employees could adversely affect our business. Our success depends largely upon the continued services of our key executive officers and other senior **leaders, and on our ability to attract and retain qualified** leaders. These individuals are at- will employees and therefore they may terminate employment with us at any time with no advance notice. ~~From time to time~~ **In connection with the hiring of our new chief executive officer and subsequent changes to time our operational structure, we have had several recent executive transitions in 2024.** ~~there~~ **There** may be **additional changes in our senior management team resulting from the hiring or departure of executives or other key employees or from additional changes to our operational structure**, which could disrupt our business. The replacement of one or more of our executive officers or other key employees would likely involve significant time and costs and may significantly delay or prevent the achievement of our business objectives. **We cannot predict the likelihood, timing or effect of future transitions among our senior leadership. The loss of the services of our executive officers or other key employees, or inability to attract and retain qualified leaders, could impede the achievement of our objectives and harm our ability to successfully implement our business strategy. For example, certain of our employees have taken on increased responsibilities in light of this turnover, which could divert attention from key business areas, and the realignment of our leadership structure could result in a lack of clear ownership for key products and processes.** To continue to execute our growth strategy, we also must attract and retain highly skilled personnel. However, competition in the job market is intense for a limited pool of qualified professionals. Inability to meet the ever- increasing expenses (salaries, benefits and technology costs, and talent inflation) of attracting and retaining talent may threaten our ability to provide the staffing resources needed to execute our growth strategy. 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 personnel with appropriate qualifications ~~, in particular software engineers and product managers~~. The pool of qualified personnel with experience working in the healthcare market is limited overall. In addition, many of the companies with which we compete for experienced personnel have greater resources than we have. In addition, in making employment decisions, ~~particularly in high technology industries,~~ job candidates often consider the value of the ~~stock options or other equity-~~ based awards they are to receive in connection with their employment. Volatility in the price of our stock may, therefore, adversely affect our ability to attract or retain highly skilled personnel. Further, the requirement to expense ~~stock options and~~ other equity- based compensation or our efforts to limit stockholder dilution from our equity compensation programs **have discouraged us in the past, and** may discourage us **in the future,** from granting the size or type of ~~stock option or~~ equity awards that job candidates require to join our company. Failure to attract new personnel or failure to retain and motivate our current personnel, could have a material adverse effect on our business, financial condition, and results of operations. We are dependent on our ability to recruit, retain and develop a very large and diverse workforce. We must evolve our culture in order to successfully grow our business. Our products and services and our operations require a large number of employees ~~. A significant number of employees have joined us in recent years as a result of our rapid growth, our acquisitions and our entry into new businesses.~~ Our success is dependent on our ability to evolve our culture, align our talent with our business needs, engage our employees, and inspire our employees to be open to change, to innovate, and to maintain member-

and Client- focus when delivering our services. Our business would be adversely affected if we fail to adequately plan for succession of our executives and senior management; or if we fail to effectively recruit, integrate, retain, and develop key talent and / or align our talent with our business needs, in light of the current rapidly changing environment. While we have succession plans in place and we have employment arrangements with a limited number of key executives, these do not guarantee that the services of these or suitable successor executives will continue to be available to us. If we fail to develop widespread brand awareness cost- effectively, or are subject to widespread negative media coverage **or social media engagement**, our business may suffer. We believe that developing and maintaining widespread awareness of our brands in a cost- effective manner is critical to achieving widespread adoption of our solutions and attracting new Clients and members. Our brand promotion activities may not generate Client or member awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brands. If we fail to successfully promote and maintain our brands, or incur substantial expenses in doing so, we may fail to attract or retain Clients or members necessary to realize a sufficient return on our brand- building efforts or to achieve the widespread brand awareness that is critical for broad Client and member adoption of our solutions. In addition, unfavorable publicity regarding, among others, us, our business, our solutions, the healthcare industry, litigation or regulatory activity, our data privacy, or data security practices, or those of other participants in our industry, could materially adversely affect our reputation. From time to time, news media outlets have provided negative coverage regarding virtual care and privacy practices, in particular related to BetterHelp. Any negative media coverage or public perceptions about our brand, regardless of the accuracy of such reporting or perceptions, may have an adverse impact on our business and reputation, as well as have an adverse effect on our ability to attract and retain Clients, members or employees, and result in decreased revenue, which could materially adversely affect our business, financial condition and results of operations. Our **Clients, members and other individuals may also engage with us online through social media pages or provide feedback and public commentary about all aspects of our business and industry. Information concerning us or our services, whether accurate or not, may be posted on social media pages at any time and may have a disproportionately adverse impact on our brand, reputation or business. The harm may be immediate without affording us an opportunity to respond and could materially adversely affect our business, financial condition and results of operations.** Our BetterHelp marketing efforts may not be successful or may become more expensive, either of which could increase our costs and adversely affect our business, financial condition, results of operations, and cash flows. BetterHelp represented ~~44~~**41** % of our total consolidated revenue in ~~2023-2024~~ **and has been growing in recent years**. We spend significant resources marketing this service **, and the cost of customer acquisition increased in 2024**. Any decrease in the amount or effectiveness of our BetterHelp marketing efforts could lead to lower revenue or growth and profitability of this business . **Further, if the cost of customer acquisition for BetterHelp remains elevated or continues to increase, it could materially adversely affect our business, financial condition and results of operations**. In addition, we rely on relationships for our BetterHelp business with a wide variety of third parties, including internet search providers such as Google, social networking platforms such as Facebook, internet advertising networks, co- registration partners, retailers, distributors, television advertising agencies, and direct marketers, to source new members and to promote or distribute our services and products. **If these third parties and social networking platforms materially change how they permit companies to advertise with them, it could materially adversely affect our business, financial condition and results of operations.** Also, in connection with the launch of new services or products **, features or markets** for our BetterHelp business, we may spend a significant amount of resources on marketing **, which could divert resources from marketing efforts for our core BetterHelp service, which could lead to a decrease in the acquisition of new paying users for that service. The ability of our advertising spend to efficiently attract new members and increase engagement of current members has led to a decline in visit volume and revenue**. If our marketing activities are inefficient or unsuccessful, if important third- party relationships or marketing strategies, such as internet search engine marketing and search engine optimization, become more expensive or unavailable, or are suspended, modified, or terminated, for any reason, if there is an increase in the proportion of individuals visiting our websites or purchasing our services by way of marketing channels with higher marketing costs as compared to channels that have lower or no associated marketing costs or if our marketing efforts do not result in our services being prominently ranked in internet search listings, our business, financial condition, results of operations, and cash flows could be materially and adversely impacted. In order to support the growth of our business, we have and may need to incur additional indebtedness or seek capital through new equity or debt financings, which sources of additional indebtedness or capital may not be available to us on acceptable terms or at all. Our operations have consumed substantial amounts of cash since inception and we intend to continue to make significant investments to support our growth, respond to business challenges or opportunities, develop new applications and services, enhance our existing solutions and services, enhance our operating infrastructure, and potentially acquire complementary businesses and technologies. For the years ended December 31, ~~2024 and 2023~~ **and 2022**, our net cash provided by operating activities was \$ ~~293.7 million and \$ 350.0 million~~ **and \$ 189.3 million**, respectively. As of December 31, ~~2023-2024~~, we had \$ 1, ~~123-298.73~~ **73** million of cash and cash equivalents which are held for working capital purposes, capital expenditures, and other corporate purposes. As of December 31, ~~2023-2024~~, we had outstanding \$ 1,000.0 million of 1.25 % convertible senior notes due 2027 (the " 2027 Notes "), \$ 0.7 million of 1.375 % convertible senior notes due 2025 (the " 2025 Notes "), and \$ 550.0 million of 0.875 % convertible senior notes due 2025 that were issued by Livongo Health, Inc. (" Livongo") for which we agreed to assume all of Livongo' s rights and obligations (the" Livongo Notes," and together with the 2027 Notes and 2025 Notes, the" Notes"). We may be required to use a substantial portion of our cash flows from operations to pay interest and principal on our indebtedness. **An aggregate principal amount of \$ 550.7 million of the Notes is due in 2025.** Our ability to make scheduled payments of the principal of, to pay interest on, or to refinance our indebtedness, including the Notes, depends on our future performance, which is subject to economic, financial, competitive, and other factors beyond our control. Such payments will reduce the funds available to us for working capital, capital expenditures, and other corporate purposes and limit

our ability to obtain additional financing for working capital, capital expenditures, expansion plans, and other investments, which may in turn limit our ability to implement our business strategy, heighten our vulnerability to downturns in our business, the industry, or in the general economy, limit our flexibility in planning for, or reacting to, changes in our business and the industry, and prevent us from taking advantage of business opportunities as they arise. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt, make necessary capital expenditures and fund our operations. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt, or obtaining additional equity capital on terms that may be onerous or highly dilutive. If we are unable to engage in any of these activities or engage in these activities on desirable terms, it could result in a default on our debt obligations, which would adversely affect our business, financial condition, and results of operations. We may settle conversions of the Notes through payment or delivery, as the case may be, of cash, shares of our common stock, or a combination of cash and shares of our common stock. The amount of cash paid, or number of shares delivered, in connection with any conversion may be material and could result in a significant depletion in the cash available to fund our operations or significant dilution to our stockholders. Our future capital requirements may be significantly different from our current estimates and will depend on many factors, including our growth rate, subscription renewal activity, the timing and extent of spending to support development efforts, the expansion of sales and marketing activities, the introduction of new or enhanced services, and the continuing market acceptance of virtual care. Accordingly, we may need to engage in equity or debt financings or collaborative arrangements to secure additional funds. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. Any debt financing secured by us in the future could become more expensive due to rising interest rates or involve restrictive covenants relating to our capital-raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, during times of economic instability, it has been difficult for many companies to obtain financing in the public markets or to obtain debt financing, and we may not be able to obtain additional financing on commercially reasonable terms, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us, it could have a material adverse effect on our business, financial condition, and results of operations. The investment of our cash, ~~and cash equivalents and fixed income securities~~ is subject to risks which may cause losses and affect the liquidity of these investments. At December 31, ~~2023~~ **2024**, we had \$ 1, ~~123,298.73~~ million in cash, ~~and cash equivalents and restricted cash and fixed income securities~~. Our investments may also include commercial paper, securities issued by the U. S. government obligations, and money market funds meeting the criteria of our investment policy, which is focused on the preservation of our capital. These investments are subject to general credit, liquidity, and market and interest rate risks, particularly in the current economic environment. We may realize losses in the fair value of these investments or a complete loss of these investments, which would have a negative effect on our consolidated financial statements. In addition, should our investments cease paying or reduce the amount of interest paid to us, our interest income would suffer. The market risks associated with our investment portfolio may have an adverse effect on our results of operations, liquidity and financial condition. Foreign currency exchange rate fluctuations could adversely affect our business, financial condition and results of operations. Our business is exposed to fluctuations in exchange rates. Although our reporting currency is the U. S. dollar, we operate in different geographical areas and transact in a range of currencies in addition to the U. S. dollar. As a result, movements in exchange rates may cause our revenue and expenses to fluctuate, impacting our profitability and cash flows. Future business operations and opportunities, including any continued expansion of our business outside the U. S., may further increase the risk that cash flows resulting from these activities may be adversely affected by changes in currency exchange rates. In the event we are unable to offset these risks, there may be a material adverse impact on our business, financial condition, and results of operations. In appropriate circumstances where we are unable to naturally offset our exposure to these currency risks, we may enter into derivative transactions to reduce such exposures. Even where we implement hedging strategies to mitigate foreign currency risk, these strategies might not eliminate our exposure to foreign currency exchange rate fluctuations and involve costs and risks of their own, such as ongoing management time and expertise, costs to implement the strategies, and potential accounting implications. Nevertheless, exchange rate fluctuations may either increase or decrease our revenues and expenses as reported in U. S. dollars. Moreover, foreign governments may restrict transfers of cash out of the country ~~and~~ **control exchange rates and enforce exchange controls**. There can be no assurance that we will be able to repatriate our earnings, and at exchange rates that are beneficial to us, which could have a material adverse effect on our business, financial condition, and results of operations. Natural or man-made disasters and other similar events may significantly disrupt our business and negatively impact our business, financial condition, and results of operations. Our offices may be harmed or rendered inoperable by natural or man-made disasters, including earthquakes, power outages, fires, floods, nuclear disasters, health epidemics (including the COVID- 19 pandemic), war ~~(including the conflict in Ukraine)~~, and acts of terrorism or other criminal activities, which may render it difficult or impossible for us to operate our business for some period of time. For example, the COVID- 19 pandemic, including its variants, disrupted the normal operations of our business, and any other similar pandemic or epidemic may result in the same among other impacts. As another example, our headquarters are located in the greater New York City area, a region with a history of terrorist attacks and hurricanes. Acts of terrorism, including malicious internet-based activity, could cause disruptions to the internet or the economy as a whole. Even with our disaster recovery arrangements, access to our platform could be interrupted. If our systems were to fail or be negatively impacted as a result of a natural disaster or other event, our ability to deliver our platform and solution to our Clients and members would be impaired or we could lose critical data. Although we maintain an insurance policy covering damage to property we rent, such insurance may not be sufficient to compensate for losses that may occur. If we are unable to develop adequate plans to ensure that our business functions continue to operate during and after a disaster, and successfully execute on those plans in the event of a disaster or

emergency, any such losses or damages could have a material adverse effect on our business, financial condition and results of operations and harm our reputation. In addition, our Clients' facilities may be harmed or rendered inoperable by such natural or man-made disasters, which may cause disruptions, difficulties, or material adverse effects on our business.

Risks Related to Information Technology We rely on data center providers, internet infrastructure, bandwidth providers, third-party computer hardware and software, network and cloud service providers, other third parties and our own systems for providing services to our Clients and members, and any failure or interruption in the services provided by these third parties or our own systems could expose us to litigation and negatively impact our relationships with Clients and members, adversely affecting our brand and our business, financial condition and results of operations. We serve all of our Clients and members leveraging a multi-cloud architecture using leading multinational vendors. The actual instances are geographically diverse to insulate our applications from local failures and have an additional layer of redundancy provided by company-managed data centers. While we control and have access to our servers, we do not control the operation of these facilities. The cloud vendors and the owners of our data center facilities have no obligation to renew their agreements with us on commercially reasonable terms, or at all. If we are unable to renew these agreements on commercially reasonable terms, or if one of our cloud vendors or data center operators is acquired, we may be required to transfer our servers and other infrastructure to a new vendor or a new data center facility, and we may incur significant costs and possible service interruption in connection with doing so. Problems faced by our cloud vendors or third-party data center locations with the telecommunications network providers with whom we or they contract or with the systems by which our telecommunications providers allocate capacity among their clients, including us, could adversely affect the experience of our Clients and members. Our cloud vendors or third-party data center operators could decide to close their facilities without adequate notice. In addition, any financial or business actions by our cloud vendors, third-party data centers operators, or any of the service providers with whom we or they contract may have negative effects on our business, financial condition, and results of operations, the nature and extent of which are difficult to predict. These financial or business actions may include bankruptcy declarations or decisions to acquire or develop products that compete directly with our solutions. Should they compete against us, we may be at a disadvantage because they may gain additional insights into our system by analyzing our cloud traffic on their servers. In addition, our ability to deliver our services that rely on internet or mobile technology depends on the development and maintenance of the infrastructure of the internet or mobile technology by third parties. This includes maintenance of a reliable network backbone with the necessary speed, data capacity, bandwidth capacity, and security. Our services are designed to operate without interruption in accordance with our service level commitments. However, we have experienced and expect that we may experience future interruptions and delays in services and availability from time to time. In the event of a catastrophic event with respect to one or more of our systems, we may experience an extended period of system unavailability, which could negatively impact our relationship with Clients and members. To operate without interruption, both we and our service providers must guard against:

- damage from fire, power loss, natural disasters, health epidemics (including the COVID-19 pandemic), and other force majeure events outside our control;
- communications failures;
- software and hardware errors, failures, and crashes;
- security breaches, computer viruses, hacking, denial-of-service attacks, and similar disruptive problems; and
- other potential interruptions.

We exercise limited control over third-party vendors, which increases our vulnerability to problems with technology and information services they provide. Interruptions in our network access and services in connection with third-party technology and information services may reduce our revenue, cause us to issue refunds to Clients or members for prepaid and unused subscription services, subject us to potential liability, or adversely affect Client or member renewal rates. Although we maintain a security and privacy damages insurance policy, the coverage under our policies may not be adequate to compensate us for all losses that may occur related to the services provided by our third-party vendors. In addition, we may not be able to continue to obtain adequate insurance coverage at an acceptable cost, if at all. Our ability to rely on these services of third-party vendors could be impaired as a result of the failure of such providers to comply with applicable laws, regulations, and contractual covenants, or as a result of events affecting such providers, such as power loss, telecommunication failures, software or hardware errors, computer viruses, cyber incidents, and similar disruptive problems, fire, flood, and natural disasters. Any such failure or event could adversely affect our relationships with our Clients and members and damage our reputation. This could materially and adversely impact our business, financial condition, and results of operations. If our or our vendors' security measures fail or are breached and unauthorized access to a Client's or member's data is obtained, then our services may be perceived as insecure, we may incur significant liabilities, our reputation may be harmed, and we could lose sales, Clients, and members. Our services involve the storage and transmission of Clients' and our members' proprietary information, sensitive or confidential data, including valuable intellectual property and personal information of employees, Clients, members and others, as well as the PHI of our members. Because of the sensitivity of the information we store and transmit, the security features of our and our third-party vendors' computer, network, and communications systems infrastructure are critical to the success of our business. A breach or failure of our or our third-party vendors' security measures could result from a variety of circumstances and events, including third-party action, employee negligence or error, malfeasance, computer viruses, cyber-attacks by computer hackers, failures during the process of upgrading or replacing software and databases, power outages, hardware failures, telecommunication failures, user errors, or catastrophic events. Information security risks have generally increased in recent years because of the proliferation of new technologies and the increased sophistication and activities of perpetrators of cyber-attacks. As cyber threats continue to evolve, we may be required to expend additional resources to further enhance our information security measures and / or to investigate and remediate any information security vulnerabilities. While we have security measures in place, we have experienced cybersecurity incidents in the past. **Likewise, our third-party vendors have experienced cybersecurity incidents in the past that have impacted us. To date, management has not determined that any cybersecurity incidents the Company has experienced, including incidents our third-party vendors have experienced, have resulted in, or are reasonably likely to result in, a material impact to our business. We learn from these incidents**

and adjust controls and incident response procedures as needed. If our or our third- party vendors' security measures fail or are breached, it could result in unauthorized persons accessing sensitive Client or member data (including PHI), a loss of or damage to our data, an inability to access data sources, or process data or provide our services to our Clients or members. Such failures or breaches of our or our third- party vendors' security measures, or our or our vendors' inability to effectively resolve such failures or breaches in a timely manner, could severely damage our reputation, adversely affect Client, member, or investor confidence in us, and reduce the demand for our services from existing and potential Clients or members. In addition, we could face litigation, damages for contract breach, monetary penalties, or regulatory actions for violation of applicable laws or regulations, and incur significant costs for remedial measures to prevent future occurrences and mitigate past violations. Applicable data protection laws, privacy policies, or data protection obligations may require us to notify affected individuals, regulators, customers, credit reporting agencies, and others in the event of a security breach. Members about whom we obtain health information, as well as the providers who share this information with us, may have statutory or contractual rights that limit our ability to use and disclose the information. We may be required to expend significant capital and other resources to ensure ongoing compliance with applicable data protection laws, privacy policies, and data protection obligations. Claims that we have violated individuals' privacy rights or breached our data protection obligations, even if we are not found liable, could be expensive and time- consuming to defend and could result in adverse publicity that could harm our business. Although we maintain insurance covering certain security and privacy damages and claim expenses, we may not carry insurance or maintain coverage sufficient to compensate for all liability and in any event, insurance coverage would not address the reputational damage that could result from a security incident. We may experience cybersecurity 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 preventive measures. If an actual or perceived breach of our security occurs, or if we are unable to effectively resolve such breaches in a timely manner, the market perception of the effectiveness of our security measures could be harmed and we could lose sales, Clients, and members, which could have a material adverse effect on our business, financial condition, and results of operations. Also, the threat of ransomware **could result in** ~~has quickly escalated from a small, isolated incident to that of~~ large- scale business disruption and data breach. A successful attack could shut down our ability to provide our services for an extended period of time, the result of which would be the loss of revenue, potential fines and costs associated with data loss, as well as a blemished reputation that could hinder our ability to retain and attract Clients and members. Our proprietary software may not operate properly **or meet the expectations of our Clients or members**, which could damage our reputation, give rise to claims against us, or divert application of our resources from other purposes, any of which could harm our business, financial condition, and results of operations. Our application platform provides our members and providers with the ability to, among other things: register for our services; complete, view and edit medical history; request a visit (either scheduled or on demand); conduct a visit (via video or phone); use our devices to collect health information; and initiate an expert medical service. Proprietary software development is time consuming, expensive, and complex, and may involve unforeseen difficulties. ~~We may~~ **From time to time we have encountered design and** technical obstacles **that have led to performance and usability challenges**, and it is possible that we may discover additional problems that prevent our proprietary applications from operating properly **or meeting the expectations of our Clients or members**. ~~We are currently continue to implementing~~ **implement** software with respect to a number of new applications and services. If our solutions do not function reliably or fail to achieve Client or member expectations in terms of performance, Clients or members could assert liability claims against us or attempt to cancel their contracts with us. This could damage our reputation and impair our ability to attract or maintain Clients and members **, and could have a material adverse effect on our business, financial condition, and results of operations**. Moreover, data services are complex and those we offer have in the past contained, and may in the future develop or contain, undetected defects or errors. Material performance problems, defects, or errors in our existing or new software and applications and services may arise in the future and may result from interface of our solutions with systems and data that we did not develop and the function of which is outside of our control or undetected in our testing. These defects and errors, and any failure by us to identify and address them, could result in loss of revenue or market share, diversion of development resources, harm to our reputation, **incomplete clinical information for our members** and increased service and maintenance costs. Defects or errors may discourage existing or potential Clients or members from purchasing our solutions from **us or may cause existing Clients to terminate their relationship with** us. Correction of defects or errors could prove to be impossible or impracticable. The costs incurred in correcting any defects or errors may be substantial and could have a material adverse effect on our business, financial condition, and results of operations. If we cannot implement our solutions for Clients, enroll members or resolve any technical issues in a timely manner, we may lose Clients or members and our reputation may be harmed, which could have a material adverse effect on our business, financial condition and results of operations. Our Clients utilize a variety of data formats, applications, and infrastructure and our solutions must support our Clients' data formats and integrate with complex enterprise applications and infrastructures. If our virtual care platform does not currently support a Client' s required data format or appropriately integrate with a Client' s applications and infrastructure, then we must configure our platform to do so, which increases our expenses. Additionally, we do not control our Clients' implementation schedules. As a result, if our Clients do not allocate the internal resources necessary to meet their implementation responsibilities or if we face unanticipated implementation difficulties, the implementation may be delayed. If the Client implementation process is not executed successfully or if execution is delayed, we could incur significant costs, Clients could become dissatisfied and decide not to increase utilization of our solutions or not to implement our solutions beyond an initial period prior to their term commitment or, in some cases, revenue recognition could be delayed. In addition, competitors with more efficient operating models with lower implementation costs could jeopardize our Client relationships. **In addition, our growth in recent years has led to multiple eligibility systems that has at times caused, and may in the future cause, challenges regarding member eligibility**

verification, which could result in member inability to access care, decreased enrollment and other negative business and financial impacts, including increased administrative costs. Our Clients and members depend on our support services to resolve any technical issues relating to our solutions and services, and we may be unable to respond quickly enough to accommodate short-term increases in member demand for support services, particularly as we increase the size of our Client and membership bases. We also may be unable to modify the format of our support services to compete with changes in support services provided by competitors. It is difficult to predict member demand for technical support services, and if member demand increases significantly, we may be unable to provide satisfactory support services to our members. Further, if we are unable to address members' needs in a timely fashion or further develop and enhance our solution, or if a Client or member is not satisfied with the quality of work performed by us or with the technical support services rendered, then we could incur additional costs to address the situation or be required to issue credits or refunds for amounts related to unused services, and our profitability may be impaired and Clients' and members' dissatisfaction with our solution could damage our ability to expand the number of applications and services purchased by such Clients. These Clients may not renew their contracts, seek to terminate their relationship with us, or renew on less favorable terms, or members may not renew their subscriptions to our BetterHelp services. Moreover, negative publicity related to our Client or member relationships, regardless of its accuracy, may further damage our business by affecting our reputation or ability to compete for new business with current and prospective Clients or members. If any of these were to occur, our revenue may decline and our business, financial condition, and results of operations could be materially adversely affected.

Risks Related to Government Regulation Our business could be adversely affected by legal challenges to our business model or by actions restricting our ability to provide the full range of our services in certain jurisdictions. Our ability to conduct our business in a particular U. S. state or non-U. S. jurisdiction is directly dependent upon the applicable laws governing virtual healthcare, the practice of medicine, and healthcare delivery in general in such location which are subject to changing political, regulatory, and other influences. With respect to virtual care services, in the past, state medical boards have established new rules or interpreted existing rules in a manner that has limited or restricted our ability to conduct our business as it was conducted in other states. Some of these actions have resulted in litigation and the suspension or modification of our virtual care operations in certain states. With respect to expert medical services, we believe that they do not constitute the practice of medicine in any jurisdiction in which we provide them. However, the extent to which a U. S. state or non-U. S. jurisdiction considers particular actions or relationships to constitute practicing medicine is subject to change and to evolving interpretations by ~~(in the case of U. S. states)~~ **medical boards and**, state attorneys general, ~~among or the others~~ **other**, ~~and (in the case of non-U. S. jurisdictions)~~ **the** relevant regulatory and legal authorities, each with broad discretion. In addition, our BetterHelp **business segment** and the industry as a whole has come under increasing scrutiny from government regulators in recent years, including as a result of the industry's growing profile due to the COVID-19 pandemic. ~~For example, see Note 17. "Commitments and Contingencies," to the consolidated financial statements for additional information regarding the settlement and consent order entered into with the FTC and the related putative class-action litigations.~~ Accordingly, we must monitor our compliance with laws in every jurisdiction in which we operate, on an ongoing basis, and we cannot provide assurance that our activities and arrangements, if challenged, will be found to be in compliance with the laws. Additionally, it is possible that the laws and rules governing the practice of medicine, including virtual healthcare, in one or more jurisdictions may change in a manner deleterious to our business. If a successful legal challenge or an adverse change in the relevant laws were to occur, and we were unable to adapt our business model accordingly, our operations in the affected jurisdictions would be disrupted, which could have a material adverse effect on our business, financial condition, and results of operations. In our U. S. telehealth business, we are dependent on our relationships with affiliated professional entities, which we do not own, to provide **physician medical** services, and our business would be adversely affected if those relationships were disrupted or if our arrangements with ~~our~~ **the THMG Association's** providers or our Clients are found to violate state laws prohibiting the corporate practice of medicine or fee splitting. The laws of all states prohibit us from exercising control over the medical judgments or decisions of physicians and the laws of many states, including states in which many of our Clients are located, prohibit us from engaging in certain financial arrangements, such as splitting professional fees with physicians. These laws and their interpretations vary from state to state and are enforced by state courts and regulatory authorities, each with broad discretion, and are subject to change and to evolving interpretations by state boards of medicine and state attorneys general, among others. We enter into agreements with our affiliated professional association, THMG, which enters into contracts with its providers pursuant to which they render professional medical services. In addition, we enter into contracts with our Clients to arrange for the THMG Association to deliver professional services in exchange for fees. These contracts include management services agreements with our affiliated physician organizations pursuant to which the physician organizations reserve exclusive control and responsibility for all aspects of the practice of medicine and the delivery of medical services. Although we seek to comply with applicable state prohibitions on the corporate practice of medicine and fee splitting, changes in, or subsequent interpretations of, the corporate practice of medicine laws could circumscribe our business operations, and state officials who administer these laws or other third parties may successfully challenge our existing organization and contractual arrangements. If such a claim were successful, we could be subject to civil and criminal penalties, **the repayment of reimbursements from third party payors**, and could be required to restructure or terminate the applicable contractual arrangements. A determination that these arrangements violate state statutes, or our inability to successfully restructure our relationships with ~~our~~ **the THMG Association's** providers to comply with these statutes, could hinder our ability to provide services to Clients located in certain states, which would have a materially adverse effect on our business, financial condition, and results of operations. State corporate practice of medicine doctrines also often impose penalties on physicians themselves for aiding the corporate practice of medicine, which could discourage physicians from participating in our network of providers. **Additionally, a number of states have recently introduced or are planning to introduce legislation which would significantly increase the level of scrutiny that similarly structured organizations would face and could introduce additional penalties on management**

services organizations similar to ours. We do not own THMG, which is a 100 % physician owned independent entity, or the professional corporations with which it contracts. THMG and the other professional corporations are owned by physicians licensed in their respective states. While we expect that these relationships will continue, we cannot guarantee that they will. A material change in our relationship with THMG, or among THMG and the contracted professional corporations, whether resulting from a dispute among the entities, a change in government regulation, or the loss of these affiliations, could impair our ability to provide services to our members and could have a material adverse effect on our business, financial condition, and results of operations. In addition, the arrangements in which we have entered to comply with state corporate practice of medicine doctrines could subject us to additional scrutiny by federal and state regulatory bodies, including with respect to federal and state fraud and abuse laws. We believe that our operations comply with applicable state statutes and regulations regarding corporate practice of medicine, fee-splitting, and anti-kickback prohibitions. However, any scrutiny, investigation, or litigation with regard to our arrangement with the THMG Association or BetterHelp could have a material adverse effect on our business, financial condition and results of operations, particularly if we are unable to restructure our operations and arrangements to comply with applicable laws or we are required to restructure at a significant cost, or if we were subject to penalties or other adverse action. **In the U. S., a number of states have introduced healthcare transaction notification requirements which may impede our ability to grow through mergers, acquisitions, consolidations, and other transactions. A number of states have introduced legislation or passed legislation which requires the acquirer of certain healthcare entities to provide notice or, in some states, seek approval of state regulators and attorneys general prior to the consummation of such transactions. These healthcare transaction laws have, in some cases, extended the length of time required to close an acquisition and may result in certain transactions being rejected or blocked by state authorities or attorneys general. We partially rely on mergers, acquisitions, and consolidation transactions to enable us to scale our business lines and acquire new business lines. If we were unable to consummate such transactions, or were delayed in closing and implementing such transactions, the result could negatively affect our financial performance and ability to grow and expand. In addition, the compliance with such healthcare transaction notification laws increases the cost and effort associated with each transaction and may bring scrutiny by governmental authorities on our internal operations and position in the healthcare services marketplace.** Evolving government regulations may require increased costs or adversely affect our business, financial condition, and results of operations. In a regulatory climate that is uncertain, our operations have been, and may in the future be, subject to direct and indirect adoption, expansion, or reinterpretation of various laws and regulations. Compliance with these future laws and regulations may require us to change our practices at an undeterminable and possibly significant initial monetary and recurring expense. These additional monetary expenditures may increase future overhead, which could have a material adverse effect on our business, financial condition, and results of operations. In addition, any regulatory changes that make it more difficult to license providers in multiple jurisdictions could adversely impact our ability to efficiently scale our business, which could have a material adverse effect on our business, financial condition, and results of operations. We have identified what we believe are the areas of government regulation that, if changed, would be costly to us. These areas include: rules governing the provision of telehealth, including, for example, rules that would require in person visits or consultations prior to the provision of telehealth ~~including, for example, rules that would require in person visits or consultations prior to provision of telehealth~~; practice of medicine by physicians; licensure standards for doctors, physician assistants, advanced practice registered nurses, nurses, and mental health professionals; laws limiting the corporate practice of medicine; cybersecurity and privacy laws; laws and rules relating to the distinction between independent contractors and employees; and tax and other laws encouraging employer-sponsored health insurance and group benefits. There could be laws and regulations applicable to our business that we have not identified or that, if changed, may be costly to us, and we cannot predict all the ways in which implementation of such laws and regulations may affect us. In the jurisdictions in which we operate, we believe we are in compliance with all applicable laws, but, due to the uncertain regulatory environment, certain jurisdictions may allege or determine that we are in violation of their laws. In the event that we must remedy such violations, we may be required to modify our services and products in a manner that undermines our solutions' attractiveness to our Clients, members or providers, we may become subject to fines or other penalties or, if we determine that the requirements to operate in compliance in such jurisdictions are overly burdensome, we may elect to terminate our operations in such places. ~~For example, see Note 17. "Commitments and Contingencies," to the consolidated financial statements for additional information regarding the settlement and consent order entered into with the FTC and the related putative class-action litigations, which have resulted in certain changes to the operation of the BetterHelp business.~~ In each case, our revenue may decline, and our business, financial condition, and results of operations could be materially adversely affected. Additionally, the introduction of new services may require us to comply with additional, yet undetermined, laws and regulations. Compliance may require obtaining appropriate licenses or certificates, increasing our security measures, and expending additional resources to monitor developments in applicable rules and ensure compliance. The failure to adequately comply with these future laws and regulations may delay or possibly prevent some of our products or services from being offered to Clients and members, which could have a material adverse effect on our business, financial condition, and results of operations. In the U. S., we conduct business in a heavily regulated industry and if we fail to comply with these laws and government regulations, we could incur penalties or be required to make significant changes to our operations, or experience adverse publicity, which could have a material adverse effect on our business, financial condition, and results of operations. The U. S. healthcare industry is heavily regulated and closely scrutinized by federal, state, and local governments. Comprehensive statutes and regulations govern the manner in which we provide and bill for services and collect reimbursement from governmental programs and private payors, our contractual relationships with ~~our~~ **the THMG Association's** providers, vendors, and Clients, our marketing activities and other aspects of our operations. Of particular importance are: • the federal physician self-referral law, commonly referred to as the Stark Law, that, subject to limited exceptions, prohibits physicians from referring Medicare or Medicaid patients to an entity for the provision of certain "

designated health services” if the physician or a member of such physician’s immediate family has a direct or indirect financial relationship (including an ownership interest or a compensation arrangement) with the entity, and prohibit the entity from billing Medicare or Medicaid for such designated health services; • the federal Anti- Kickback Statute that prohibits the knowing and willful offer, payment, solicitation, or receipt of any bribe, kickback, rebate, or other remuneration for referring an individual, in return for ordering, leasing, purchasing, or recommending or arranging for or to induce the referral of an individual or the ordering, purchasing, or leasing of items or services covered, in whole or in part, by any federal healthcare program, such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti- Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act; • the criminal healthcare fraud provisions of HIPAA and related rules that prohibit knowingly and willfully executing a scheme or artifice to defraud any healthcare benefit program or falsifying, concealing, or covering up a material fact or making any material false, fictitious, or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the federal Anti- Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it to have committed a violation; • the federal False Claims Act that imposes civil and criminal liability on individuals or entities that knowingly submit false or fraudulent claims for payment to the government or knowingly making, or causing to be made, a false statement in order to have a false claim paid, including qui tam or whistleblower suits; • reassignment of payment rules that prohibit certain types of billing and collection practices in connection with claims payable by the Medicare or Medicaid programs; • similar state law provisions pertaining to anti- kickback, self- referral, and false claims issues, some of which may apply to items or services reimbursed by any payor, including patients and commercial insurers; • state laws that prohibit general business corporations, such as us, from practicing medicine, controlling physicians’ medical decisions, or engaging in some practices such as splitting fees with physicians; • laws that regulate debt collection practices as applied to our debt collection practices; • a provision of the Social Security Act that imposes criminal penalties on healthcare providers who fail to disclose or refund known overpayments; • federal and state laws that prohibit providers from billing and receiving payment from Medicare and Medicaid for services unless the services are medically necessary, adequately and accurately documented, and billed using codes that accurately reflect the type and level of services rendered; and • federal and state laws and policies that require healthcare providers to maintain licensure, certification, or accreditation to enroll and participate in the Medicare and Medicaid programs, to report certain changes in their operations to the agencies that administer these programs. Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. Achieving and sustaining compliance with these laws may prove costly. Failure to comply with these laws and other laws can result in civil and criminal penalties such as fines, damages, overpayment, recoupment, imprisonment, loss of enrollment status and exclusion from the Medicare and Medicaid programs. The risk of our being found in violation of these laws and regulations is increased by the fact that many of them have not been fully interpreted by the regulatory authorities or the courts, and their provisions are sometimes open to a variety of interpretations. **Certain of these laws and regulations are subject to “ facts and circumstances ” review, and the considerations for such review may vary based on the reviewer or administration.** Our failure to accurately anticipate the application of these laws and regulations to our business or any other failure to comply with regulatory requirements could create liability for us and negatively affect our business. Any action against us for violation of these laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses, divert our management’s attention from the operation of our business, and result in adverse publicity. To enforce compliance with the federal laws, the U. S. Department of Justice, the OIG and other governmental agencies have increased their scrutiny of healthcare providers, which has led to a number of investigations, prosecutions, convictions, and settlements in the healthcare industry. Dealing with investigations can be time- and resource- consuming and can divert management’s attention from the business. Any such investigation or settlement could increase our costs or otherwise have an adverse effect on our business. In addition, because of the potential for large monetary exposure under the federal False Claims Act, which provides for treble damages and minimum penalties per false claim or statement, healthcare providers often resolve allegations without admissions of liability for significant and material amounts to avoid the uncertainty of treble damages that may be awarded in litigation proceedings. Such settlements often contain additional compliance and reporting requirements as part of a consent decree, settlement agreement or corporate integrity agreement. Given the significant size of actual and potential settlements, it is expected that the government will continue to devote substantial resources to investigating healthcare providers’ compliance with the healthcare reimbursement rules and fraud, waste, and abuse laws. The laws, regulations and standards governing the provision of healthcare services may change significantly in the future. Any new or changed healthcare laws, regulations, or standards or any review of our business by judicial, law enforcement, regulatory or accreditation authorities could adversely affect our business, financial condition, and results of operations. Our use and disclosure of personally identifiable information, including health information, and other personal data is subject to federal, state, and foreign privacy and security regulations, and our failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, a material adverse effect on our Client base, membership base, and revenue. Numerous federal, state and foreign laws and regulations govern the collection, dissemination, use, privacy, confidentiality, security, availability, and integrity of PII, including PHI. In particular, in the U. S., HIPAA establishes a set of basic national privacy and security standards for the protection of PHI by health plans, healthcare clearinghouses, and certain healthcare providers, referred to as covered entities, and the business associates with whom such covered entities contract for services, which includes us. HIPAA requires healthcare providers like us to develop and maintain policies and procedures with respect to PHI that is used or disclosed, including the adoption of administrative, physical, and technical safeguards to protect such information. HIPAA also implemented the use of standard transaction code sets and standard identifiers that covered entities

must use when submitting or receiving certain electronic healthcare transactions, including activities associated with the billing and collection of healthcare claims. HIPAA imposes mandatory penalties for certain violations. However, a single breach incident can result in violations of multiple standards, which could result in significant fines. HIPAA also authorizes state attorneys general to file suit on behalf of their residents. Courts will be able to award damages, costs, and attorneys' fees related to violations of HIPAA in such cases. While HIPAA does not create a private right of action allowing individuals to sue us in civil court for violations of HIPAA, its standards have been used as the basis for duty of care in state civil suits such as those for negligence or recklessness in the misuse or breach of PHI. Any such penalties or lawsuits could harm our business, financial condition, results of operations, and reputation. In addition, HIPAA mandates that the Secretary of HHS conduct periodic compliance audits of HIPAA-covered entities or business associates for compliance with the HIPAA Privacy and Security Standards. It also tasks HHS with establishing a methodology whereby harmed individuals who were the victims of breaches of unsecured PHI may receive a percentage of the Civil Monetary Penalty fine paid by the violator. HIPAA further requires that patients be notified of any unauthorized acquisition, access, use or disclosure of their unsecured PHI that has more than a low probability of compromising the privacy or security of such information, with certain exceptions related to unintentional or inadvertent use or disclosure by employees or authorized individuals. HIPAA specifies that such notifications must be made "without unreasonable delay and in no case later than 60 calendar days after discovery of the breach." If a breach affects 500 patients or more, it must be reported to HHS without unreasonable delay, and HHS will post the name of the breaching entity on its public website. Breaches affecting 500 patients or more in the same state or jurisdiction must also be reported to the local media. If a breach involves fewer than 500 people, the covered entity must record it in a log and notify HHS at least annually. Numerous other federal and state laws protect the confidentiality, privacy, availability, integrity, and security of PII, including PHI and other personal data. These laws in many cases are more restrictive than, and may not be preempted by, the HIPAA rules and may be subject to varying interpretations by courts and government agencies, creating complex compliance issues for us and our Clients and potentially exposing us to additional expense, adverse publicity, and liability. In addition to fines and penalties imposed upon violators, some of these state laws also afford private rights of action to individuals who believe their personal information has been misused. There are many other state-based data privacy and security laws and regulations that may impact our business. All of these evolving compliance and operational requirements impose significant costs that are likely to increase over time, may require us to modify our data processing practices and policies, divert resources from other initiatives and projects, and could restrict the way services involving data are offered, all of which may adversely affect our business, financial condition, and results of operations. For example, U. S. states have begun to introduce more comprehensive data protection laws. The CCPA went into effect in January 2020 and established a new privacy framework for covered businesses such as ours that expands the scope of personal information and provides new privacy rights for California residents. These changes required us to modify our data processing practices and policies and incur compliance-related costs and expenses. The CCPA also provides for civil penalties for violations, as well as a private right of action for data breaches, which may increase the likelihood and cost of data breach litigation. Additionally, the CPRA went into effect on January 1, 2023 and significantly modifies the CCPA by, among other things, creating a dedicated privacy regulatory agency, requiring businesses to implement data minimization and data integrity principles, and imposing additional requirements for contracts addressing the processing of personal information. Numerous states have enacted, or are currently reviewing, legislation that is similar to the CCPA and / or CPRA. For example, the **Virginia Texas Data Privacy and Security Act, the Oregon Consumer Privacy Act and the Montana Consumer Data Protect Act, the Colorado Privacy Act, the Connecticut Data Privacy Act, and the Utah Consumer Privacy Act** became effective in **2023-2024**. There are also bills that have been approved or are going through the legislative process in many more states. In 2022, a draft of the American Data Privacy and Protection Act was released and would be a comprehensive federal data privacy law that would seek to ease the burden of a patchwork of overlapping but different state laws. These changes may result in further uncertainty with respect to privacy, data protection, and information security issues and will require us to incur additional costs and expenses in an effort to comply. New health information standards, whether implemented pursuant to HIPAA, congressional action, or otherwise, could have a significant effect on the manner in which we must handle healthcare-related data, and the cost of complying with standards could be significant. If we do not comply with existing or new laws and regulations related to PHI, we could be subject to criminal or civil sanctions and our reputation could be harmed. Because of the extreme sensitivity of the PII we store and transmit, the security features of our technology platform are very important. If our security measures, some of which are managed by third parties, are breached or fail, unauthorized persons may be able to obtain access to sensitive Client and member data, including HIPAA-regulated PHI. As a result, our reputation could be severely damaged, adversely affecting Client and member confidence. Members may curtail their use of, or stop using, our services or our Client base could decrease, which would cause our business to suffer. In addition, we could face litigation, damages for contract breach, penalties, and regulatory actions for violation of HIPAA and other applicable laws or regulations and significant costs for remediation, notification to individuals, and for measures to prevent future occurrences. Any potential security breach could also result in increased costs associated with liability for stolen assets or information, repairing system damage that may have been caused by such breaches, incentives offered to Clients or other business partners in an effort to maintain our business relationships after a breach, and implementing measures to prevent future occurrences, including organizational changes, deploying additional personnel and protection technologies, training employees, and engaging third-party experts and consultants. While we maintain insurance covering certain security and privacy damages and claim expenses, we may not carry insurance or maintain coverage sufficient to compensate for all liability and in any event, insurance coverage would not address the reputational damage that could result from a security incident. We outsource important aspects of the storage and transmission of Client and member information, and thus rely on third parties to manage functions that have material cybersecurity risks. We attempt to address these risks by requiring outsourcing subcontractors who handle Client and member information to sign business associate agreements and / or data processing agreements contractually requiring those

subcontractors to adequately safeguard personal health data to the same extent that applies to us and in some cases by requiring such outsourcing subcontractors to undergo third- party security examinations. In addition, we periodically hire third- party security experts to assess and test our security posture. However, we cannot assure you that these contractual measures and other safeguards will adequately protect us from the risks associated with the storage and transmission of Client and members' proprietary and protected health information. We publish statements to our members and potential members that describe how we handle and protect personal information. If federal or state regulatory authorities or private litigants consider any portion of these statements to be untrue, we may be subject to claims of deceptive practices, which could lead to significant liabilities and consequences, including, without limitation, costs of responding to investigations, defending against litigation, settling claims, and complying with regulatory or court orders. For example, we have been subject to litigation alleging improper disclosure and / or use of PII and PHI. We also engage in digital marketing which has come under additional scrutiny by the FTC and state regulators. If our practices are deemed to have been unlawful or deceptive or potentially a violation of FTC requirements, it could lead to significant liabilities and consequences including, without limitation, costs of responding to investigations, defending against litigation, including class action suits, settling claims, complying with regulatory or court orders, and managing public relations and Client and member concerns associated with such violations. ~~For example, see Note 19. "Legal Matters," to the consolidated financial statements for additional information regarding the settlement and consent order entered into with the FTC and the related putative class action litigations, which have resulted in certain changes to the operation of the BetterHelp business.~~ We also send short message service (" SMS ") text messages to potential end users who are eligible to use our service through certain customers and partners. While we obtain consent from or on behalf of these individuals to send text messages, federal or state regulatory authorities or private litigants may claim that the notices and disclosures we provide, form of consents we obtain, or our SMS texting practices, are not adequate. These SMS texting campaigns are potential sources of risk for our company since they are governed by the Telephone Consumer Protection Act, which allows for private right of action and class action lawsuits and is enforced by the Federal Communications Commission. Numerous class action suits under federal and state laws have been filed against companies that conduct SMS texting programs, with many resulting in multi-million- dollar settlements for the plaintiffs. Any such future litigation against us could be costly and time- consuming to defend. Further, there are numerous foreign laws, regulations and directives regarding privacy and the collection, storage, transmission, use, processing, disclosure, and protection of PII and other personal or customer data, the scope of which is continually evolving and subject to differing interpretations. We must comply with such laws, regulations, and directives and we may be subject to significant consequences, including penalties and fines, for our failure to comply. Failure to comply with the requirements of the GDPR and the applicable national data protection laws of the EU member states may result in fines of up to € 10, 000, 000 or up to 2 % of the total worldwide annual turnover of the preceding financial year, whichever is higher, and other administrative penalties. To comply with the data protection rules imposed by the GDPR we may be required to put in place additional mechanisms to ensure compliance. In addition, privacy laws are developing quickly in other jurisdictions where we operate, which impose similar accountability, transparency, and security obligations. These additional privacy law obligations may be onerous and adversely affect our business, financial condition, results of operations, and prospects. In addition, recent legal developments in Europe have created complexity and compliance uncertainty regarding certain transfers of information from the EU to the U. S. If one or more of the legal bases for transferring PII from Europe to the U. S. is invalidated, or if we are unable to transfer PII between and among countries and regions in which we operate, it could affect the manner in which we provide our services or could adversely affect our financial results. Furthermore, any failure, or perceived failure, by us to comply with or make effective modifications to our policies, or to comply with any federal, state, or international privacy, data- retention or data- protection- related laws, regulations, orders, or industry self- regulatory principles could result in proceedings or actions against us by governmental entities or others, a loss of customer confidence, damage to our brand and reputation, and a loss of customers, any of which could have an adverse effect on our business. Finally, federal, state, and foreign legislative or regulatory bodies may enact new or additional laws and regulations concerning privacy, data- retention, and data- protection issues, including laws or regulations mandating disclosure to domestic or international law enforcement bodies, which could adversely impact our business, our brand, or our reputation with customers. For example, some countries have adopted laws mandating that PII regarding customers in their country be maintained solely in their country. Having to maintain local data centers and redesign product, service, and business operations to limit PII processing to within individual countries could increase our operating costs significantly. Changes to consumer privacy laws could adversely affect our ability to market our offerings effectively and may require us to change our business practices or expend significant amounts on compliance with such laws. We rely on a variety of direct marketing techniques, including email marketing, online advertising and direct mailings. Any further restrictions in laws such as the CAN- SPAM Act, the Telephone Consumer Protection Act, the Do- Not- Call- Implementation Act, applicable Federal Communications Commission telemarketing rules (including the declaratory ruling affirming the blocking of unwanted robocalls), the FTC Privacy Rule, Safeguards Rule, Consumer Report Information Disposal Rule, Telemarketing Sales Rule, Canada' s Anti- Spam Law and various U. S. state laws, or new federal or state laws and regulations on marketing and solicitation or international privacy, e- privacy, and anti- spam laws that govern these activities could adversely affect the continuing effectiveness of email, online advertising and direct mailing techniques and could force further changes in our marketing strategy. In particular, these laws may require us to make disclosures regarding our privacy and information sharing practices, safeguard and protect the privacy of such information, and in some cases, provide customers the opportunity to " opt out " of the use of their information for certain purposes, any of which could limit our ability to leverage existing and future databases of information or require us to develop alternative marketing strategies, any of which could have a material adverse effect on our financial condition, results of operations, and cash flows. We must comply with U. S. federal, state, and foreign requirements regarding notice and consent to obtain, use, share, transmit and store certain personal information. Furthermore, we may face conflicting obligations arising from the potential concurrent

application of laws of multiple jurisdictions. In the event that we are not able to reconcile such obligations, we may be required to change business practices or face liability or sanction. Our medical device operations are subject to FDA and other similar foreign regulatory requirements. We are regulated by the FDA and other foreign regulatory agencies as a medical device manufacturer, and the medical devices that we distribute are subject to extensive regulation. As we continue to expand the sales of our medical devices internationally, we will also become subject to similar regulations by other foreign governments. Government regulations specific to medical devices are wide ranging and govern, among other things: • product design, development, and manufacture; • laboratory, preclinical and clinical testing, labeling, packaging, storage, and distribution; • premarketing clearance or approval; • record keeping; • product marketing, promotion and advertising, sales and distribution; and • post- marketing surveillance, including reporting of deaths, serious injuries, and product malfunctions, recalls, corrections, and removals. Before a new medical device or a new intended use for a device in commercial distribution can be marketed in the U. S., a company must first submit and receive either 510 (k) clearance pursuant to section 510 (k) of the Food, Drug, and Cosmetic Act or approval of a premarket approval (“ PMA ”) application from the FDA, unless an exemption applies. In the 510 (k) clearance process, the FDA must determine that a proposed device is “ substantially equivalent ” to a device legally on the market, known as a “ predicate ” device, in order to clear the proposed device for marketing. To be substantially equivalent, the proposed device must have the same intended use as the predicate device, and either have the same technological characteristics as the predicate device or have different technological characteristics and not raise different questions of safety or effectiveness than the predicate device. Clinical data is sometimes required to support substantial equivalence. Failure to demonstrate substantial equivalence to a predicate device to the FDA’ s satisfaction may require the submission and approval by the FDA of a PMA application. The FDA’ s 510 (k) clearance process usually takes approximately six months on average but may last longer. The process for obtaining a PMA approval takes from one to three years, or even longer, from the time the PMA is submitted to the FDA until an approval is obtained. Any delay or failure to obtain necessary regulatory approvals or clearances could have a material adverse effect on our business, financial condition, and results of operations. Material modifications to the intended use or technological characteristics of our devices may also require new 510 (k) clearances or premarket approvals prior to implementing the modifications, or require us to recall or cease marketing the modified devices until these clearances or approvals are obtained. Although some jurisdictions outside of the U. S. may accept FDA approval as a basis for regulatory approval, many have their own requirements in order for a device to be marketed. In order to market our products in those countries, we would need to submit the appropriate applications and meet the requirements set by those regulatory agencies. As is the case in the U. S., the failure to comply with regulatory requirements in foreign jurisdictions could subject us to possible legal or regulatory action, and any such failure or delay in obtaining necessary licenses or approvals could restrict or delay our ability to sell our devices and solutions in those jurisdictions. Depending on the circumstances, failure to meet applicable regulatory requirements can result in criminal prosecution, fines or other penalties, injunctions, recall or seizure of products, total or partial suspension of production, denial or withdrawal of product approvals, or refusal to allow a us to enter into supply contracts, including government contracts. In addition, we are required to timely submit various reports with the FDA, including reports if medical devices that we distribute as part of our solutions may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur. If these reports are not filed in a timely manner, regulators may impose sanctions and we may be subject to product liability or regulatory enforcement actions, all of which could harm our business, financial condition, and results of operations. Any corrective actions can be costly, time- consuming, and divert resources from other portions of our business. Furthermore, the submission of these reports could be used by competitors against us, which could harm our reputation. **The definition of “ device ” in the Federal Food, Drug, and Cosmetic Act was amended in 2016 to exclude certain software functions. Our software offerings may include functions that fall under FDA’ s jurisdictional definition of a medical device, while there may be software offerings that do not require FDA clearance or approval even when utilizing data coming from an FDA regulated medical device. Our determination of the appropriate classification of our digital offerings may lead to regulatory inquiry and the expenditure of time and resources to meet FDA feedback as to the appropriate category for particular digital offerings.** The FDA and the FTC also regulate the advertising and promotion of our solutions and services to ensure that the claims we make are consistent with our regulatory clearances and approvals, that there is adequate and reasonable data to substantiate the claims and that our promotional labeling and advertising is neither false nor misleading. If the FDA or FTC determines that any of our advertising or promotional claims are misleading, not substantiated or not permissible, we may be subject to enforcement actions, including warning letters, and we may be required to revise our promotional claims and make other corrections or restitutions. If we or our third- party suppliers fail to comply with the FDA’ s Quality Systems Regulation or similar foreign regulations, our ability to distribute medical devices that are provided to members as part of our solutions could be impaired. We and certain of our third- party suppliers are required to comply with the FDA’ s Quality System Regulation (“ QSR ”) and similar foreign regulations, which cover the methods and documentation of the design, testing, production, control, quality assurance, labeling, packaging, sterilization, storage, and shipping of medical devices that we distribute. The FDA and foreign regulators audit compliance with the QSR and similar foreign regulations through periodic announced and unannounced inspections of manufacturing and other facilities. The FDA or foreign regulators may impose inspections or audits at any time. If we or our suppliers have significant non- compliance issues or if any corrective action plan that we or our suppliers propose in response to observed deficiencies is not sufficient, the FDA could take enforcement action against us and our third- party suppliers. Similarly, foreign regulators could take action to suspend or withdraw any certifications or licenses required to do business in such jurisdiction. Any of the foregoing actions could have a material adverse effect on our business, financial condition, and results of operations. Our failure to comply with the anti- corruption, trade compliance, and economic sanctions laws and regulations of the U. S. and applicable international jurisdictions could materially adversely affect our reputation, business, financial condition, and results of operations. Our international operations increase our

exposure to, and require us to devote significant management resources to implement controls and systems to comply with, the privacy and data protection laws of non- U. S. jurisdictions and the anti- bribery, anti- corruption and anti- money laundering laws of the U. S. (including the FCPA) and the United Kingdom (including the U. K. Bribery Act) and similar laws in other jurisdictions. These laws and regulations apply to companies, individual directors, officers, employees, and agents, and may restrict our operations, trade practices, investment decisions, and partnering activities. Where they apply, the FCPA and the U. K. Bribery Act prohibit us and our officers, directors, employees, and business partners acting on our behalf, including joint venture partners and agents, from corruptly offering, promising, authorizing, or providing anything of value to public officials for the purposes of influencing official decisions or obtaining or retaining business or otherwise obtaining favorable treatment. The U. K. Bribery Act also prohibits non- governmental “ commercial ” bribery and accepting bribes. As part of our business, we may deal with governments and state- owned business enterprises, the employees and representatives of which may be considered public officials for purposes of the FCPA and the U. K. Bribery Act. Implementing our compliance policies, internal controls, and other systems upon our expansion into new countries and geographies may require the investment of considerable management time and management, financial, and other resources over a number of years before any significant revenues or profits are generated. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers, or employees, restrictions or outright prohibitions on the conduct of our business, and significant brand and reputational harm. We must regularly reassess the size, capability, and location of our global infrastructure and make appropriate changes and must have effective change management processes and internal controls in place to address changes in our business and operations. Our success depends, in part, on our ability to anticipate these risks and manage these difficulties, and the failure to do so could have a material adverse effect on our business, operating results, financial position, brand, reputation, and / or long- term growth. We also are subject to the jurisdiction of various governments and regulatory agencies around the world, which may bring our personnel and agents into contact with public officials responsible for issuing or renewing permits, licenses, or approvals or for enforcing other governmental regulations. In addition, some of the international locations in which we operate lack a developed legal system and have elevated levels of corruption. Our business also must be conducted in compliance with applicable export controls and trade and economic sanctions laws and regulations, including those of the U. S. government, the governments of other countries in which we operate or conduct business and various multilateral organizations. Such laws and regulations include, without limitation, those administered and enforced by the U. S. Department of the Treasury' s Office of Foreign Assets Control, the U. S. Department of State, the U. S. Department of Commerce, the United Nations Security Council and other relevant sanctions authorities. Our provision of services to persons located outside the U. S. may be subject to certain regulatory prohibitions, restrictions, or other requirements, including certain licensing or reporting requirements. Our provision of services outside of the U. S. exposes us to the risk of violating, or being accused of violating, anti- corruption, exports controls, and trade compliance and economic sanctions laws and regulations. Our failure to successfully comply with these laws and regulations may expose us to reputational harm as well as significant sanctions, including criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions, and suspension or debarment from government contracts, as well as other remedial measures. Investigations of alleged violations can be expensive and disruptive. Though we have implemented formal training and monitoring programs, we cannot assure compliance by our employees or representatives for which we may be held responsible, and any such violation could materially adversely affect our reputation, business, financial condition, and results of operations. Our reputation and / or business could be negatively impacted by ESG matters and / or other reporting of such matters. There is an increasing focus from regulators, certain investors, and other stakeholders concerning matters relating to environmental, social, and governance factors (“ ESG ”), both in the U. S. and internationally. We communicate certain ESG- related initiatives and / or commitments regarding environmental matters, diversity, and other matters on our website and elsewhere. These initiatives or commitments could be difficult or costly to achieve. We could fail to achieve, or be perceived to fail to achieve, our ESG- related initiatives or commitments. In addition, we could be criticized for the timing, scope or nature of these activities, or for any revisions to them. To the extent that our disclosures about ESG matters increase, we could be criticized for the accuracy, adequacy, or completeness of such disclosures. Our actual or perceived failure to achieve our ESG- related initiatives or commitments could negatively impact our reputation, result in ESG- focused investors not purchasing and holding our stock, or otherwise materially harm our business. Risks Related to Litigation and Liability Any current or future litigation or other legal or regulatory proceedings could be costly and time consuming, and any losses or liability may not be covered by insurance. We have been and may become subject, from time to time, to legal and regulatory proceedings, including claims that arise in the ordinary course of business, such as claims brought by our Clients in connection with commercial disputes or employment claims made by our current or former associates. **For example, see Note 17. “ Commitments and Contingencies, ” to the consolidated financial statements for additional information regarding certain proceedings that have been initiated against us.** Regardless of outcome, such **current or any future** proceedings may result in substantial costs and may divert management' s attention and resources or decrease market acceptance of our solutions, which may substantially harm our business, financial condition, and results of operations. We attempt to limit our liability to Clients by contract; however, the limitations of liability set forth in the contracts may not be enforceable or may not otherwise protect us from liability for damages. Additionally, we may be subject to claims that are not explicitly covered by contract. Insurance may not cover claims against us, may not provide sufficient payments to cover all of the costs to resolve one or more such claims, and may not continue to be available on terms acceptable to us. In addition, the insurer might disclaim coverage as to any future claim. A successful claim not fully covered by our insurance could have a material adverse impact on our liquidity, financial condition, and results of operations. A claim brought against us that is uninsured or underinsured could result in unanticipated costs, thereby reducing our earnings and leading analysts or potential investors to reduce their expectations of our performance, which could reduce the market price of our stock. In addition, any insurance coverage would not address the reputational damage that could result from any legal or regulatory proceedings or claims. We may become subject to medical liability

claims, which could cause us to incur significant expenses and may require us to pay significant damages if not covered by insurance. Our business entails the risk of medical liability claims against both ~~our~~ **the THMG Association's** providers and us. Although we and THMG carry insurance covering medical malpractice claims in amounts that we believe are appropriate in light of the risks attendant to our business, successful medical liability claims could result in substantial damage awards that exceed the limits of our and THMG's insurance coverage. THMG carries professional liability insurance for itself and each of its healthcare professionals (~~our~~ **the THMG Association's** providers), and we separately carry a general insurance policy, which covers medical malpractice claims. In addition, professional liability insurance is expensive and insurance premiums may increase significantly in the future, particularly as we expand our services. As a result, adequate professional liability insurance may not be available to ~~our~~ **the THMG Association's** providers or to us in the future at acceptable costs or at all. Any claims made against us that are not fully covered by insurance could be costly to defend against, result in substantial damage awards against us, and divert the attention of our management and ~~our~~ **the THMG Association's** providers from our operations, which could have a material adverse effect on our business, financial condition, and results of operations. In addition, any claims may adversely affect our reputation.

Risks Related to Intellectual Property Any failure to protect our intellectual property rights could impair our ability to protect our technology and our brands. Our success depends in part on our ability to enforce our intellectual property and other proprietary rights. We rely upon a combination of patent, trademark, copyright, and trade secret laws, as well as license and access agreements and other contractual provisions, to protect our intellectual property and other proprietary rights. In addition, we attempt to protect our intellectual property and proprietary information by requiring our employees, consultants, and certain of our contractors to execute confidentiality and assignment of inventions agreements. These laws, procedures, and restrictions provide only limited protection and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed, or misappropriated. To the extent that our intellectual property and other proprietary rights are not adequately protected, third parties may gain access to our proprietary information, develop and market solutions similar to ours, or use trademarks similar to ours, each of which could materially harm our business. Unauthorized parties may also attempt to copy or obtain and use our technology to develop applications with the same functionality as our solutions. Policing unauthorized use of our technology and intellectual property rights is difficult and may not be effective. In addition, the laws of certain foreign countries in which we operate may not protect our intellectual property rights to the same extent as do the laws of the U. S. In order to protect our intellectual property rights, we may be required to spend significant resources to establish, monitor, and protect these rights. We may not always detect infringement of our intellectual property rights, and defending or enforcing our intellectual property rights, even if successfully detected, prosecuted, enjoined, or remedied, could result in the expenditure of significant financial and managerial resources. Litigation may be necessary to enforce our intellectual property rights, protect our proprietary rights, or determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which could adversely affect our business, financial condition, and results of operations. We may also incur significant costs in enforcing our trademarks against those who attempt to imitate our brand and other valuable trademarks and service marks. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, countersuits, and adversarial proceedings such as oppositions, inter partes review, post- grant review, re- examination, or other post- issuance proceedings, that attack the validity and enforceability of our intellectual property rights. An adverse determination of any litigation proceedings could put our patents at risk of being invalidated or interpreted narrowly and could put our related pending patent applications at risk of not issuing. The failure to secure and adequately protect our intellectual property and other proprietary rights could have a material adverse effect on our business, financial condition, and results of operations. We could incur substantial costs as a result of any claim of infringement of another party's intellectual property rights. In recent years, there has been significant litigation in the U. S. involving patents and other intellectual property rights. Companies in the internet and technology industries are increasingly bringing and becoming subject to suits alleging infringement of proprietary rights, particularly patent rights, and our competitors and other third parties may hold patents or have pending patent applications, which could be related to our business. These risks have been amplified by the increase in third parties whose sole primary business is to assert such claims. Regardless of the merits of any other intellectual property litigation, we may be required to expend significant management time and financial resources on the defense of such claims, and any adverse outcome of any such claim could have a material adverse effect on our business, financial condition, and results of operations. We expect that we may in the future receive notices that claim we or our Clients using our solutions have misappropriated or misused other parties' intellectual property rights, particularly as the number of competitors in our market grows and the functionality of applications amongst competitors overlaps. Our existing or any future litigation, whether or not successful, could be extremely costly to defend, divert our management's time, attention, and resources, damage our reputation and brands, and substantially harm our business. In addition, in most instances, we have agreed to indemnify our Clients against certain third- party claims, which may include claims that our solutions infringe the intellectual property rights of such third parties. Our business could be adversely affected by any significant disputes between us and our Clients as to the applicability or scope of our indemnification obligations to them. The results of any intellectual property litigation to which we may become a party, or for which we are required to provide indemnification, may require us to do one or more of the following: • cease offering or using technologies that incorporate the challenged intellectual property; • make substantial payments for legal fees, settlement payments, or other costs or damages; • obtain a license, which may not be available on reasonable terms, to sell or use the relevant technology; or • redesign technology to avoid infringement. If we are required to make substantial payments or undertake any of the other actions noted above as a result of any intellectual property infringement claims against us or any obligation to indemnify our Clients for such claims, such payments or costs could have a material adverse effect on our business, financial condition, and results of operations.

Risks Related to Taxation Unanticipated changes in our effective tax rate and additional tax liabilities may impact our financial conditions or results of operations. We are subject to income tax in the U. S.

and various jurisdictions outside of the U. S. Our effective tax rate could fluctuate due to changes in the mix of earnings and losses in countries with differing statutory tax rates. Our tax expense could also be impacted by changes in non-deductible expenses, fluctuations in our stock price related to our stock-based compensation, changes in the valuation of deferred tax assets and liabilities and our ability to utilize them, the applicability of withholding taxes and effects from acquisitions. We are open to tax examinations in multiple jurisdictions. While we regularly evaluate new information that may change our judgment resulting in recognition, derecognition, or change in measurement of a tax position taken, there can be no assurance that the final determination of any examinations will not have an adverse effect on our financial condition or results of operations. Our tax provision could also be impacted by changes in accounting principles or changes in U. S. federal and state or international tax laws applicable to corporate multinationals. Furthermore, changes in taxing jurisdictions' administrative interpretations, decisions, policies and positions could also impact our tax provision. We may also be subject to additional liabilities for non-income based taxes due to changes in U. S. federal, state, or international tax laws, changes in taxing jurisdictions' administrative interpretations, decisions, policies, and positions, results of tax examinations, settlements or judicial decisions, changes in accounting principles, changes to our business operations, including acquisitions, as well as the evaluation of new information that results in a change to a tax position taken in a prior period. **As we continue to expand internationally, our customers are subject to potential additional indirect tax costs and uncertainties. The tax rules for non- U. S. jurisdiction for imposing taxes like a Value Added Tax (" VAT") or Goods and Services Tax (" GST") on virtual services offered by us are often ambiguous and are frequently inconsistent in each taxing jurisdiction. These laws, rules and regulations also are consistently evolving. The imposition of any additional such taxes or an adverse change in the application of such tax rules could have a material adverse effect on our business, financial condition, and results of operations.** If ~~our~~ **our the THMG Association' s** providers or experts are characterized as employees, we would be subject to employment and withholding liabilities. We structure our relationships with many of ~~our the THMG Association' s~~ providers and experts in a manner that we believe results in an independent contractor relationship, not an employee relationship. An independent contractor is generally distinguished from an employee by his or her degree of autonomy and independence in providing services. A high degree of autonomy and independence is generally indicative of a contractor relationship, while a high degree of control is generally indicative of an employment relationship. Although we believe that these providers and experts are properly characterized as independent contractors, tax or other regulatory authorities may in the future challenge our characterization of these relationships. If such regulatory authorities or state, federal, or foreign courts were to determine that these providers or experts are employees, and not independent contractors, we would be required to withhold income taxes, to withhold and pay social security, Medicare, and similar taxes and to pay unemployment and other related payroll taxes. We would also be liable for unpaid past taxes and subject to penalties. As a result, any determination that these providers or experts are our employees could have a material adverse effect on our business, financial condition, and results of operations. Risks Related to Strategic Initiatives We may acquire other companies or technologies, which could divert our management' s attention, result in dilution to our stockholders, and otherwise disrupt our operations and we may have difficulty integrating any such acquisitions successfully or realizing the anticipated synergies or other benefits therefrom, any of which could have a material adverse effect on our business, financial condition and results of operations. We have in the past and may in the future seek to acquire or invest in businesses, applications, and services or technologies that we believe could complement or expand our solutions, enhance our technical capabilities, or otherwise offer growth opportunities. **For example, in January 2025 we entered into an agreement to acquire Catapult Health.** The pursuit of potential acquisitions may divert the attention of management and cause us to incur various expenses in identifying, investigating, and pursuing suitable acquisitions, whether or not they are consummated. **The acquisition of Catapult Health is subject to customary closing conditions, which could prevent or delay us from consummating the acquisition. Any delay in completing the acquisition could cause us not to realize, or to be delayed in realizing, some or all of the benefits that we expect to achieve if the acquisition is successfully completed within its expected time frame.** In addition, if we acquire additional businesses **, including Catapult Health,** we may not be able to integrate the acquired personnel, operations, and technologies successfully, or the integration process may take longer than expected or become more costly than expected. Similarly, we may not be able to effectively manage the combined business following the acquisition. We also may not achieve the anticipated cost savings, synergies or other benefits from the acquired business due to a number of factors, including, but not limited to: • inability to integrate or benefit from acquired technologies or services in a profitable manner; • unanticipated costs or liabilities associated with the acquisition; • difficulty integrating the accounting and operational systems, operations, and personnel of the acquired business; • difficulties and additional expenses associated with supporting legacy products and hosting infrastructure of the acquired business; • difficulty converting the Clients of the acquired business onto our platform and contract terms, including disparities in the revenue, licensing, support, or professional services model of the acquired company; • diversion of management' s attention from other business concerns; • adverse effects to our existing business relationships with business partners and Clients as a result of the acquisition; • the potential loss of key employees; • use of resources that are needed in other parts of our business; and • use of substantial portions of our available cash to consummate the acquisition. In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which can result in the risk of impairment over time. For example, see ~~Part II, Item 7: Management' s Discussion & Analysis of Financial Condition and Results of Operations under the sub-heading "Critical Accounting Estimates and Policies- Goodwill"~~ Note 6." Goodwill," to the consolidated financial statements for information regarding ~~recent~~ goodwill impairment charges. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our results of operations - ~~For example, shares of our common stock were issued in connection with the acquisitions of Livongo and InTouch Technologies, Inc.~~ In addition, if an acquired business fails to meet our expectations, our business, financial condition, and results of operations may suffer. Risks Related to Ownership of Our Common Stock Provisions in our amended and restated

certificate of incorporation and amended and restated bylaws and under Delaware law could make an acquisition of our company, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management. Provisions in our amended and restated certificate of incorporation and our amended and restated bylaws may discourage, delay or prevent a merger, acquisition, or other change in control of our company that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of our common stock, thereby depressing the market price of our common stock. In addition, because our board of directors (the "Board") is responsible for appointing the members of our management team, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our Board. Among other things, these provisions include those establishing: • no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates; • the exclusive right of our Board to elect a director to fill a vacancy created by the expansion of our Board or the resignation, death, or removal of a director, which prevents stockholders from filling vacancies on our Board; • the ability of our Board to authorize the issuance of shares of preferred stock and to determine the terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer; • the ability of our Board to alter our amended and restated bylaws without obtaining stockholder approval; • a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders; and • advance notice procedures that stockholders must comply with in order to nominate candidates to our Board or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us. Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the General Corporation Law of the State of Delaware (the "DGCL"), which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty or other wrongdoing by any of our directors, officers, employees, or agents to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the DGCL or our amended and restated certificate of incorporation or amended and restated bylaws, (4) any action to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or amended and restated bylaws, or (5) any action asserting a claim governed by the internal affairs doctrine. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition, or results of operations. Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, capital appreciation will be your sole source of gain, if any. We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. Any future debt agreements may also preclude us from paying dividends. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future. In addition, the trading price of our common stock has been, and could continue to be, subject to wide fluctuations. The price at which our stock trades depends on a number of factors, many of which are beyond our control. We cannot make any predictions or projections as to what the prevailing market price for our common stock will be at any time, including whether you will achieve any capital appreciation. We have been, and in the future could be, subject to securities class action litigation, **shareholder derivative complaints and related matters**. In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. We have been, and may in the future become, subject to such securities class action litigation, **shareholder derivative complaints and related matters**, and any such ~~litigation~~ **litigation proceedings** could result in substantial costs and a diversion of management's attention and resources, which could have a material adverse effect on our business, financial condition, and results of operations. If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our shares, or if our results of operations do not meet their expectations, the share price and trading volume of our common stock could decline. The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause the share price or trading volume of our common stock to decline. Moreover, if one or more of the analysts who cover us express views regarding us that may be perceived as negative or less favorable than previous views, downgrade our stock, or if our results of operations do not meet their expectations, the share price of our common stock could decline.