

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2024

OR

o

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number: 001-39549

GoodRx Holdings, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware

(State or other jurisdiction of incorporation or organization)

47-5104396

(I.R.S. Employer Identification No.)

2701 Olympic Boulevard

Santa Monica, CA

(Address of principal executive offices)

90404

(Zip Code)

(855) 268-2822

(Registrant's telephone number, including area code)

N/A

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

Securities registered pursuant to Section 12(b) of the Act:		
Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, \$0.0001 par value per share	GDRX	The Nasdaq Stock Market LLC
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o		
Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o		
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.		
Large accelerated filer	o	Accelerated filer x
Non-accelerated filer	o	Smaller reporting company o
Emerging growth company	o	
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o		
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x		
As of October 29, 2024, the registrant had 104,272,876 shares of Class A common stock, \$0.0001 par value per share, and 276,869,320 shares of Class B common stock, \$0.0001 par value per share, outstanding.		

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "targets," "projects," "contemplates," "believes," "estimates," "forecasts," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to statements regarding our future results of operations and financial position, industry and business trends, the anticipated impact of ongoing changes in the U.S. retail pharmacy landscape, our value proposition, our collaborations and partnerships with third parties, including our integrated savings program, stock compensation, our stock repurchase program, potential outcomes and estimated impacts of certain legal proceedings, our business strategy, our plans, market growth and our objectives for future operations.

The forward-looking statements in this Quarterly Report on Form 10-Q are only predictions. We have based these

forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, risks related to our limited operating history and early stage of growth; our ability to achieve broad market education and change consumer purchasing habits; our general ability to continue to attract, acquire and retain consumers in a cost-effective manner; our significant reliance on our prescription transactions offering and ability to expand our offerings; changes in medication pricing and the significant impact of pricing structures negotiated by industry participants; our general inability to control the categories and types of prescriptions for which we can offer savings or discounted prices; our reliance on a limited number of industry participants, including pharmacy benefit managers, pharmacies, and pharma manufacturers; the competitive nature of industry; risks related to pandemics, epidemics or outbreak of infectious disease, such as COVID-19; the accuracy of our estimate of our addressable market and other operational metrics; our ability to respond to changes in the market for prescription pricing and to maintain and expand the use of GoodRx codes; our ability to maintain positive perception of our platform or maintain and enhance our brand; risks related to any failure to maintain effective internal control over financial reporting; risks related to use of social media, emails, text messages and other messaging channels as part of our marketing strategy; our dependence on our information technology systems and those of our third-party vendors, and risks related to any failure or significant disruptions thereof; risks related to government regulation of the internet, e-commerce, consumer data and privacy, information technology and cybersecurity; risks related to a decrease in consumer willingness to receive correspondence or any technical, legal or any other restrictions to send such correspondence; risks related to any failure to comply with applicable data protection, privacy and security, advertising and consumer protection laws, regulations, standards, and other requirements; our ability to utilize our net operating loss carryforwards and certain other tax attributes; the risk that we may be unable to realize expected benefits from our restructuring and cost reduction efforts; our ability to attract, develop, motivate and retain well-qualified employees; risks related to our acquisition strategy; risks related to our debt arrangements; interruptions or delays in service on our apps or websites or any undetected errors or design faults; our reliance on third-party platforms to distribute our platform and offerings, including software as-a-service technologies; systems failures or other disruptions in the operations of these parties on which we depend; risks related to climate change; the increasing focus on environmental sustainability and social initiatives; risks related to our intellectual property; risks related to operating in the healthcare industry; risks related to our organizational structure; litigation related risks; our ability to accurately forecast revenue and appropriately plan our expenses in the future; risks related to general economic factors, natural disasters or other unexpected events; risks related to fluctuations in our tax obligations and effective income tax rate which could materially and adversely affect our results of operations; risks related to the recent healthcare reform legislation and other changes in the healthcare industry and in healthcare spending which may adversely affect our business, financial condition and results of operations; as well as the other important factors discussed in the section entitled "Risk Factors" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 ("2023 10-K") and in our other filings with the Securities and Exchange Commission ("SEC"). The forward-looking statements in this Quarterly Report on Form 10-Q are based upon information available to us as of the date of this Quarterly Report on Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

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

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We periodically post information that may be important to investors on our investor relations website at <https://investors.goodrx.com>. We intend to use our website as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors and potential investors are encouraged to consult our website regularly for important information, in addition to following GoodRx's press releases, filings with the SEC and public conference calls and webcasts. The information contained on, or that may be accessed through, our website is not incorporated by reference into, and is not a part of, this Quarterly Report on Form 10-Q.

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**PART I. FINANCIAL INFORMATION****Item 1. Condensed Consolidated Financial Statements (Unaudited)****GoodRx Holdings, Inc.****Condensed Consolidated Balance Sheets***(Unaudited)**(in thousands, except par values)*

	September 30, 2024	December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 423,777	\$ 672,296
Accounts receivable, net	130,803	143,608
Prepaid expenses and other current assets	72,220	56,886
Total current assets	626,800	872,790
Property and equipment, net	13,625	15,932
Goodwill	410,769	410,769
Intangible assets, net	54,061	60,898
Capitalized software, net	119,898	95,439
Operating lease right-of-use assets, net	28,842	29,929
Deferred tax assets, net	65,910	65,268
Other assets	34,941	37,775
Total assets	\$ 1,354,846	\$ 1,588,800
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Accounts payable	\$ 12,391	\$ 36,266
Accrued expenses and other current liabilities	92,677	71,329
Current portion of debt	3,750	8,787
Operating lease liabilities, current	5,543	6,177
Total current liabilities	114,361	122,559
Debt, net	487,593	647,703
Operating lease liabilities, net of current portion	47,681	48,403
Other liabilities	8,777	8,177
Total liabilities	658,412	826,842
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, \$0.0001 par value; 50,000 shares authorized and zero shares issued and outstanding at September 30, 2024 and December 31, 2023	—	—
Common stock, \$0.0001 par value; Class A: 2,000,000 shares authorized, 103,927 and 92,355 shares issued and outstanding at September 30, 2024 and December 31, 2023, respectively; and Class B: 1,000,000 shares authorized, 276,869 and 301,732 shares issued and outstanding at September 30, 2024 and December 31, 2023	38	40
Additional paid-in capital	2,144,149	2,219,321
Accumulated deficit	(1,447,753)	(1,457,403)
Total stockholders' equity	696,434	761,958
Total liabilities and stockholders' equity	\$ 1,354,846	\$ 1,588,800

See accompanying notes to condensed consolidated financial statements.

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

<i>(in thousands, except per share amounts)</i>	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Revenue	\$ 195,251	\$ 179,958	\$ 593,741	\$ 553,621
Costs and operating expenses:				
Cost of revenue, exclusive of depreciation and amortization presented separately below	11,684	18,721	36,022	51,755
Product development and technology	30,139	39,611	92,010	103,804
Sales and marketing	89,867	91,615	273,285	247,577
General and administrative	25,619	35,317	94,316	95,144
Depreciation and amortization	17,535	33,024	50,442	64,060
Total costs and operating expenses	174,844	218,288	546,075	562,340
Operating income (loss)	20,407	(38,330)	47,666	(8,719)
Other expense, net:				
Other expense	(2,660)	(2,200)	(2,660)	(4,008)
Loss on extinguishment of debt	(2,077)	—	(2,077)	—
Interest income	4,797	8,649	18,686	23,697
Interest expense	(12,355)	(14,720)	(41,564)	(41,907)
Total other expense, net	(12,295)	(8,271)	(27,615)	(22,218)
Income (loss) before income taxes	8,112	(46,601)	20,051	(30,937)
Income tax (expense) benefit	(4,147)	8,106	(10,401)	47,938
Net income (loss)	\$ 3,965	\$ (38,495)	\$ 9,650	\$ 17,001
<b>Earnings (loss) per share:</b>				
Basic	\$ 0.01	\$ (0.09)	\$ 0.03	\$ 0.04
Diluted	\$ 0.01	\$ (0.09)	\$ 0.02	\$ 0.04
<b>Weighted average shares used in computing earnings (loss) per share:</b>				
Basic	379,667	413,437	385,553	412,698
Diluted	388,504	413,437	393,477	416,450

**Stock-based compensation included in costs and operating expenses:**

Cost of revenue	\$ 86	\$ 146	\$ 226	\$ 487
Product development and technology	6,384	6,829	18,491	22,952
Sales and marketing	9,725	10,273	27,248	11,665
General and administrative	10,186	15,398	32,102	40,938

See accompanying notes to condensed consolidated financial statements.

**GoodRx Holdings, Inc.****Condensed Consolidated Statements of Stockholders' Equity***(Unaudited)*

(in thousands)	Class A and Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2023	394,087	\$ 40	\$ 2,219,321	\$ (1,457,403)	\$ 761,958
Stock options exercised	604	—	2,666	—	2,666
Stock-based compensation	—	—	28,891	—	28,891
Vesting and settlement of restricted stock units	2,535	—	—	—	—
Common stock withheld related to net share settlement	(954)	—	(6,623)	—	(6,623)
Repurchases of Class A common stock <sup>(1)</sup>	(21,329)	(2)	(154,812)	—	(154,814)
Net loss	—	—	—	(1,009)	(1,009)
Balance at March 31, 2024	374,943	\$ 38	\$ 2,089,443	\$ (1,458,412)	\$ 631,069
Stock options exercised	1,454	—	8,947	—	8,947
Stock-based compensation	—	—	30,885	—	30,885
Vesting and settlement of restricted stock units	3,262	—	—	—	—
Common stock withheld related to net share settlement	(1,231)	—	(9,343)	—	(9,343)
Repurchases of Class A common stock	—	—	290	—	290
Issuance of common stock through employee stock purchase plan	179	—	857	—	857
Net income	—	—	—	6,694	6,694
Balance at June 30, 2024	378,607	\$ 38	\$ 2,121,079	\$ (1,451,718)	\$ 669,399
Stock options exercised	1,106	—	6,679	—	6,679
Stock-based compensation	—	—	30,604	—	30,604
Vesting and settlement of restricted stock units	3,026	—	—	—	—
Common stock withheld related to net share settlement	(1,187)	—	(8,959)	—	(8,959)
Repurchases of Class A common stock	(756)	—	(5,254)	—	(5,254)
Net income	—	—	—	3,965	3,965
Balance at September 30, 2024	380,796	\$ 38	\$ 2,144,149	\$ (1,447,753)	\$ 696,434

See accompanying notes to condensed consolidated financial statements.

(1)Repurchases of Class A common stock for the three months ended March 31, 2024 include 20.9 million shares repurchased from related parties (after giving effect to the automatic conversion of Class B common stock to Class A common stock upon such repurchase) for an aggregate consideration of \$151.4 million. See "Note 9. Stockholders' Equity" for additional information.

(in thousands)	Class A and Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balance at December 31, 2022	397,025	\$ 40	\$ 2,263,322	\$ (1,448,535)	\$ 814,827
Stock options exercised	192	—	895	—	895
Stock-based compensation	—	—	28,263	—	28,263
Vesting and settlement of restricted stock units	1,668	—	—	—	—
Common stock withheld related to net share settlement	(666)	—	(3,710)	—	(3,710)
Repurchases of Class A common stock	(1,570)	—	(9,517)	—	(9,517)
Net loss	—	—	—	(3,290)	(3,290)
Balance at March 31, 2023	396,649	\$ 40	\$ 2,279,253	\$ (1,451,825)	\$ 827,468
Stock options exercised	204	—	560	—	560
Stock-based compensation	—	—	21,354	—	21,354
Vesting and settlement of restricted stock units	2,148	—	—	—	—
Common stock withheld related to net share settlement	(827)	—	(4,526)	—	(4,526)
Repurchases of Class A common stock	(1,663)	—	(8,920)	—	(8,920)
Issuance of common stock through employee stock purchase plan	161	—	649	—	649
Net income	—	—	—	58,786	58,786
Balance at June 30, 2023	396,672	\$ 40	\$ 2,288,370	\$ (1,393,039)	\$ 895,371
Stock options exercised	1,138	—	3,118	—	3,118
Stock-based compensation	—	—	36,346	—	36,346
Vesting and settlement of restricted stock units	2,749	—	—	—	—
Common stock withheld related to net share settlement	(1,059)	—	(7,355)	—	(7,355)
Repurchases of Class A common stock	(1,138)	—	(7,712)	—	(7,712)
Net loss	—	—	—	(38,495)	(38,495)
Balance at September 30, 2023	398,362	\$ 40	\$ 2,312,767	\$ (1,431,534)	\$ 881,273

See accompanying notes to condensed consolidated financial statements.

(in thousands)	Nine Months Ended September 30,	
	2024	2023
<b>Cash flows from operating activities</b>		
Net income	\$ 9,650	\$ 17,001
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	50,442	64,060
Loss on extinguishment of debt	2,077	—
Amortization of debt issuance costs	2,076	2,539
Non-cash operating lease expense	2,981	3,022
Stock-based compensation expense	78,067	76,042
Deferred income taxes	(642)	(57,989)
Loss on operating lease assets	—	374
Loss on disposal of capitalized software	—	7,615
Loss on minority equity interest investment	—	4,008
Changes in operating assets and liabilities		
Accounts receivable	12,805	(4,005)
Prepaid expenses and other assets	(12,268)	(29,867)
Accounts payable	(23,167)	14,515
Accrued expenses and other current liabilities	19,778	26,071
Operating lease liabilities	(3,250)	(1,460)
Other liabilities	600	498
Net cash provided by operating activities	139,149	122,424
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(1,078)	(634)
Capitalized software	(52,625)	(42,260)
Net cash used in investing activities	(53,703)	(42,894)

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## GoodRx Holdings, Inc.

### Notes to Condensed Consolidated Financial Statements

(Unaudited)

#### 1. Description of Business

GoodRx Holdings, Inc. was incorporated in September 2015 and has no material assets or standalone operations other than its ownership in its consolidated subsidiaries. GoodRx, Inc. ("GoodRx"), a Delaware corporation initially formed in September 2011, is a wholly-owned subsidiary of GoodRx Intermediate Holdings, LLC, which itself is a wholly-owned subsidiary of GoodRx Holdings, Inc.

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

#### 2. Summary of Significant Accounting Policies

##### Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial information. Certain information and disclosures normally included in our annual consolidated financial statements prepared in accordance with GAAP have been condensed or omitted. Accordingly, these condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2023 and the related notes, which are included in our Annual Report on Form 10-K filed with the SEC on February 29, 2024 ("2023 10-K"). The December 31, 2023 condensed consolidated balance sheet was derived from our audited consolidated financial statements as of that date. The condensed consolidated financial statements include, in the opinion of management, all adjustments, consisting of normal and recurring items, necessary for the fair statement of our condensed consolidated financial statements. The operating results for the three and nine months ended September 30, 2024 are not necessarily indicative of the results expected for the full year ending December 31, 2024.

There have been no material changes in significant accounting policies during the three and nine months ended September 30, 2024 from those disclosed in "Note 2. Summary of Significant Accounting Policies" in the notes to our consolidated financial statements included in our 2023 10-K.

##### Principles of Consolidation

The condensed consolidated financial statements include the accounts of GoodRx Holdings, Inc., its wholly owned subsidiaries and variable interest entities for which we are the primary beneficiary. Intercompany balances and transactions have been eliminated in consolidation.

##### Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements, including the accompanying notes. We base our estimates on historical factors; current circumstances; macroeconomic events and conditions; and the experience and judgment of our management. We evaluate our estimates and assumptions on an ongoing basis. Actual results can differ materially from these estimates, and such differences can affect the results of operations reported in future periods.

##### Certain Risks and Concentrations

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash, cash equivalents and accounts receivable.

We maintain cash deposits with multiple financial institutions in the United States which, at times, may exceed federally insured limits. Cash may be withdrawn or redeemed on demand. We believe that the financial institutions that hold our cash are financially sound and, accordingly, minimal credit risk exists with respect to these balances. However, market conditions can impact the viability of these institutions. In the event of failure of any of the financial institutions where we maintain our



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cash and cash equivalents, there can be no assurance that we will be able to access uninsured funds in a timely manner or at all. We have not experienced any losses in such accounts.

We consider all short-term, highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash equivalents, consisting of U.S. treasury securities money market funds, of \$325.5 million and \$605.5 million at September 30, 2024 and December 31, 2023, respectively, were classified as Level 1 of the fair value hierarchy and valued using quoted market prices in active markets.

We extend credit to our customers based on an evaluation of their ability to pay amounts due under contractual arrangements and generally do not obtain or require collateral. For the three months ended September 30, 2024, no customer accounted for more than 10% of our revenue. For the three months ended September 30, 2023, two customers accounted for 13% and 12% of our revenue. For the nine months ended September 30, 2024, two customers accounted for 10% of our revenue. For the nine months ended September 30, 2023, two customers accounted for 14% and 11% of our revenue. At September 30, 2024 and December 31, 2023, no customer accounted for more than 10% of our accounts receivable balance.

#### Equity Investments

We retain minority equity interests in privately-held companies without readily determinable fair values. Our ownership interests are less than 20% of the voting stock of the investees and we do not have the ability to exercise significant influence over the operating and financial policies of the investees. The equity investments are accounted for under the measurement alternative in accordance with Accounting Standards Codification ("ASC") 321, *Investments – Equity Securities*, which is cost minus impairment, if any, plus or minus changes resulting from observable price changes. Due to indicators of a decline in the financial condition of one of our investees, we recognized impairment losses of \$2.2 million and \$4.0 million on one of our minority equity interest investments during the three and nine months ended September 30, 2023, respectively, and presented as other expense in our condensed consolidated statements of operations for the periods then ended. We otherwise have not recognized any changes resulting from observable price changes or impairment losses on our minority equity interest investments during the three and nine months ended September 30, 2024 and 2023. Equity investments included in other assets on our condensed consolidated balance sheets as of September 30, 2024 and December 31, 2023 were \$15.0 million.

#### Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which is intended to improve the disclosures of expenses by providing more detailed information about the types of expenses in commonly presented expense captions. This ASU requires entities to disclose the amounts of purchases of inventory, employee compensation, depreciation and intangible asset amortization included in each relevant expense caption; as well as a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. This ASU also requires disclosure of the total amount of selling expense and, in annual reporting periods, an entity's definition of selling expenses. This ASU applies to all public entities and will be effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption of this ASU is permitted. This ASU should be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the financial statements. We are currently evaluating the impact of the adoption of this ASU on our consolidated financial statement disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this ASU address investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. This ASU applies to all public entities and will be effective for fiscal years beginning after December 15, 2024, and for interim periods for fiscal years beginning after December 15, 2025. Early adoption of this ASU is permitted. We are currently evaluating the impact of the adoption of this ASU on our consolidated financial statement disclosures.

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. The ASU expands public entities' segment disclosures by updating qualitative and quantitative reportable segment disclosure requirements, including enhanced disclosures about significant segment expenses that are regularly provided to the chief operating decision maker and increased interim disclosure requirements, among others. This ASU applies to all public entities that are required to report segment information in accordance with ASC 280, and is effective for fiscal years beginning after December 15, 2023 and is effective for interim periods within fiscal years beginning after December 15, 2024. Early adoption of this ASU is permitted. We are currently evaluating the impact of the adoption of this ASU on our consolidated financial statement disclosures and based on our analysis to date, the adoption is expected to result in enhanced qualitative disclosures.

### 3. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:  
(in thousands)

	September 30, 2024	December 31, 2023
Insurance recovery receivable <sup>(1)</sup>	\$ 14,900	\$ 12,900
Income taxes receivable	13,912	3,537
Reimbursable third-party payments <sup>(2)</sup>	20,779	15,481
Other prepaid expenses and other current assets <sup>(3)</sup>	22,629	24,968
Total prepaid expenses and other current assets	\$ 72,220	\$ 56,886

(1)Represents a receivable for the probable recovery related to an incurred loss in connection with certain contingencies. Loss recoveries are recognized when a loss has been incurred and the recovery is probable. This determination is based on our analysis of the underlying insurance policies, historical experience with insurers, and ongoing review of the solvency of insurers, among other factors.

(2)Represents payments we make to third parties on behalf of, and reimbursable from, certain customers.

(3)Other current assets were not material as of September 30, 2024 and December 31, 2023.

### 4. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consist of the following:  
(in thousands)

	September 30, 2024	December 31, 2023
Accrued bonus and other payroll related	\$ 23,856	\$ 30,401
Accrued legal settlement	27,500	12,500
Accrued marketing	15,102	10,650
Reimbursable liabilities <sup>(1)</sup>	10,371	—
Deferred revenue	6,328	7,105
Other accrued expenses	9,520	10,673
Total accrued expenses and other current liabilities	\$ 92,677	\$ 71,329

(1)Represents amounts owed to third parties on behalf of certain customers.

Deferred revenue represents payments received in advance of providing services for certain advertising contracts with customers and subscriptions. We expect substantially all of the deferred revenue at September 30, 2024 will be recognized as revenue within the subsequent twelve months. Of the \$7.1 million of deferred revenue at December 31, 2023, \$0.5 million and \$6.9 million was recognized as revenue during the three and nine months ended September 30, 2024, respectively. Revenue recognized during the three and nine months ended September 30, 2023 of \$0.8 million and \$7.8 million, respectively, was included as deferred revenue at December 31, 2022.

### 5. Income Taxes

We generally calculate income taxes in interim periods by applying an estimated annual effective income tax rate to income or loss before income taxes and by calculating the tax effect of discrete items recognized during such periods. Our estimated annual effective income tax rate is based on our estimated full year income or loss and the related income taxes for each jurisdiction in which we operate. This rate can be affected by estimates of full year pre-tax income or loss and permanent differences.

The effective income tax rate for the three months ended September 30, 2024 and 2023 was 51.1% and 17.4%, respectively. The effective income tax rate for the nine months ended September 30, 2024 and 2023 was 51.9% and 155.0%, respectively. The primary differences between our effective income tax rates and the federal statutory tax rate for the three and nine months ended September 30, 2024 and 2023 were due to the effects of non-deductible officers' stock-based compensation expense, state income taxes, benefits from research and development tax credits, and tax effects from our equity awards. The effective income tax rate for the nine months ended September 30, 2023 was further impacted by the release of our valuation allowance against the majority of our net deferred tax assets recorded as a discrete tax benefit during the three months ended June 30, 2023.

### 6. Debt

Prior to the July 10, 2024 amendment described below, our First Lien Credit Agreement (as amended from time to time, the "Credit Agreement") provided for (i) a \$700.0 million term loan maturing on October 10, 2025 ("First Lien Term Loan Facility"); and (ii) a revolving credit facility for up to \$100.0 million (the "Revolving Credit Facility") maturing on July 11, 2025. For further details of the material terms of our First Lien Term Loan Facility and Revolving Credit Facility prior to the July 10, 2024 amendment, refer to Note 12 in the consolidated financial statements included in our 2023 10-K.

On July 10, 2024, we entered into the Sixth Amendment to First Lien Credit Agreement (the "Sixth Amendment") to, among other things, (i) establish a \$500.0 million term loan (the "2024 Term Loan Facility") that matures on July 10, 2029 (ii) extend the maturity on \$88.0 million of the Revolving Credit Facility to April 10, 2029 and (iii) immaterially modify certain covenants. The remaining \$12.0 million of the Revolving Credit Facility not subject to the maturity extension will terminate on July 11, 2025. Concurrent with the closing of the Sixth Amendment, we repaid the First Lien Term Loan Facility in full using all of the proceeds from the 2024 Term Loan Facility (after giving effect to a \$22.8 million cashless roll by continuing lenders) and cash on hand. The 2024 Term Loan Facility and the Revolving Credit Facility are collateralized by substantially all of our assets and 100% of the equity interest of GoodRx.

The 2024 Term Loan Facility bears interest, at our option, at either (i) a term rate based on the Secured Overnight Financing Rate, subject to a "floor" of 0.00%, plus a margin of 3.75%; or (ii) an alternate base rate plus a margin of 2.75%. Interest is paid monthly. The 2024 Term Loan Facility requires quarterly principal payments of \$1.3 million beginning with the

quarter ending March 31, 2025, with any remaining unpaid principal and any accrued interest due upon maturity. We may make voluntary prepayments of the 2024 Term Loan Facility from time to time, and we are required in certain instances related to asset dispositions, casualty events, non-permitted debt issuances and annual excess cash flow, to make mandatory prepayments of the 2024 Term Loan Facility.

In connection with the Sixth Amendment, we recognized a \$2.1 million loss on the extinguishment of debt related to the write-off of a portion of existing unamortized debt issuance costs and discounts. Third-party transaction costs incurred related to the 2024 Term Loan Facility was \$4.7 million, of which \$2.7 million were expensed as incurred as other expense in our condensed consolidated statements of operations for the three and nine months ended September 30, 2024. The remaining third-party transaction costs along with a \$5.0 million original issue discount were presented as a reduction of debt, net on our condensed consolidated balance sheet as of September 30, 2024.

The effective interest rate on our term loans for the three months ended September 30, 2024 and 2023 was 9.60% and 8.80%, respectively. The effective interest rate on our term loans for the nine months ended September 30, 2024 and 2023 was 9.04% and 8.33%, respectively.

We had no borrowings against the Revolving Credit Facility as of September 30, 2024 and December 31, 2023. We had outstanding letters of credit issued against the Revolving Credit Facility for \$8.3 million and \$9.2 million as of September 30, 2024 and December 31, 2023, respectively, which reduces our available borrowings under the Revolving Credit Facility.

Our debt balance is as follows:  
(in thousands)

	September 30, 2024	December 31, 2023
Principal balance under 2024 Term Loan Facility	\$ 500,000	\$ —
Principal balance under First Lien Term Loan Facility	—	661,797
Less: Unamortized debt issuance costs and discounts	(8,657)	(5,307)
	<u>\$ 491,343</u>	<u>\$ 656,490</u>

The estimated fair value of our debt approximated its carrying value as of September 30, 2024 and December 31, 2023, based on inputs categorized as Level 2 in the fair value hierarchy.

Under the Credit Agreement, we are subject to a financial covenant requiring maintenance of a First Lien Net Leverage Ratio (as defined in the Credit Agreement) not to exceed 8.2 to 1.0 only in the event that the amounts outstanding under the Revolving Credit Facility exceed a specified percentage of commitments under the Revolving Credit Facility, and other nonfinancial covenants under the Credit Agreement. At September 30, 2024, we were in compliance with our covenants.

## 7. Commitments and Contingencies

Aside from the below, as of September 30, 2024, there were no material changes to our commitments and contingencies as disclosed in the notes to our consolidated financial statements included in our 2023 10-K. Between February 2, 2023, and March 30, 2023, five individual plaintiffs filed five separate putative class actions lawsuits against Google, Meta, Criteo and us, alleging generally that we have not adequately protected consumer privacy and that we communicated consumer information to third parties, including the three co-defendants. Four of the plaintiffs allege common law intrusion upon seclusion and unjust enrichment claims, as well as claims under California's

Confidentiality of Medical Information Act, Invasion of Privacy Act, Consumer Legal Remedies Act, and Unfair Competition Law. One of these four plaintiffs additionally brings a claim under the Electronic Communications Privacy Act. The fifth plaintiff brings claims for common-law unjust enrichment and violations of New York's General Business Law. Four of these cases were originally filed in the United States District Court for the Northern District of California ("NDCA") (Cases No. 3:23-cv-00501; 3:23-cv-00744; 3:23-cv-00940; and 4:23-cv-01293). One case was originally filed in the United States District Court for the Southern District of New York (Case No. 1:23-cv-00943); however, that case was voluntarily dismissed and re-filed in the NDCA (Case No. 3:23-cv-01508). These five matters have been consolidated and assigned to U.S. District Judge Araceli Martínez-Olguín in the NDCA. The court also set a briefing schedule for filing a single consolidated complaint, which the plaintiffs filed on May 21, 2023 (Case No. 3:23-cv-00501-AMO; the "NDCA Class Action Matter"), as well as motions to dismiss and motions to compel arbitration. In addition to the aforementioned claims, the plaintiffs in the now consolidated matter bring claims under the Illinois Consumer Fraud and Deceptive Business Practices Act, common law negligence and negligence per se, in each case, pleaded in the alternative. The plaintiffs are seeking various forms of monetary damages (such as statutory damages, compensatory damages, attorneys' fees and disgorgement of profits) as well as injunctive relief. Briefing on the motions to dismiss and motions to compel arbitration was completed on August 24, 2023.

On October 27, 2023, six plaintiffs filed a class action complaint (Case No. 1:23-cv-24127-BB; the "SDFL Class Action Matter") against us in the United States District Court for the Southern District of Florida ("SDFL"). The plaintiffs alleged, on behalf of the same nationwide class as the NDCA Class Action Matter, substantially the same statutory and common law violation claims as alleged in that matter as well as claims based on the federal Electronic Communications Privacy Act, invasion of privacy under California common law and the California constitution, invasion of privacy under New Jersey's Constitution, and violations of Pennsylvania's Wiretapping and Electronic Surveillance Control Act, Florida's Security of Communications Act, New York's Civil Rights Law and Stop Hack and Improve Electronic Data Security Act. The plaintiffs in the SDFL Class Action Matter seek various forms of monetary damages as well as injunctive and other unspecified equitable relief.

On October 27, 2023, we entered into a proposed settlement agreement with the plaintiffs in the SDFL Class Action Matter, on behalf of a nationwide settlement class that includes the NDCA Class Action Matter, which provides for a payment of \$13.0 million by us. On October 30, 2023, the plaintiffs in the SDFL Class Action Matter filed a motion and memorandum in support of preliminary approval of the proposed class action settlement and, on October 31, 2023, the SDFL granted preliminary approval of the proposed settlement. The proposed settlement is subject to final approval of the court. Members of the class have the opportunity to opt-out of the class and commence their own actions.

In response to the proposed settlement in the SDFL Class Action Matter, plaintiffs in the NDCA Class Action Matter filed (i) on November 1, 2023, a motion in the NDCA for an order to require us to cease litigation of, or alternatively file a motion to stay in, the SDFL Class Action Matter and enjoin us from seeking settlement with counsel other than plaintiffs' counsel in the NDCA Class Action Matter; and (ii) on November 2, 2023, a motion in the SDFL for that court to allow them to intervene and appear in the SDFL action, transfer the SDFL Class Action Matter to the NDCA and reconsider and deny its preliminary approval of the proposed settlement. The SDFL has issued an order requiring the SDFL plaintiffs to, among other things, file

a response to the NDCA plaintiffs' motion to intervene. Additionally, U.S. District Judge Araceli Martínez-Olguín in the NDCA issued an order for us to show cause as to why we should not be sanctioned for an alleged failure to provide notification to the NDCA of the pendency of the SDFL Class Action Matter. We filed our written response to this order on November 8, 2023. The NDCA held a hearing on November 14, 2023, and ordered parties to the litigation to participate in mediation. The parties participated in mediation on January 10, 2024, and have agreed to participate in an additional day of mediation, which occurred on March 7, 2024. Negotiations between the parties remain ongoing.

Based on the proposed settlement agreement, we determined that an estimated \$13.0 million loss was probable and accrued \$12.5 million as of December 31, 2023, net of an initial \$0.5 million payment to a third-party qualified settlement fund that we do not own that will be disbursed to the plaintiffs if required conditions are satisfied. Based on ongoing negotiations and mediation between the parties, we determined the estimated probable loss to be \$28.0 million and recognized the incremental loss during the three months ended March 31, 2024. The \$27.5 million estimated net liability remains accrued within accrued expenses and other current liabilities on our condensed consolidated balance sheet as of September 30, 2024. While this amount represents our best judgment of the probable loss based on the information currently available to us, it is subject to significant judgments and estimates and numerous factors beyond our control, including, without limitation, final approval of the court or the results of mediation. In addition, while it is reasonably possible an incremental loss may have been incurred for the indemnification of certain parties named in the class action lawsuits, a loss, or a range of loss, is not reasonably estimable. The results of legal proceedings are inherently uncertain, and upon final resolution of these matters, it is reasonably possible that the actual loss may differ from our estimate.

On April 22, 2024, Lisa Marie Barsuli, individually and on behalf of all others similarly situated, filed a class action lawsuit against us and certain of our executive officers in the United States District Court for the Central District of California (Case No. 2:24-cv-3282). The plaintiffs seek compensatory damages and equitable relief as well as interest, fees and costs. The complaint alleges violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder, and asserts that we and certain of our executive officers failed to disclose to investors the risk relating to a grocery chain taking actions that impacted acceptance of our discounted pricing for a subset of prescription drugs from PBMs, whose pricing we promote on our platform (the "grocer issue"), which occurred late in the first quarter of 2022. As alleged in the complaint, when we disclosed the occurrence of the grocer issue, our stock price fell, causing investor losses. On July 25, 2024, U.S. District Judge André Birotte Jr. appointed The Kalmanson Family as the lead plaintiff and approved selection of

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lead plaintiff's counsel. We intend to file a motion to dismiss the lawsuit. Additionally, on various dates between May 23, 2024 and November 6, 2024, alleged stockholders Benjamin Solomon (Case No. 2:24-cv-04301), Joseph Caetano (Case No. 2:24-cv-06993), Colby Mayes (Case No. 2:24-cv-07264), Sharon Burgs (Case No. 2:24-cv-07281), and Stephen Bushansky (Case No. 2:24-cv-09611) each filed separate derivative lawsuits in the United States District Court for the Central District of California, in each case, purportedly on behalf of us against certain of our current and former executive officers and directors. The derivative complaints assert various claims, including for violations of, and contribution under, the Exchange Act, breach of fiduciary duty, unjust enrichment, abuse of control, gross mismanagement, corporate waste and violations of insider trading laws. The claims in each of these derivative lawsuits are based on allegations substantially similar to those in the class action lawsuit described above and also allege that we failed to maintain adequate internal controls. The plaintiffs in these derivative lawsuits are seeking declaratory relief, monetary damages, restitution, disgorgement of alleged illegal profits and/or certain governance reforms. We intend to vigorously defend against the claims asserted in the securities class action and derivative lawsuits. We believe we have meritorious defenses to such claims and based upon information presently known to management, we have not accrued a loss for these lawsuits as a loss is not probable nor reasonably estimable. While it is reasonably possible a loss may have been incurred, we are unable to estimate a loss or range of loss in these matters.

These pending proceedings involve complex questions of fact and law and may require the expenditure of significant funds and the diversion of other resources to defend. In addition, during the normal course of business, we may become subject to, and are presently involved in, legal proceedings, claims and litigation. Such matters are subject to many uncertainties and outcomes are not predictable with assurance. We have not accrued for a loss for any other matters as a loss is not probable and a loss, or a range of loss, is not reasonably estimable. Accruals for loss contingencies are recognized when a loss is probable, and the amount of such loss can be reasonably estimated. See "Note 4. Accrued Expenses and Other Current Liabilities." Loss recoveries are recognized when a loss has been incurred and the recovery is probable. See "Note 3. Prepaid Expenses and Other Current Assets."

In February 2023, we initiated arbitration against Famulus Health, LLC ("Famulus") before the American Arbitration Association in relation to Famulus' breach of an agreement entered into by Famulus and us in June 2020, as amended (the "Agreement"). GoodRx asserted claims for Famulus' breach of the confidentiality and exclusivity provisions in the Agreement, seeking to recover damages and injunctive relief. On February 15, 2024, an arbitration award was rendered, which included a damages award and a permanent injunction (the "Arbitration Award"). Famulus filed a petition to vacate the Arbitration Award on February 21, 2024 in the United States District Court for the District of South Carolina ("DSC"). GoodRx filed a petition to confirm the Arbitration Award on February 22, 2024 in the DSC. In April 2024, several motions and oppositions were filed, which were consolidated by the DSC on April 12, 2024. On September 11, 2024, the DSC entered an opinion and order denying Famulus's motion to vacate the Arbitration Award and granting GoodRx's motion to confirm the Arbitration Award as modified by the DSC. On October 11, 2024, GoodRx filed an application for writ of execution in the DSC. The writ, once issued, will direct a U.S. Marshal of the District of South Carolina to levy Famulus's property in execution of GoodRx's judgment. We can not make any assurance as to the outcome of the Arbitration Award and when the Arbitration Award will be collected. Any gain on this matter is considered a gain contingency and will be recognized in the period in which the Arbitration Award is realized or realizable, pursuant to ASC 450, *Contingencies*.

**8. Revenue**

For the three and nine months ended September 30, 2024 and 2023, revenue comprised the following:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Prescription transactions revenue	\$ 140,419	\$ 135,427	\$ 432,562	\$ 406,874
Subscription revenue	21,306	23,240	65,860	71,261
Pharma manufacturer solutions revenue	28,136	15,897	79,149	60,662
Other revenue	5,390	5,394	16,170	14,824
Total revenue	\$ 195,251	\$ 179,958	\$ 593,741	\$ 553,621

**9. Stockholders' Equity**

On February 23, 2022, our board of directors ("Board") authorized the repurchase of up to an aggregate of

\$250.0 million of our Class A common stock through February 23, 2024. On February 27, 2024, our Board approved a new stock repurchase program which authorized the repurchase of up to an aggregate of \$450.0 million of our Class A common stock with no expiration date. Repurchases under these repurchase programs may be made in the open market, in privately negotiated transactions or otherwise, with the amount and timing of repurchases to be determined at our discretion, depending on market conditions and corporate needs, or under a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)(1) under the Exchange Act. These repurchase programs do not obligate us to acquire any particular amount of Class A common stock and may be modified, suspended or terminated at any time at the discretion of

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our Board. Repurchased shares are subsequently retired and returned to the status of authorized but unissued. As of September 30, 2024, we had \$290.2 million available for future repurchases of our Class A common stock under the new stock repurchase program.

On March 6, 2024, we entered into two Stock Purchase Agreements with related parties, one with Spectrum Equity VII, L.P., Spectrum VII Investment Managers' Fund, L.P., and Spectrum VII Co-Investment Fund, L.P. (collectively, "Spectrum"), and one with Francisco Partners IV, L.P. and Francisco Partners IV-A (collectively, "Francisco Partners"), pursuant to which we agreed to repurchase 6.2 million and 14.6 million shares of our Class A common stock (after giving effect to the automatic conversion of our Class B common stock to Class A common stock upon such repurchase) from Spectrum and Francisco Partners, respectively, for an aggregate repurchase of 20.9 million shares of our Class A common stock at a price of \$7.19 per share, in each case representing a discount from our closing share price of \$7.57 on the date of the execution of the Stock Purchase Agreements (the "Spectrum and Francisco Partners Repurchase"). The repurchase was approved by our Board and its Audit and Risk Committee (formerly Audit Committee) as part of the \$450.0 million repurchase program approved in February 2024. The Spectrum and Francisco Partners Repurchase closed on March 11, 2024 for an aggregate consideration of \$151.4 million, inclusive of direct costs and estimated excise taxes associated with the repurchases.

The following table presents information about our repurchases of our Class A common stock:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
(in thousands)				
Number of shares repurchased	756	1,138	22,085	4,371
Cost of shares repurchased	\$ 5,254	\$ 7,712	\$ 159,778	\$ 26,149

#### 10. Basic and Diluted Earnings (Loss) Per Share

The computation of earnings (loss) per share for the three and nine months ended September 30, 2024 and 2023 is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
(in thousands, except per share amounts)				
<b>Numerator:</b>				
Net income (loss)	\$ 3,965	\$ (38,495)	\$ 9,650	\$ 17,001
<b>Denominator:</b>				
Weighted average shares - basic	379,667	413,437	385,553	412,698
Dilutive impact of stock options, restricted stock awards and restricted stock units	8,837	—	7,924	3,752
Weighted average shares - diluted	388,504	413,437	393,477	416,450
<b>Earnings (loss) per share:</b>				
Basic	\$ 0.01	\$ (0.09)	\$ 0.03	\$ 0.04
Diluted	\$ 0.01	\$ (0.09)	\$ 0.02	\$ 0.04

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
(in thousands)				
Stock options and restricted stock units	12,767	52,965	16,905	27,808



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

*You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q, as well as Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Part II, Item 8, "Financial Statements and Supplementary Data" included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 filed with the Securities and Exchange Commission ("SEC") on February 29, 2024 ("2023 10-K"). This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the "Risk Factors" section of our 2023 10-K and other factors set forth in other parts of this Quarterly Report on Form 10-Q and our filings with the SEC.*

**Glossary of Selected Terminology**

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

- **"we," "us," "our,"** the **"Company," "GoodRx,"** and similar references refer to GoodRx Holdings, Inc. and its consolidated subsidiaries.
- **"Co-Founders"** refers to Trevor Bezdek, our Chairman and a director of the Company, and Douglas Hirsch, a director of the Company.
- **"consumers"** refer to the general population in the United States that uses or otherwise purchases healthcare products and services. References to **"our consumers"** or **"GoodRx consumers"** refer to consumers that have used one or more of our offerings.
- **"discounted price"** refers to a price for a prescription provided on our platform that represents a negotiated rate provided by one of our PBM partners at a retail pharmacy or under a direct contract with one of our partner pharmacies. Through our platform, our discounted prices are free to access for consumers by saving a GoodRx code to their mobile device for their selected prescription and presenting it at the chosen pharmacy. The term "discounted price" excludes prices we may otherwise source, such as prices from patient assistance programs for low-income individuals and Medicare prices, and any negotiated rates offered through our subscription offerings: GoodRx Gold (**"Gold"**), and Kroger Rx Savings Club powered by GoodRx (**"Kroger Savings"**).
- **"GoodRx code"** refers to codes that can be accessed by our consumers through our apps or websites or that can be provided to our consumers directly by healthcare professionals, including physicians and pharmacists, that allow our consumers free access to our discounted prices or a lower list price for their prescriptions when such code is presented at their chosen pharmacy.
- **"Monthly Active Consumers"** refers to the number of unique consumers who have used a GoodRx code to purchase a prescription medication in a given calendar month and have saved money compared to the list price of the medication. A unique consumer who uses a GoodRx code more than once in a calendar month to purchase prescription medications is only counted as one Monthly Active Consumer in that month. A unique consumer who uses a GoodRx code in two or three calendar months within a quarter will be counted as a Monthly Active Consumer in each such month. Monthly Active Consumers do not include subscribers to our subscription offerings, consumers of our pharma manufacturer solutions offering, or consumers who used our telehealth offering. When presented for a period longer than a month, Monthly Active Consumers is averaged over the number of calendar months in such period. For example, a unique consumer who uses a GoodRx code twice in January, but who did not use our prescription transactions offering again in February or March, is counted as 1 in January and as 0 in both February and March, thus contributing 0.33 to our Monthly Active Consumers for such quarter (average of 1, 0 and 0). A unique consumer who uses a GoodRx code in January and in March, but did not use our prescription transactions offering in February, would be counted as 1 in January, 0 in February and 1 in March, thus contributing 0.66 to our Monthly Active Consumers for such quarter. Monthly Active Consumers from acquired companies are only included beginning in the first full quarter following the acquisition.
- **"partner pharmacies"** refers to select licensed pharmacies with whom we have direct contractual agreements.
- **"PBM"** refers to a pharmacy benefit manager. PBMs aggregate demand to negotiate prescription medication prices with pharmacies and pharma manufacturers. PBMs find most of their demand through relationships with insurance companies and employers. However, nearly all PBMs also have consumer direct or cash network pricing that they negotiate with pharmacies for consumers who choose to purchase prescriptions outside of insurance.
- **"pharma"** is an abbreviation for pharmaceutical.
- **"savings," "saved"** and similar references refer to the difference between the list price for a particular prescription at a particular pharmacy and the price paid by the GoodRx consumer for that prescription utilizing a GoodRx code available through our platform at that same pharmacy. In certain circumstances, we may show

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a list price on our platform when such list price is lower than the negotiated price available using a GoodRx code and, in certain circumstances, a consumer may use a GoodRx code and pay the list price at a pharmacy if such list price is lower than the negotiated price available using a GoodRx code. We do not earn revenue from such transactions, but our savings calculation includes an estimate of the savings achieved by the consumer because our platform has directed the consumer to the pharmacy with the low list price. This estimate of savings when the consumer pays the list price is based on internal data and is calculated as the difference between the average list price across all pharmacies where GoodRx consumers paid the list price and the average list price paid by consumers in the pharmacies to which we directed them. We do not calculate savings based on insurance prices as we do not have information about a consumer's specific

coverage or price. We do not believe savings are representative or indicative of our revenue or results of operations.

•“**subscribers**” and similar references refers to our consumers that are subscribed to either of our subscription offerings, Gold or Kroger Savings. References to subscription plans as of a particular date represents an active subscription to either one of our aforementioned subscription offerings as of the specified date. Each subscription plan may represent more than one subscriber since family subscription plans may include multiple members.

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

**Overview**

Our mission is to help Americans get the healthcare they need at a price they can afford. To achieve this, we are building the leading consumer-focused digital healthcare platform in the United States. We believe our financial results reflect the significant market demand for our offerings and the value that we provide to the broader healthcare ecosystem.

For the three months ended September 30, 2024 as compared to the same period of 2023:

- Revenue increased 8% to \$195.3 million from \$180.0 million;
- Adjusted Revenue increased 3% to \$195.3 million from \$190.0 million;
- Net income and net income margin were \$4.0 million and 2.0%, respectively, compared to net loss and net loss margin of \$38.5 million and 21.4%, respectively; and
- Adjusted EBITDA and Adjusted EBITDA Margin were \$65.0 million and 33.3%, respectively, compared to \$53.5 million and 28.1%, respectively.

For the nine months ended September 30, 2024 as compared to the same period of 2023:

- Revenue increased 7% to \$593.7 million from \$553.6 million;
- Adjusted Revenue increased 5% to \$593.7 million from \$563.6 million;
- Net income and net income margin were \$9.7 million and 1.6%, respectively, compared to \$17.0 million and 3.1%, respectively; and
- Adjusted EBITDA and Adjusted EBITDA Margin were \$193.2 million and 32.5%, respectively, compared to \$160.2 million and 28.4%, respectively.

Revenue, net income (loss) and net income (loss) margin are financial measures prepared in conformity with accounting principles generally accepted in the United States (“GAAP”). Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. For a reconciliation and presentation of Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin to the most directly comparable GAAP financial measures, information about why we consider Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin useful and a discussion of the material risks and limitations of these measures, please see “Key Financial and Operating Metrics—Non-GAAP Financial Measures” below.

Recently, we have seen rapid changes in the U.S. retail pharmacy landscape with Rite Aid’s store closures in addition to announcements of store closures and reduction of footprint from various other retail pharmacies, including Walgreens and CVS. Future store closures and reduction of footprint from retail pharmacies are expected to have an immediate adverse impact on our prescription volume and prescription transactions revenue. However, we believe this impact to be largely transient as we expect prescription volume to migrate to other in-network pharmacies in the near term. As an extension of the changing retail pharmacy landscape, we have seen and continue to expect heightened renegotiations between

pharmacies and PBMs as a result of the pharmacies’ increased focus on rationalizing of their spending, which in turn has had and may continue to have an impact on our prescription transactions revenue.

**Key Financial and Operating Metrics**

We use Monthly Active Consumers, subscription plans, Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin to assess our performance, make strategic and offering decisions and build our financial projections. The number of Monthly Active Consumers and subscription plans are key indicators of the scale of our consumer base and a gauge for our marketing and engagement efforts. We believe these operating metrics reflect our scale, growth and engagement with consumers.

We exited the third quarter of 2024 with over 7 million prescription-related consumers that used GoodRx across our prescription transactions and subscription offerings. Our prescription-related consumers represent the sum of Monthly Active Consumers for the three months ended September 30, 2024 and subscribers to our subscription plans as of September 30, 2024.

**Monthly Active Consumers**

Consumer demand for our prescription transactions offering is subject to seasonality. We typically experience stronger consumer demand during the first and fourth quarters of each year. For our integrated savings programs, we may experience stronger traffic during the first half of each year since more claims are likely to be routed through GoodRx while plan members are in the deductible phase of their health plans. For further information regarding seasonality, refer to Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in our 2023 10-K.

(in millions)	Three Months Ended					
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Monthly Active Consumers	6.5	6.6	6.7	6.4	6.1	6.1

**Subscription Plans**

Subscription plans have been impacted by a sequential decline in our subscription plans for Kroger Savings as a result of reduced marketing spend in relation to that offering, which sunset in July 2024.

(in thousands)	As of						
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Subscription plans	701	696	778	884	930	969	1,007

#### Non-GAAP Financial Measures

Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin are key measures we use to assess our financial performance and are also used for internal planning and forecasting purposes. We believe Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin are helpful to investors, analysts and other interested parties because they can assist in providing a more consistent and comparable overview of our operations across our historical financial periods. In addition, these measures are frequently used by analysts, investors and other interested parties to evaluate and assess performance. We define Adjusted Revenue for a particular period as revenue excluding client contract termination costs associated with restructuring related activities. We exclude these costs from revenue because we believe they are not indicative of past or future underlying performance of the business.

We define Adjusted EBITDA for a particular period as net income or loss before interest, taxes, depreciation and amortization, and as further adjusted, as applicable, for acquisition related expenses, stock-based compensation expense, payroll tax expense related to stock-based compensation, loss on extinguishment of debt, financing related expenses, loss on operating lease assets, restructuring related expenses, legal settlement expenses, charitable stock donation, gain on sale of business and other income or expense, net. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of Adjusted Revenue.

Adjusted Revenue, Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures and are presented for supplemental informational purposes only and should not be considered as alternatives or substitutes to financial information presented in accordance with GAAP. These measures have certain limitations in that they do not include the impact of certain costs that are reflected in our condensed consolidated statements of operations that are necessary to run our business. Other companies, including other companies in our industry, may not use these measures or

may calculate these measures differently than as presented in this Quarterly Report on Form 10-Q, limiting their usefulness as comparative measures.

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

(dollars in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net income (loss)	\$ 3,965	\$ (38,495)	\$ 9,650	\$ 17,001
Adjusted to exclude the following:				
Interest income	(4,797)	(8,649)	(18,686)	(23,697)
Interest expense	12,355	14,720	41,564	41,907
Income tax expense (benefit)	4,147	(8,106)	10,401	(47,938)
Depreciation and amortization	17,535	33,024	50,442	64,060
Other expense	2,660	2,200	2,660	4,008
Loss on extinguishment of debt	2,077	—	2,077	—
Financing related expenses <sup>(1)</sup>	66	—	898	—
Acquisition related expenses <sup>(2)</sup>	65	162	413	1,603
Restructuring related expenses <sup>(3)</sup>	—	22,389	441	22,389
Legal settlement expenses <sup>(4)</sup>	—	3,000	13,000	3,000
Stock-based compensation expense	26,381	32,646	78,067	76,042
Payroll tax expense related to stock-based compensation	510	580	2,236	1,425
Loss on operating lease assets <sup>(5)</sup>	—	—	—	374
Adjusted EBITDA	\$ 64,964	\$ 53,471	\$ 193,163	\$ 160,174
Revenue	\$ 195,251	\$ 179,958	\$ 593,741	\$ 553,621
Adjusted to exclude the following:				
Client contract termination costs	—	10,000	—	10,000
Adjusted Revenue	\$ 195,251	\$ 189,958	\$ 593,741	\$ 563,621
Net income (loss) margin	2.0%	(21.4%)	1.6%	3.1%
Adjusted EBITDA Margin	33.3%	28.1%	32.5%	28.4%

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

(2) Acquisition related expenses principally include costs for actual or planned acquisitions including related third-party



fees, legal, consulting and other expenditures, and as applicable, severance costs and retention bonuses to employees related to acquisitions and change in fair value of contingent consideration. From time to time, acquisition related expenses may also include similar transaction related costs for business dispositions.

(3)Restructuring related expenses include costs for various workforce optimization and organizational changes to better align with our strategic goals and future scale including employee severance and other personnel related costs, contract termination costs, and losses from the disposal of certain capitalized software.

(4)Legal settlement expenses consist of periodic settlement costs for significant and unusual litigation matters. We believe these costs do not represent recurring expenses arising in the ordinary course of business that are indicative of our overall operating performance.

(5)Loss on operating lease assets include losses incurred relating to the abandonment or sublease of certain leased office spaces.

#### Components of our Results of Operations

For a description of the components of our results of operations, refer to Note 2 to our audited consolidated financial statements included in our 2023 10-K. In addition, for a description of primary drivers that may cause our revenue, costs and operating expenses to fluctuate from period to period, including seasonality, refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our 2023 10-K.

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#### Results of Operations

##### Three Months Ended September 30, 2024 Compared to Three Months Ended September 30, 2023

The following table sets forth our results of operations for the three months ended September 30, 2024 and 2023:

(dollars in thousands)

	Three Months Ended September 30, 2024	% of Total Revenue	Three Months Ended September 30, 2023	% of Total Revenue	Change (\$)	Change (%)
<b>Revenue:</b>						
Prescription transactions revenue	\$ 140,419	72%	\$ 135,427	75%	\$ 4,992	4%
Subscription revenue	21,306	11%	23,240	13%	(1,934)	(8%)
Pharma manufacturer solutions revenue	28,136	14%	15,897	9%	12,239	77%
Other revenue	5,390	3%	5,394	3%	(4)	0%
Total revenue	195,251		179,958			
<b>Costs and operating expenses:</b>						
Cost of revenue, exclusive of depreciation and amortization presented separately below	11,684	6%	18,721	10%	(7,037)	(38%)
Product development and technology	30,139	15%	39,611	22%	(9,472)	(24%)
Sales and marketing	89,867	46%	91,615	51%	(1,748)	(2%)
General and administrative	25,619	13%	35,317	20%	(9,698)	(27%)
Depreciation and amortization	17,535	9%	33,024	18%	(15,489)	(47%)
Total costs and operating expenses	174,844		218,288			
Operating income (loss)	20,407		(38,330)			
<b>Other expense, net:</b>						
Other expense	(2,660)	1%	(2,200)	1%	(460)	21%
Loss on extinguishment of debt	(2,077)	1%	—	0%	(2,077)	n/m
Interest income	4,797	2%	8,649	5%	(3,852)	(45%)
Interest expense	(12,355)	6%	(14,720)	8%	2,365	(16%)
Total other expense, net	(12,295)		(8,271)			
Income (loss) before income taxes	8,112		(46,601)			
Income tax (expense) benefit	(4,147)	2%	8,106	5%	(12,253)	(151%)
Net income (loss)	\$ 3,965		\$ (38,495)			

#### Revenue

All of our revenue has been generated in the United States.

Prescription transactions revenue increased \$5.0 million, or 4%, year-over-year, primarily as a result of a 7% increase in the number of our Monthly Active Consumers from organic growth, including expansion of our integrated savings program, which integrates our discounts and pricing in a seamless experience at the pharmacy counter for eligible plan members served by certain PBM partners. We estimate the recently announced Rite Aid's store closures to have a mid-single-digit million dollar impact on prescription transactions revenue in the second half of 2024 with approximately half of this impact expected to occur in the fourth quarter of 2024.

Subscription revenue decreased \$1.9 million, or 8%, year-over-year, primarily driven by a decrease in the number of subscription plans due to the sunset of Kroger Savings with 701 thousand subscription plans as of September 30, 2024 compared to 930 thousand as of September 30, 2023. Kroger Savings contributed \$2.1 million of subscription revenue in the third quarter 2023 and nil for the same period of 2024. Given the subscription fee is higher for Gold relative to Kroger Savings, the sunset of Kroger Savings resulted in a higher year-over-year decline in subscription plans relative to subscription revenue.

Pharma manufacturer solutions revenue increased \$12.2 million, or 77%, year-over-year, primarily driven by a \$10.0 million client contract termination payment, which was recognized as a reduction of revenue in the prior year quarter, related to the restructuring of our pharma manufacturer solutions offering in the second half of 2023. The year-over-year change was also driven by organic growth as we continued to expand our market penetration with pharma manufacturers and other

customers. The prior year quarter included \$2.5 million of revenue contribution from vitaCare Prescription Services, Inc.,

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("vitaCare"), a solution we de-prioritized in connection with our restructuring of pharma manufacturer solutions as described above, compared to nil in the third quarter of 2024. We expect pharma manufacturer solutions to continue to grow as a percentage of total revenue in the near to medium term as we continue to scale and expand available services, capabilities and platforms of our pharma manufacturer solutions offering.

**Costs and Operating Expenses**

*Cost of revenue, exclusive of depreciation and amortization*

Cost of revenue decreased \$7.0 million, or 38%, year-over-year, primarily driven by a \$6.4 million decrease in outsourced and in-house personnel and other costs related to consumer support due to lower average headcount principally as a result of the restructuring of our pharma manufacturer solutions offering in the second half of 2023.

*Product development and technology*

Product development and technology expenses decreased \$9.5 million, or 24%, year-over-year, primarily driven by a \$7.6 million loss recognized last year on the disposal of certain capitalized software that were not yet ready for their intended use principally as a result of the restructuring of our pharma manufacturer solutions offering in the second half of 2023.

*Sales and marketing*

Sales and marketing expenses decreased \$1.7 million, or 2%, year-over-year, primarily driven by a \$5.5 million decrease in promotional expenses substantially in the form of consumer discounts. Beginning in December 2023, consumer discounts are recognized as a reduction of revenue as a result of a change in some aspects of our consumer incentives program. The impact from this driver was partially offset by a \$2.2 million increase in third-party marketing expenses. For further information regarding our consumer incentives program, see Note 2 to our audited consolidated financial statements included in our 2023 10-K.

*General and administrative*

General and administrative expenses decreased \$9.7 million, or 27%, year-over-year, primarily driven by a \$4.0 million decrease in stock-based compensation expense related to awards granted to our Co-Founders in 2020 and a net \$3.0 million estimated legal settlement loss recognized during the third quarter of 2023 with respect to an ongoing class action litigation.

*Depreciation and amortization*

Depreciation and amortization expenses decreased \$15.5 million, or 47%, year-over-year, primarily driven by \$17.5 million of amortization recognized last year related to certain intangible assets, which had been accelerated in connection with the restructuring of our pharma manufacturer solutions offering in the second half of 2023.

**Other Expense**

We recognized other expense of \$2.7 million in the three months ended September 30, 2024 related to third-party transaction costs as a result of our debt refinance in July 2024. For additional information, see Note 6 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q. We recognized other expense of \$2.2 million in the three months ended September 30, 2023 related to an impairment loss on one of our minority equity interest investments.

**Loss on Extinguishment of Debt**

We recognized a loss on extinguishment of debt of \$2.1 million in the three months ended September 30, 2024 related to the write-off of a portion of existing unamortized debt issuance costs and discounts as a result of our debt refinance in July 2024. For additional information, see Note 6 to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q.

**Interest Income**

Interest income decreased by \$3.9 million, or 45%, year-over-year, primarily due to lower average balance of cash equivalents held in U.S. treasury securities money market funds.

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**Interest Expense**

Interest expense decreased by \$2.4 million, or 16%, year-over-year, primarily due to lower average debt balances, partially offset by higher interest rates.

## Income Taxes

For the three months ended September 30, 2024, we had income tax expense of \$4.1 million compared to an income tax benefit of \$8.1 million for the three months ended September 30, 2023 and an effective income tax rate of 51.1% and 17.4%, respectively. The year-over-year change in our income taxes was primarily driven by changes in our income (loss) before income taxes and a higher estimated annual effective income tax rate in 2024, partially offset by net tax benefits from research and development tax credits.

## Nine Months Ended September 30, 2024 Compared to Nine Months Ended September 30, 2023

The following table sets forth our results of operations for the nine months ended September 30, 2024 and 2023:

	Nine Months Ended September 30, 2024	% of Total Revenue	Nine Months Ended September 30, 2023	% of Total Revenue	Change (\$)	Change (%)
Revenue:						
Prescription transactions revenue	\$ 432,562	73%	\$ 406,874	73%	\$ 25,688	6%
Subscription revenue	65,860	11%	71,261	13%	(5,401)	(8%)
Pharma manufacturer solutions revenue	79,149	13%	60,662	11%	18,487	30%
Other revenue	16,170	3%	14,824	3%	1,346	9%
Total revenue	593,741		553,621			
Costs and operating expenses:						
Cost of revenue, exclusive of depreciation and amortization presented separately below	36,022	6%	51,755	9%	(15,733)	(30%)
Product development and technology	92,010	15%	103,804	19%	(11,794)	(11%)
Sales and marketing	273,285	46%	247,577	45%	25,708	10%
General and administrative	94,316	16%	95,144	17%	(828)	(1%)
Depreciation and amortization	50,442	8%	64,060	12%	(13,618)	(21%)
Total costs and operating expenses	546,075		562,340			
Operating income (loss)	47,666		(8,719)			
Other expense, net:						
Other expense	(2,660)	0%	(4,008)	1%	1,348	(34%)
Loss on extinguishment of debt	(2,077)	0%	—	0%	(2,077)	n/m
Interest income	18,686	3%	23,697	4%	(5,011)	(21%)
Interest expense	(41,564)	7%	(41,907)	8%	343	(1%)
Total other expense, net	(27,615)		(22,218)			
Income (loss) before income taxes	20,051		(30,937)			
Income tax (expense) benefit	(10,401)	2%	47,938	9%	(58,339)	(122%)
Net income	\$ 9,650		\$ 17,001			

## Revenue

The year-over-year changes in prescription transactions revenue, subscription revenue and pharma manufacturer solutions revenue were driven by the same factors described above for the three months ended September 30, 2024 compared to the same period of 2023. For subscription revenue, revenue contribution from Kroger Savings decreased \$6.3 million year-over-year on a year-to-date basis due to the sunset of the offering.

For prescription transactions revenue, our Monthly Active Consumers increased 8% on a year-to-date basis compared to the same period of 2023.

For pharma manufacturer solutions revenue, revenue contribution from vitaCare was \$7.6 million on a year-to-date basis in 2023 compared to nil for the same period of 2024. For expected revenue trends, see our discussion and analysis above for the three months ended September 30, 2024 compared to the same period of 2023.

## Costs and Operating Expenses

### Cost of revenue, exclusive of depreciation and amortization

Cost of revenue decreased \$15.7 million, or 30%, year-over-year, primarily driven by a \$14.3 million decrease in outsourced and in-house personnel and other costs related to consumer support and a \$5.6 million decrease in allocated overhead, both due to lower average headcount principally as a result of the restructuring of our pharma manufacturer solutions offering in the second half of 2023. The impact from these drivers was partially offset by a \$3.0 million increase in processing fees.

### Product development and technology

Product development and technology expenses decreased \$11.8 million, or 11%, year-over-year, primarily driven by a \$7.6 million loss recognized last year on the disposal of certain capitalized software that were not yet ready for their intended use, principally as a result of the restructuring in the second half of 2023, and a \$8.3 million decrease in payroll and related costs largely due to higher capitalization of certain qualified costs related to the development of internal-use software. The impact from these drivers was partially offset by a \$3.1 million increase in third-party services and contractors associated with product development and allocated overhead.

### Sales and marketing

Sales and marketing expenses increased \$25.7 million, or 10%, year-over-year, primarily driven by a \$22.0 million increase in payroll and related costs, principally due to higher average headcount and higher stock-based compensation expense due to a reversal of previously recognized stock-based compensation expense recorded in the second quarter of 2023 as certain performance milestones were no longer probable of being met in addition to changes in our employee composition. The year-over-year change was also driven by a \$15.6 million increase in advertising expenses and a \$7.4 million increase in third-party marketing expenses. The impact from these drivers was partially offset by a \$21.8 million decrease in promotional expenses substantially in the form of consumer discounts, whereas beginning in December 2023 these are recognized as a reduction of revenue as described above in the discussion and analysis for the three months comparison.

#### *General and administrative*

General and administrative expenses decreased \$0.8 million, or 1%, year-over-year, primarily driven by a \$12.7 million decrease in stock-based compensation expense related to awards granted to our Co-Founders in 2020. The impact from this driver was partially offset by a net \$10.0 million increase in estimated legal settlement loss with respect to an ongoing class action litigation and a \$3.0 million increase in payroll and related expenses, principally from equity awards granted to our Interim Chief Executive Officer in the second quarter of 2023 and first quarter of 2024.

#### *Depreciation and amortization*

Depreciation and amortization expenses decreased \$13.6 million, or 21%, year-over-year, primarily driven by \$17.5 million of amortization recognized last year related to certain intangible assets, which had been accelerated in connection with the restructuring of our pharma manufacturer solutions offering in the second half of 2023. The impact from this driver was partially offset by higher amortization related to capitalized software in the nine months ended September 30, 2024 due to higher capitalization costs for platform improvements and the introduction of new products and features.

#### **Other Expense**

For other expense in the nine months ended September 30, 2024, see our discussion and analysis for the three months comparison above. We recognized other expense of \$4.0 million in the nine months ended September 30, 2023 related to impairment losses on one of our minority equity interest investments.

#### **Loss on Extinguishment of Debt**

See our discussion and analysis for the three months comparison above.

#### **Interest Income**

Interest income decreased by \$5.0 million, or 21%, year-over-year, primarily due to lower average balance of cash equivalents held in U.S. treasury securities money market funds.

#### **Interest Expense**

Interest expense decreased by \$0.3 million, or 1%, year-over-year, primarily due to lower average debt balances, partially offset by higher interest rates.

#### **Income Taxes**

For the nine months ended September 30, 2024, we had an income tax expense of \$10.4 million compared to a \$47.9 million income tax benefit for the nine months ended September 30, 2023 and an effective income tax rate of 51.9% and 155.0%, respectively. The year-over-year change in our income taxes was primarily driven by the release of our valuation allowance against the majority of our net deferred tax assets recorded as a discrete tax benefit in the second quarter of 2023, partially offset by a decrease in the tax effects from non-deductible officers' stock-based compensation expense and equity awards.

#### **Liquidity and Capital Resources**

Since our inception, we have financed our operations primarily through net cash provided by operating activities, equity issuances, and borrowings under our long-term debt arrangements. Our principal sources of liquidity are our cash and cash equivalents and borrowings available under our \$100.0 million secured revolving credit facility. As described in Note 6 to our condensed consolidated financial statements, in July 2024, we extended the maturity date on \$88.0 million of our \$100.0 million revolving credit facility to April 10, 2029, with the remaining \$12.0 million maturing on July 11, 2025. As of September 30, 2024, we had cash and cash equivalents of \$423.8 million and \$91.7 million available under our revolving credit facility.

As of September 30, 2024, other than as described in Note 6 to our condensed consolidated financial statements related to the refinancing of our term loan, there were no material changes to our primary short-term and long-term requirements for liquidity and capital or to our contractual commitments as disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2023 10-K.

Based on our current conditions, we believe that our net cash provided by operating activities and cash on hand will be adequate to meet our operating, investing and financing needs for at least the next twelve months from the date of the issuance of the accompanying unaudited condensed consolidated financial statements. Our future capital requirements will depend on many factors, including the growth of our business, the timing and extent of investments, sales and marketing activities, and many other factors as described in Part I, Item 1A, "Risk Factors" of our 2023 10-K. If necessary, we may borrow funds under our revolving credit facility to finance our liquidity requirements, subject to customary borrowing conditions. To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional

indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all. If we are unable to raise additional funds when or on the terms desired, our business, financial condition and results of operations could be adversely affected.

#### **Holding Company Status**

GoodRx Holdings, Inc. is a holding company that does not conduct any business operations of its own. As a result, GoodRx Holdings, Inc. is largely dependent upon cash distributions and other transfers from its subsidiaries to meet its obligations and to make future dividend payments, if any. Our debt arrangements contain covenants restricting payments of dividends by our subsidiaries, including GoodRx, Inc., unless certain conditions are met. These covenants provide for certain exceptions for specific types of payments. Based on these restrictions, all of the net assets of GoodRx, Inc. were restricted pursuant to the terms of our debt arrangements as of September 30, 2024. Since the restricted net assets of GoodRx, Inc. and its subsidiaries exceed 25% of our consolidated net assets, in accordance with Regulation S-X, see Note 18 to our consolidated financial statements included in our 2023 10-K for the condensed parent company financial information of GoodRx Holdings, Inc.

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#### **Cash Flows**

(in thousands)	Nine Months Ended September 30,	
	2024	2023
Net cash provided by operating activities	\$ 139,149	\$ 122,424
Net cash used in investing activities	(53,703)	(42,894)
Net cash used in financing activities	(333,965)	(41,790)
Net change in cash and cash equivalents	\$ (248,519)	\$ 37,740

#### *Net cash provided by operating activities*

Net cash provided by operating activities consist of net income adjusted for certain non-cash items and changes in assets and liabilities. The \$16.7 million year-over-year increase in net cash provided by operations was due to an increase in net income after adjusting for non-cash adjustments, partially offset by an increase of \$11.3 million in cash outflow from changes in operating assets and liabilities. Changes in operating assets and liabilities were principally driven by the timing of payments of prepaid services, accounts payable and accrued expenses, income tax payments and refunds, as well as collections of accounts receivable.

#### *Net cash used in investing activities*

Net cash used in investing activities generally consist of cash used for software development costs and capital expenditures, and may also include cash used for acquisitions and investments that we may make from time to time. The \$10.8 million year-over-year increase in net cash used in investing activities was primarily driven by a \$10.4 million increase in cash paid for software development.

#### *Net cash used in financing activities*

Net cash used in financing activities primarily consist of principal repayments and debt issuance payments related to our debt arrangements, repurchases of our Class A common stock, and net share settlement of equity awards, partially offset by debt borrowings, and proceeds from exercise of stock options as well as our employee stock purchase plan. The \$292.2 million year-over-year increase in net cash used in financing activities was primarily driven by a \$132.5 million increase in payments for repurchases of our Class A common stock, an increase of \$161.7 million of net repayments on our term loan as a result of our refinancing in July 2024, and a \$9.5 million increase in employee taxes paid related to net share settlement of equity awards. The impact from these drivers was partially offset by a \$14.1 million increase in proceeds from exercise of stock options.

#### **Recent Accounting Pronouncements**

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

#### **Critical Accounting Policies and Estimates**

During the three months ended September 30, 2024, there have been no significant changes to our critical accounting policies and estimates compared with those disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our 2023 10-K.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

There have been no material changes in our market risk from the disclosure included in Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" of our 2023 10-K.

#### **Item 4. Controls and Procedures**

##### **Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our principal executive officer and principal financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on that evaluation, our principal executive officer and principal financial officer concluded that, as of September 30, 2024, our disclosure controls and procedures were effective.

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**Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II. OTHER INFORMATION****Item 1. Legal Proceedings**

The information required under this Part II, Item 1 is set forth in Note 7 to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q and is incorporated herein by this reference.

**Item 1A. Risk Factors**

There have been no material changes to the risk factors previously disclosed in our 2023 10-K. For a discussion of potential risks and uncertainties related to us, see the information included in Part I, Item 1A, "Risk Factors" of our 2023 10-K.

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

None.

**Use of Proceeds**

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

There have been no material changes in the expected use of the net proceeds from our IPO as described in our Registration Statement. As of September 30, 2024, we estimated we had used approximately \$586.4 million of the net proceeds from our IPO: (i) \$164.4 million for the acquisition of businesses that complement our business; (ii) \$262.0 million for the repurchases of our Class A common stock; and (iii) \$160.0 million for the repayment of our outstanding debt obligations. As of September 30, 2024, we had \$300.5 million estimated remaining net proceeds from our IPO which have been invested in investment grade, interest-bearing instruments.

**Issuer Repurchases of Equity Securities**

The following table presents information with respect to our repurchases of our Class A common stock during the three months ended September 30, 2024.

Period	Total Number of Shares Repurchased <sup>(1)</sup>	Average Price Paid per Share <sup>(2)</sup>	Total Number of Shares Repurchased as Part of Publicly Announced Program <sup>(1)</sup>	Approximate Dollar Value of Shares that May Yet Be Repurchased Under the Program (in thousands)
July 1 - 31	—	\$ —	—	\$ —
August 1 - 31	755,953	\$ 6.95	755,953	\$ 290,221
September 1 - 30	—	\$ —	—	\$ —
Total	755,953		755,953	

(1) The repurchases are being executed from time to time, subject to general business and market conditions and other investment opportunities, through open market purchases or privately negotiated transactions, which may include repurchases through a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c)(1) under the Exchange Act. See Note 9 to our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q for additional information related to our current \$450.0 million stock repurchase program with no expiration date, which was publicly announced on February 29, 2024.

(2) Average price paid per share includes direct costs and estimated excise taxes associated with the repurchases.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information****Insider Trading Arrangements**

During the three months ended September 30, 2024, none of our directors or officers (as defined in Section 16 of the Exchange Act), adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any "non-Rule 10b5-1 trading arrangement" (as defined in Item 408(c) of Regulation S-K of the Exchange Act).





Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/ Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	<a href="#">Amended and Restated Certificate of Incorporation</a>	8-K	001-39549	3.1	9/28/20	
3.2	<a href="#">Amended and Restated Bylaws</a>	8-K	001-39549	3.2	9/28/20	
4.1	<a href="#">Form of Certificate of Class A Common Stock</a>	S-1	333-248465	4.1	8/28/20	
4.2	<a href="#">Form of Certificate of Class B Common Stock</a>	S-8	333-249069	4.4	9/25/20	
10.1	<a href="#">Non-Employee Director Compensation Program, dated July 8, 2024</a>	10-Q	001-39549	10.2	8/8/24	
10.2†	<a href="#">Sixth Amendment to First Lien Credit Agreement, dated July 10, 2024</a>	8-K	001-39549	10.1	7/11/24	
31.1	<a href="#">Certification of Interim Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a)</a>					*
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a)</a>					*
32.1	<a href="#">Certification of Interim Chief Executive Officer pursuant to 18 U.S.C. Section 1350</a>					**
32.2	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350</a>					**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					*
101.SCH	Inline XBRL Taxonomy Extension Schema Document					*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					*

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### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

GOODRX HOLDINGS, INC.

Date: November 7, 2024

By: /s/ Scott Wagner  
Scott Wagner  
Interim Chief Executive Officer  
(Principal Executive Officer)

Date: November 7, 2024

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

Date: November 7, 2024

By: /s/ Romin Nabiey  
Romin Nabiey  
Chief Accounting Officer  
(Principal Accounting Officer)



## CERTIFICATION

I, Scott Wagner, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of GoodRx Holdings, Inc
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statement were made, not misleading with respect to the period covered by this report
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this report
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: November 7, 2024

By: /s/ Scott Wagner  
 Scott Wagner  
 Interim Chief Executive Officer  
 (Principal Executive Officer)

## CERTIFICATION

I, Karsten Voermann, certify that

1. I have reviewed this Quarterly Report on Form 10-Q of GoodRx Holdings, Inc
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for, the periods presented in this report
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: November 7, 2024

By: /s/ Karsten Voermann  
 Karsten Voermann  
 Chief Financial Office  
*(Principal Financial Officer)*

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT T  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 200

In connection with the Quarterly Report on Form 10-Q of GoodRx Holdings, Inc. (the "Company") for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 7, 2024

By: /s/ Scott Wagner  
Scott Wagner  
Interim Chief Executive Officer  
(Principal Executive Officer)

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT T  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 200

In connection with the Quarterly Report on Form 10-Q of GoodRx Holdings, Inc. (the "Company") for the period ended September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 7, 2024

By: /s/ Karsten Voerman  
Karsten Voerman  
Chief Financial Officer  
Principal Financial Officer