

REFINITIV

DELTA REPORT

10-Q

AMWL - AMERICAN WELL CORP

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS 1439

■ CHANGES	237
■ DELETIONS	316
■ ADDITIONS	886

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended **March 31, June 30, 2024**

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: **001-39515**

American Well Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

20-5009396
(I.R.S. Employer
Identification Number)

75 State Street, 26th Floor
Boston, MA 02109
(Address of registrant's principal executive offices)
(617) 204-3500
(Registrant's telephone number, including area code)

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, par value of \$0.01 per share	AMWL	The New York Stock Exchange

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of **April 19, 2024** **July 19, 2024**, the number of shares of the registrant's Class A common stock outstanding was **263,517,164** **13,343,684**, the number of shares of the registrant's Class B common stock outstanding was **27,390,397** **1,369,518** and the number of shares of the registrant's Class C common stock outstanding was **5,555,555** **277,777**.

American Well Corporation

QUARTERLY REPORT ON FORM 10-Q For the period ended **March 31, 2024** **June 30, 2024**

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

AMERICAN WELL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

(unaudited)

	<u>March 31, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Assets				
Current assets:				
Cash and cash equivalents	\$ 308,599	\$ 372,038	\$ 276,908	\$ 372,038
Accounts receivable (\$1,627 and \$1,626, from related parties and net of allowances of \$3,092 and \$2,291, respectively)	80,709	54,146		
Accounts receivable (\$92 and \$1,626, from related parties and net of allowances of \$902 and \$2,291, respectively)	76,086	54,146		
Inventories	6,578	6,652	5,573	6,652
Deferred contract acquisition costs	2,301	2,262	2,329	2,262
Prepaid expenses and other current assets	16,010	14,484	17,278	14,484
Total current assets	<u>414,197</u>	<u>449,582</u>	<u>378,174</u>	<u>449,582</u>
Restricted cash	795	795	795	795
Property and equipment, net	552	572	491	572
Intangible assets, net	114,338	120,248	111,223	120,248
Operating lease right-of-use asset	9,632	10,453	8,814	10,453
Deferred contract acquisition costs, net of current portion	5,107	4,792	5,158	4,792
Other assets	1,793	2,083	1,973	2,083
Investment in minority owned joint venture (Note 2)	1,969	1,180	1,195	1,180
Total assets	<u>\$ 548,383</u>	<u>\$ 589,705</u>	<u>\$ 507,823</u>	<u>\$ 589,705</u>
Liabilities and Stockholders' Equity				
Current liabilities:				
Accounts payable	\$ 6,710	\$ 4,864	\$ 5,915	\$ 4,864
Accrued expenses and other current liabilities	39,035	38,988	44,089	38,988
Operating lease liability, current	3,602	3,580	3,625	3,580
Deferred revenue (\$852 and \$1,286 from related parties, respectively)	<u>59,079</u>	<u>46,365</u>		
Deferred revenue (\$489 and \$1,286 from related parties, respectively)	<u>64,271</u>	<u>46,365</u>		
Total current liabilities	<u>108,426</u>	<u>93,797</u>	<u>117,900</u>	<u>93,797</u>
Other long-term liabilities	1,412	1,425	1,415	1,425
Operating lease liability, net of current portion	7,292	8,206	6,363	8,206
Deferred revenue, net of current portion	7,895	6,091	4,276	6,091
Total liabilities	<u>125,025</u>	<u>109,519</u>	<u>129,954</u>	<u>109,519</u>
Commitments and contingencies (Note 9)				
Stockholders' equity:				
Preferred stock, \$0.01 par value; 100,000,000 shares authorized, no shares issued or outstanding as of March 31, 2024 and as of December 31, 2023	—	—		
Common stock, \$0.01 par value; 1,000,000,000 Class A shares authorized, 263,158,793 and 255,542,545 shares issued and outstanding, respectively; 100,000,000 Class B shares authorized, 27,390,397 shares issued and outstanding; 200,000,000 Class C shares authorized 5,555,555 issued and outstanding as of March 31, 2024 and as of December 31, 2023	2,956	2,879		

Preferred stock, \$0.01 par value; 100,000,000 shares authorized, no shares issued or outstanding as of June 30, 2024 and as of December 31, 2023	—	—		
Common stock, \$0.01 par value; 1,000,000,000 Class A shares authorized, 13,308,758 and 12,776,608 shares issued and outstanding, respectively; 100,000,000 Class B shares authorized, 1,369,518 shares issued and outstanding; 200,000,000 Class C shares authorized 277,777 issued and outstanding as of June 30, 2024 and as of December 31, 2023	151	145		
Additional paid-in capital	2,251,875	2,234,768	2,264,518	2,237,502
Accumulated other comprehensive income	(16,213)	(15,650)	(20,961)	(15,650)
Accumulated deficit	(1,829,883)	(1,757,778)	(1,879,803)	(1,757,778)
Total American Well Corporation stockholders' equity	408,735	464,219	363,905	464,219
Non-controlling interest	14,623	15,967	13,964	15,967
Total stockholders' equity	423,358	480,186	377,869	480,186
Total liabilities and stockholders' equity	\$ 548,383	\$ 589,705	\$ 507,823	\$ 589,705

The accompanying notes are an integral part of these condensed consolidated financial statements.

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AMERICAN WELL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Revenue						
(\$872 and \$988 from related parties, respectively)	\$ 59,522	\$ 64,001				
(\$828, \$983, \$1,700 and \$1,971 from related parties, respectively)	\$ 62,790	\$ 62,447	\$ 122,312	\$ 126,448		
Costs and operating expenses:						
Costs of revenue, excluding depreciation and amortization of intangible assets	41,153	38,752	39,294	38,244	80,447	76,996
Research and development	26,680	25,923	20,806	25,842	47,486	51,765
Sales and marketing	25,726	22,726	18,386	21,554	44,112	44,280
General and administrative	32,757	36,370	28,464	36,319	61,221	72,689
Depreciation and amortization expense	8,238	7,243	8,216	7,718	16,454	14,961
Goodwill impairment	—	330,309	—	27,276	—	357,585
Total costs and operating expenses	134,554	461,323	115,166	156,953	249,720	618,276
Loss from operations	(75,032)	(397,322)	(52,376)	(94,506)	(127,408)	(491,828)
Interest income and other income (expense), net	3,784	940	2,668	2,332	\$ 6,452	3,272
Loss before expense from income taxes and loss from equity method investment	(71,248)	(396,382)	(49,708)	(92,174)	(120,956)	(488,556)
Expense from income taxes	(1,275)	(1,475)	(97)	(716)	\$ (1,372)	(2,191)
Loss from equity method investment	(926)	(652)	(774)	(625)	\$ (1,700)	(1,277)
Net loss	(73,449)	(398,509)	(50,579)	(93,515)	(124,028)	(492,024)
Net loss attributable to non-controlling interest	(1,344)	(821)	(659)	(1,040)	\$ (2,003)	(1,861)
Net loss attributable to American Well Corporation	\$ (72,105)	\$ (397,688)	\$ (49,920)	\$ (92,475)	\$ (122,025)	\$ (490,163)

Net loss per share attributable to common stockholders, basic and diluted	\$ (0.25)	\$ (1.42)	\$ (3.36)	\$ (6.53)	\$ (8.28)	\$ (34.80)
Weighted-average common shares outstanding, basic and diluted	291,833,853	279,966,645	14,875,589	14,162,775	14,738,355	14,085,074
Net loss	\$ (73,449)	\$ (398,509)	\$ (50,579)	\$ (93,515)	\$ (124,028)	\$ (492,024)
Other comprehensive income (loss), net of tax:						
Unrealized (loss) gain on available-for-sale investments	—	4,319	—	1,933	—	6,252
Foreign currency translation	(563)	2,062	(4,748)	(214)	(5,311)	1,848
Comprehensive loss	(74,012)	(392,128)	(55,327)	(91,796)	(129,339)	(483,924)
Less: Comprehensive loss attributable to non-controlling interest	(1,344)	(821)	(659)	(1,040)	(2,003)	(1,861)
Comprehensive loss attributable to American Well Corporation	\$ (72,668)	\$ (391,307)	\$ (54,668)	\$ (90,756)	\$ (127,336)	\$ (482,063)

The accompanying notes are an integral part of these condensed consolidated financial statements.

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AMERICAN WELL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands, except share amounts)
(unaudited)

	American Well Corporation								American Well Corporation					
	Common Stock		Accumulated Paid-In Capital		Other Comprehensive Income (Loss)		Stockholders' Equity		Common Stock		Accumulated Paid-In Capital		Other Comprehensive Income (Loss)	
	Shares	Amount	Capital	Income (Loss)	Deficit	Equity	Noncontrolling Interest	Stockholders' Equity	Shares	Amount	Capital	Income (Loss)	Deficit	
Balances as of January 1, 2023	277,139,679	\$ 2,766	\$ 2,160,108	\$ (16,969)	\$ (1,082,028)	\$ 1,063,877	\$ 19,974	\$ 1,083,851	13,856,791	\$ 139	\$ 2,162,735	\$ (16,969)	\$ (1,082,028)	
Exercise of common stock options	128,572	1	288	—	—	289	—	289	6,429	—	289	—	—	
Vesting of restricted stock units, including units with a market condition	2,927,471	29	(29)	—	—	—	—	—	146,259	1	(1)	—	—	
Shares repurchased and retired	(316)	—	—	—	(1)	(1)	—	(1)	(15)	—	—	—	(1)	
Issuance of stock under employee stock purchase plan	513,339	5	1,263	—	—	1,268	—	1,268	25,667	—	1,268	—	—	

Stock-based compensation expense	—	—	20,997	—	—	20,997	—	20,997	—	—	20,997	—	—
Currency translation adjustment	—	—	—	2,062	—	2,062	—	2,062	—	—	—	2,062	—
Unrealized gains (losses) on available-for-sale securities, net of tax	—	—	—	4,319	—	4,319	—	4,319	—	—	—	—	—
Unrealized gains on available-for-sale securities, net of tax	—	—	—	4,319	—	4,319	—	4,319	—	—	—	—	—
Net loss	—	—	—	—	(397,688)	(397,688)	(821)	(398,509)	—	—	—	—	(397,688)
Balances as of March 31, 2023	280,708,745	2,801	2,182,627	(10,588)	(1,479,717)	695,123	19,153	714,276	14,035,131	140	2,185,288	(10,588)	(1,479,717)
Exercise of common stock options	7,900	—	280	—	—	280	—	280	—	—	—	—	—
Vesting of restricted stock units, including units with a market condition	171,009	2	(2)	—	—	—	—	—	—	—	—	—	—
Shares repurchased and retired	(13,233)	—	—	—	(585)	(585)	—	(585)	—	—	—	—	—
Stock-based compensation expense	—	—	21,513	—	—	21,513	—	21,513	—	—	—	—	—
Currency translation adjustment	—	—	—	(214)	—	(214)	—	(214)	—	—	—	—	—
Unrealized gains on available-for-sale securities, net of tax	—	—	—	1,933	—	1,933	—	1,933	—	—	—	—	—
Net loss	—	—	—	—	(92,475)	(92,475)	(1,040)	(93,515)	—	—	—	—	—
Balances as of June 30, 2023	14,200,807	\$ 142	\$ 2,207,079	\$ (8,869)	\$ (1,572,777)	\$ 625,575	\$ 18,113	\$ 643,688					

	American Well Corporation										Additional	
	Accumulated					Well						
	Common Stock		Additional		Other	Corporation		Total		Accumulated		
	Shares	Amount	Capital		Comprehensive Income (Loss)	Accumulated Deficit	Stockholders' Equity	Noncontrolling Interest	Stockholders' Equity	Common Stock	Paid-In Capital	
Balances as of January 1, 2024	288,488,497	\$ 2,879	\$ 2,234,768	\$ (15,650)	\$ (1,757,778)	\$ 464,219	\$ 15,967	\$ 480,186	14,423,903	\$ 145	\$ 2,237,502	
Vesting of restricted stock units	6,542,751	66	(66)	—	—	—	—	—	326,743	3	(3)	
Issuance of stock under employee stock purchase plan	1,073,497	11	945	—	—	956	—	956	53,675	1	955	
Stock-based compensation expense	—	—	16,228	—	—	16,228	—	16,228	—	—	16,228	
Currency translation adjustment	—	—	—	(563)	—	(563)	—	(563)	—	—	(563)	
Net loss	—	—	—	—	(72,105)	(72,105)	(1,344)	(73,449)	—	—	—	
Balances as of March 31, 2024	296,104,745	2,956	2,251,875	(16,213)	(1,829,883)	408,735	14,623	423,358	14,804,321	149	2,254,682	
Vesting of restricted stock units	151,734	2	(2)	—	—	—	—	—	—	—	—	
Shares repurchased and retired	(2)	—	—	—	—	—	—	—	—	—	—	
Stock-based compensation expense	—	—	9,838	—	—	9,838	—	9,838	—	—	—	
Currency translation adjustment	—	—	—	(4,748)	—	(4,748)	—	(4,748)	—	—	—	
Net loss	—	—	—	—	(49,920)	(49,920)	(659)	(50,579)	—	—	—	
Balances as of June 30, 2024	14,956,053	\$ 151	\$ 2,264,518	\$ (20,961)	\$ (1,879,803)	\$ 363,905	\$ 13,964	\$ 377,869	—	—	—	

The accompanying notes are an integral part of these condensed consolidated financial statements.

AMERICAN WELL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands, except share and per share amounts)

(unaudited)

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024		2023	
Cash flows from operating activities:				
Net loss	\$ (73,449)	\$ (398,509)	\$ (124,028)	\$ (492,024)
Adjustments to reconcile net loss to net cash used in operating activities:				
Goodwill impairment	-	330,309	—	357,585
Depreciation and amortization expense	8,236	7,242	16,451	14,950
Provisions for credit losses	883	199	695	(21)
Amortization of deferred contract acquisition costs	585	476	1,099	1,093
Amortization of deferred contract fulfillment costs	85	107	173	215
Stock-based compensation expense	16,238	21,008	26,058	42,685
Loss on equity method investment	926	652	1,700	1,277
Deferred income taxes	(5)	(13)	(11)	(23)
Changes in operating assets and liabilities, net of acquisition:				
Accounts receivable	(27,506)	2,340	(22,692)	10,161
Inventories	74	299	1,079	205
Deferred contract acquisition costs	(947)	(793)	(1,539)	(2,338)
Prepaid expenses and other current assets	(1,611)	4,198	(3,017)	1,091
Other assets	262	(210)	71	(212)
Accounts payable	1,851	(247)	1,072	(2,753)
Accrued expenses and other current liabilities	33	(14,159)	5,293	(11,591)
Deferred revenue	14,589	17,953	16,047	10,924
Net cash used in operating activities	(59,756)	(29,148)	(81,549)	(68,776)
Cash flows from investing activities:				
Purchases of property and equipment	(75)	(18)	(101)	(36)
Capitalized software development costs	(2,818)	(6,751)	(7,972)	(13,836)
Investment in less than majority owned joint venture	(1,715)	(980)	(1,715)	(3,920)
Purchases of investments	—	(389,990)	—	(389,990)
Proceeds from sales and maturities of investments	—	98,916	—	—
Net cash used in investing activities	(4,608)	(397,739)	(9,788)	(308,866)
Cash flows from financing activities:				
Proceeds from exercise of common stock options	—	289	—	569
Proceeds from employee stock purchase plan	956	1,268	956	1,268
Payments for the purchase of treasury stock	—	(1)	—	(586)
Net cash provided by financing activities	956	1,556	956	1,251
Effect of exchange rates changes on cash, cash equivalents, and restricted cash	(31)	(328)	(4,749)	(799)
Net decrease in cash, cash equivalents, and restricted cash	(63,439)	(425,659)	(95,130)	(377,190)
Cash, cash equivalents, and restricted cash at beginning of period	372,833	539,341	372,833	539,341
Cash, cash equivalents, and restricted cash at end of period	\$ 309,394	\$ 113,682	\$ 277,703	\$ 162,151
Cash, cash equivalents, and restricted cash at end of period:				
Cash and cash equivalents	308,599	112,887	276,908	161,356
Restricted cash	795	795	795	795
Total cash, cash equivalents, and restricted cash at end of period	\$ 309,394	\$ 113,682	\$ 277,703	\$ 162,151
Supplemental disclosure of cash flow information:				
Cash paid for income taxes	\$ 630	\$ 458	\$ 2,195	\$ 1,018

The accompanying notes are an integral part of these condensed consolidated financial statements.

AMERICAN WELL CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(in thousands, except share and per share amounts)
(unaudited)

1. Organization and Description of Business

American Well Corporation (the "Company") was incorporated under the laws of the State of Delaware in June 2006. The Company is headquartered in Boston, Massachusetts. The Company is a leading enterprise software company enabling digital delivery of care for healthcare's key stakeholders. The Company empowers our clients with the core technology and services necessary to successfully develop and distribute virtual care programs that meet their strategic, operational, financial and clinical objectives under their own brands.

Reverse Stock Split

On June 18, 2024, the Company's stockholders approved a reverse stock split of its Class A common stock, Class B common stock and Class C common stock (collectively, the "common stock") at a ratio ranging from 1-for-10 to 1-for-20, with the exact ratio determined by the Company's Board of Directors. On June 28, 2024, the Company's Board of Directors approved a 1-for-20 reverse stock split (Reverse Split) of its common stock that became effective on July 10, 2024. The Reverse Stock Split did not change the Company's authorized number of shares of common stock. The Reverse Stock Split did not change the par value of the common stock and, therefore the Company reclassified an amount equal to the reduction in the number of shares of common stock at par value to additional paid-in capital. No fractional shares were issued in connection with the Reverse Split, and stockholders who would otherwise be entitled to receive a fractional share instead received a cash payment equal to the fraction of a share of common stock in lieu of such fractional share. Proportionate adjustments were made to the number of shares authorized under the Company's equity incentive plans, the number of shares subject to any award or purchase right under the Company's equity incentive plans, and the exercise price or purchase price with respect to any stock option award or purchase right under the Company's equity incentive plans, see Note 8. All shares of the Company's common stock, stock-based instruments and per-share data included in these condensed consolidated financial statements have been retroactively adjusted as though the Reverse Stock Split has been effected prior to all periods presented.

2. Summary of Significant Accounting Policies

There have been no material changes to the significant accounting policies described in the Company's Form 10-K, as amended on March 1, 2024, for the fiscal year ended December 31, 2023, that have had a material impact on the consolidated financial statements and related notes.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission (the "SEC") regarding interim financial reporting. In the opinion of the Company's management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of normal recurring accruals and adjustments) necessary for the fair statement of the Company's financial position, results of operations and cash flows at the dates and for the periods indicated. The interim results for the three and six months ended March 31, 2024 June 30, 2024 are not necessarily indicative of results for the full 2024 calendar year or any other future interim periods. The information included in the interim financial statements should be read in conjunction with the annual consolidated financial statements and accompanying notes included in the Form 10-K, 10-K as amended on March 1, 2024.

The unaudited condensed consolidated financial statements include the accounts of American Well Corporation, its wholly-owned subsidiaries, those of professional corporations, which represent variable interest entities in which American Well has an interest and is the primary beneficiary ("PC"), and National Telehealth Network ("NTN"), an entity in which American Well controls fifty percent or more of the voting shares (see Note 4). Intercompany accounts and transactions have been eliminated in consolidation.

The Company's reporting currency is the U.S. dollar. The Company determines the functional currency of each subsidiary based on the currency of the primary economic environment in which each subsidiary operates. Items included in the financial statements of such subsidiaries are measured using that functional currency. Foreign currency denominated monetary assets and liabilities are remeasured into U.S. dollars at current exchange rates and foreign currency denominated nonmonetary assets and liabilities are remeasured into U.S. dollars at historical exchange rates. Gains or losses from foreign currency remeasurement and settlements are included in interest income and other income (expense), net in the condensed consolidated statements of operations and comprehensive loss.

For consolidated entities where American Well owns or is exposed to less than 100% of the economics, the net loss attributable to noncontrolling interests is recorded in the condensed consolidated statements of operations and comprehensive loss equal to the percentage of the economic or ownership interest retained in each entity by the respective non-controlling party. The noncontrolling interests are presented as a separate component of stockholders' deficit in the condensed consolidated balance sheets.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reported periods. Significant estimates and assumptions reflected in these condensed consolidated financial statements include, but are not limited to, revenue recognition, the estimated customer relationship period that is used in the amortization of deferred contract acquisition costs, the valuation of assets and liabilities acquired in business combinations, goodwill, the useful lives of intangible assets and property and equipment and the valuation of common stock awards. The Company bases its estimates on historical experience, known trends, and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates, as there are changes in circumstances, facts and experience. Changes in estimates are recorded in the period in which they become known. Actual results may differ from those estimates or assumptions.

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Segment Information

The Company's chief operating decision makers (CODMs) maker (CODM), its two Chief Executive Officers, Officer, review financial information presented on a consolidated basis for purposes of allocating resources and evaluating financial performance. The Company operates and manages its business as one reportable and operating segment. In addition, substantially all of the Company's revenue and long-lived assets are attributable to operations in the United States for all periods presented.

Variable Interest Entities

The Company evaluates its ownership, contractual and other interests in entities to determine if it has any variable interest in a variable interest entity ("VIE"). These evaluations are complex and involve judgment. If the Company determines that an entity in which it holds a contractual or ownership interest is a VIE and that the Company is the primary beneficiary, the Company consolidates such entity in its condensed consolidated financial statements. The primary beneficiary of a VIE is the party that meets both of the following criteria: (i) has the power to make decisions that most significantly affect the economic performance of the VIE; and (ii) has the obligation to absorb losses or the right to receive benefits that in either case could potentially be significant to the VIE. Management performs ongoing reassessments of whether changes in the facts and circumstances regarding the Company's involvement with a VIE will cause the consolidation conclusion to change. Changes in consolidation status are applied prospectively.

The aggregate carrying value of total assets and total liabilities included on the condensed consolidated balance sheets for the PCs after elimination of intercompany transactions were \$33,565 27,990 and \$1,944 1,542, respectively, as of March 31, 2024 June 30, 2024 and \$33,842 and \$1,803, respectively as of December 31, 2023.

Total revenue included on the condensed consolidated statements of operations and comprehensive loss for the PCs after elimination of intercompany transactions was \$17,580 15,442 and \$19,746 16,729 for the three months ended March 31, 2024 June 30, 2024 and 2023, respectively. Net loss included on the condensed consolidated statements of operations and comprehensive loss was not material for the three months ended March 31, 2024 June 30, 2024 and 2023. Total revenue included on the condensed consolidated statements of operations and comprehensive loss for the PCs after elimination of intercompany transactions was \$33,022 and \$36,475 for the six months ended June 30, 2024 and 2023, respectively. Net loss included on the condensed consolidated statements of operations and comprehensive loss was not material for the six months ended June 30, 2024 and 2023.

Investment in Minority Owned Joint Venture

The Company and Cleveland Clinic partnered to form a joint venture, under the name CCAW, JV LLC, to provide broad access to comprehensive and high acuity care services via digital care delivery. The Company does not have a controlling financial interest in CCAW, JV LLC, but it does have the ability to exercise significant influence over the operating and financial policies of CCAW, JV LLC. Therefore, the Company accounts for its investment in CCAW, JV LLC using the equity method of accounting. The joint venture is considered a variable interest entity under ASC 810-10, but the Company is not the primary beneficiary as it does not have the power to direct the activities of the joint venture that most significantly impact its performance. The Company's evaluation of ability to impact performance is based on Cleveland Clinic's managing directors and Cleveland Clinic's ability to appoint and remove the chairperson who has the ability to cast the tie breaking vote on the most significant activities.

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In 2020, the Company contributed \$2,940 as its initial investment for a 49% interest in CCAW, JV LLC. The agreement also requires required aggregate total capital contributions by the Company up to an additional \$11,800 in two phases, which is yet to be defined. phases. During the three six months ended March 31, 2023 June 30, 2024, the Company made a capital contribution of \$980 1,715, related to a portion of the phase one capital commitment. There was a which \$1,715 0 contribution made was contributed in the three months ended March 31, 2024 June 30, 2024. During the six months ended June 30, 2023, the Company made a capital contribution of \$3,920, of which \$2,940 was contributed in the three months ended June 30, 2023.

For the three months ended March 31, 2024 June 30, 2024 and 2023, the Company recognized a loss of \$926 774 and \$652 625 as its proportionate share of the joint venture's results of operations, respectively. For the six months ended June 30, 2024 and 2023, the Company recognized a loss of \$1,700 and \$1,277 as its proportionate share of the joint venture's results of operations, respectively. Accordingly, the carrying value of the equity method investment as of March 31, 2024 June 30, 2024 and December 31, 2023 was \$1,969 1,195 and \$1,180, respectively.

Concentrations of Credit Risk and Significant Clients

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash, cash equivalents, investments and accounts receivable. The Company invests its excess cash with large financial institutions that the Company believes are of high credit quality. Cash and cash equivalents are invested in highly rated money market funds. At times, the Company's cash balances with individual banking institutions are in excess of federally insured limits. The Company's investments are invested in U.S. government agency bonds. The Company has not experienced any losses on its deposits of cash, cash equivalents or investments. The Company does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships.

The Company performs ongoing assessments and credit evaluations of its clients to assess the collectability of the accounts based on a number of factors, including past transaction experience, age of the accounts receivable, review of the invoicing terms of

the contracts, and recent communication with clients. The Company has not experienced significant credit losses from its accounts receivable. As of March 31, 2024 June 30, 2024, two clients one client accounted for 41% and 13 51% of outstanding accounts receivable, and as of December 31, 2023, one client accounted for 40% of outstanding accounts receivable.

During the three months ended March 31, 2024 June 30, 2024 and 2023, sales to one client represented 29 26% and 25 24% of the Company's total revenue, respectively. During the six months ended June 30, 2024 and 2023, sales to one client represented 28% and 24% of the Company's total revenue, respectively.

Goodwill

The Company recognizes the excess of the purchase price over the fair value of identifiable net assets acquired as goodwill. Goodwill is not amortized but is tested for impairment annually on November 30 or more frequently if events or changes in circumstances indicate that the carrying amount of the goodwill may not be recoverable. These events include: (i) severe adverse industry or economic trends; (ii) significant company-specific actions, including exiting an activity in conjunction with restructuring of operations; (iii) current, historical or projected deterioration of our financial performance; or (iv) a sustained decrease in our market capitalization, as indicated by the Company's publicly quoted share price, below our net book value. Our goodwill impairment tests are performed at the enterprise level given our single reporting unit.

When testing goodwill for impairment, we have the option of first performing a qualitative assessment to determine whether it is more likely than not that the fair value of our reporting unit is less than its carrying amount. If we elect to bypass the qualitative assessment, or if a qualitative assessment indicates it is more likely than not that carrying value exceeds its fair value, we perform a quantitative goodwill impairment test. Under the quantitative goodwill impairment test, if our reporting unit's carrying amount exceeds its fair value, we will record an impairment charge based on that difference. A charge is reported as impairment of goodwill in the consolidated statements of operations and comprehensive loss. In the three and six months ended March 31, 2023 June 30, 2023 there was a partial impairment of the goodwill balance. The full goodwill balance was written off as of September 30, 2023. For details associated with the Company's goodwill impairment, see Note 6 – *Goodwill and Intangible Assets*.

Intangible Assets

Intangible assets acquired in a business combination are recognized at fair value using generally accepted valuation methods deemed appropriate for the type of intangible asset acquired and reported net of accumulated amortization, separately from goodwill. Finite-lived Definite-lived intangible assets, which primarily consist of customer relationships, contractor relationships, technology and trade name, are stated at historical cost and amortized over the assets' estimated useful lives. Intangible assets are re-evaluated whenever events or changes in circumstances indicate that their estimated useful lives may require revision and/or the carrying value of the related asset group may not be recoverable by its

projected undiscounted cash flows. If the carrying value of the asset group is determined to be unrecoverable, an impairment charge would be recognized in an amount equal to the amount by which the carrying

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value of the asset group exceeds its fair value. The Company did not identify a triggering event in the six months ended June 30, 2024 and 2023. No impairments were identified during the six months ended June 30, 2024 and 2023.

Impairment of Long-Lived Assets

Long-lived assets consist primarily of property and equipment and intangible assets. Long-lived assets to be held and used are tested for recoverability whenever events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. Factors that the Company considers in deciding when to perform an impairment review include significant underperformance of the business in relation to expectations, significant negative industry or economic trends and significant changes or planned changes in the use of the assets, among others. When testing for asset impairment, the Company groups assets and liabilities at the lowest level for which cash flows are separately identifiable. If an impairment review is performed to evaluate a long-lived asset group for recoverability, the Company compares forecasts of undiscounted cash flows expected to result from the use and eventual disposition of the long-lived asset group to its carrying value. An impairment loss would be recognized when estimated undiscounted future cash flows expected to result from the use of an asset group are less than the asset's carrying amount. The impairment loss would be based on the excess of the carrying value of the impaired asset group over its fair value. The Company did not identify a triggering event in the three six months ended March 31, 2024. To date, the Company has not recorded any impairment losses on long-lived assets. June 30, 2024 and 2023. No impairments were identified during the three six months ended March 31, 2024 June 30, 2024 and 2023.

Recently Issued Accounting Pronouncements and Disclosure Rules

In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07"), which includes amendments to improve reportable segment disclosures. For public entities that are Securities and Exchange Commission filers, ASU 2023-07 is effective for annual periods beginning after December 15, 2023, and interim periods beginning after December 15, 2024. Early adoption is permitted. The adoption is not expected to have a material effect on the Company's consolidated financial statements.

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In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"), which includes amendments to improve income tax disclosures primarily related to the rate reconciliation and income taxes paid information. For public entities that are Securities and Exchange Commission filers, ASU 2023-09 is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The adoption is not expected to have a material effect on the Company's consolidated financial statements.

In March 2024, the U.S. Securities and Exchange Commission ("SEC") adopted the final rule under SEC Release No. 33-11275, The Enhancement and Standardization of Climate-Related Disclosures for Investors. This rule will require registrants to disclose certain climate-related information in registration statements and annual reports. The In April 2024, the SEC issued an order staying the final rule. Prior to this stay, the disclosure requirements will apply would have applied to the Company's fiscal year beginning January 1, 2026. The Company is currently evaluating the final rule to determine its impact on the Company's disclosures.

3. Revenue

The following table presents the Company's revenues disaggregated by revenue source:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Platform subscription	\$ 24,855	\$ 28,695	\$ 27,504	\$ 28,030	\$ 52,359	\$ 56,725
Visits	31,078	32,537	28,729	28,083	59,807	60,620
Other	3,589	2,769	6,557	6,334	10,146	9,103

Total Revenue	\$ 59,522	\$ 64,001	\$ 62,790	\$ 62,447	\$ 122,312	\$ 126,448
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Accounts Receivable, Net

Accounts receivable primarily consist of amounts billed currently due from clients. Accounts receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. In determining the amount of the allowance at each reporting date, the Company makes judgments about general economic conditions, historical write-off experience and any specific risks identified in client collection matters, including the aging of unpaid accounts receivable and changes in client financial conditions. Account balances are written off after all means of collection are exhausted and the potential for non-recovery is

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determined to be probable. Adjustments to the allowance for credit losses are recorded as general and administrative expenses in the condensed consolidated statements of operations and comprehensive loss.

Changes in the allowance for credit losses were as follows:

	Three Months Ended March 31, 2024	Year Ended December 31, 2023	Six Months Ended June 30, 2024	Year Ended December 31, 2023
Allowance for credit losses, beginning of the period	\$ 2,291	\$ 1,884	\$ 2,291	\$ 1,884
Provisions	882	1,034	697	1,034
Write-offs	(81)	(627)	(2,086)	(627)
Allowance for credit losses, end of the period	\$ 3,092	\$ 2,291	\$ 902	\$ 2,291

The Company has rights to consideration for services completed but not billed at the reporting date. Unbilled receivables are classified as receivables when the Company has the right to invoice the client. The amount of unbilled accounts receivable included within accounts receivable on the consolidated balance sheet was \$4,550 10,270 and \$5,500 as of **March 31, 2024** June 30, 2024 and December 31, 2023, respectively.

Deferred Revenue

Contract liabilities consist of deferred revenue and include billings in advance of performance under the contract. Such amounts are recognized as revenue over the contractual period. For the three months ended **March 31, 2024** June 30, 2024 and 2023, the Company recognized revenue of \$15,947 10,184 and \$16,198 11,099, respectively, that was included in the corresponding contract liability balance at the beginning of the periods presented. For the six months ended June 30, 2024 and 2023, the Company recognized revenue of \$26,131 and \$27,297, respectively, that was included in the corresponding contract liability balance at the beginning of the periods presented.

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Changes in the Company's deferred revenue balance for the **three six** months ended **March 31, 2024** June 30, 2024 and year ended December 31, 2023 were as follows:

	Three Months Ended March 31, 2024	Year Ended December 31, 2023	Six Months Ended June 30, 2024	Year Ended December 31, 2023
Total deferred revenue, beginning of the period	\$ 52,456	\$ 55,794	\$ 52,456	\$ 55,794
Additions	41,763	124,091	72,752	124,091
Recognized	(27,245)	(127,429)	(56,661)	(127,429)
Total deferred revenue, end of the period	\$ 66,974	\$ 52,456	\$ 68,547	\$ 52,456
Current deferred revenue	59,079	46,365	64,271	46,365
Non-current deferred revenue	7,895	6,091	4,276	6,091
Total	\$ 66,974	\$ 52,456	\$ 68,547	\$ 52,456

Transaction Price Allocated to Remaining Performance Obligations

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the aggregate amount of the transaction price allocated to remaining performance obligations was **\$227,672** **187,140** and \$217,736, respectively. The substantial majority of the unsatisfied performance obligations will be satisfied over the next three years.

As it pertains to the **March 31, 2024** **June 30, 2024** amount, the Company expects to recognize **52** **63**% of the transaction price in the 12 month period ended **March 31, 2025** **June 30, 2025**, in its condensed consolidated statement of operations and comprehensive loss with the remainder recognized thereafter.

4. National Telehealth Network

In 2012, the Company and an affiliate of Elevance Health Inc. formed National Telehealth Network LLC ("NTN") to expand the availability and adoption of telemedicine. The Company did not have a controlling financial interest in NTN, but it had the ability to

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exercise significant influence over the operating and financial policies of NTN. Therefore, the Company accounted for its investment in NTN using the equity method of accounting through December 31, 2015.

On January 1, 2016, the Company made an additional investment in NTN, which increased its ownership percentage above 50%. The Company also obtained the right to elect the Chairman of NTN, who has the ability to cast the tie-breaking vote in all decisions. Therefore, on January 1, 2016, the Company obtained control over NTN and has the power to direct the activities that most significantly impact NTN's economic performance. This step-acquisition was accounted for as a business combination and the results of the operations of NTN from January 1, 2016, have been included in the Company's condensed consolidated financial statements. However, because the Company owns less than 100% of NTN, the Company recognizes net loss attributable to non-controlling interest in the condensed consolidated statements of operations and comprehensive loss equal to the percentage of the ownership interest retained in NTN by the respective non-controlling party.

The proportionate share of the loss attributed to the non-controlling interest amounted to **\$1,344** 659 and **\$821** 1,040 for the three months ended **March 31, 2024** **June 30, 2024** and 2023, respectively. The proportionate share of the loss attributed to the non-controlling interest amounted to \$2,003 and \$1,861 for the six months ended June 30, 2024 and 2023.

The carrying value of the non-controlling interest was **\$14,623** **13,964** and \$15,967 as of **March 31, 2024** **June 30, 2024** and December 31, 2023, respectively.

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5. Fair Value Measurements

Certain assets and liabilities of the Company are carried at fair value under GAAP. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including models, discounted cash flow methodologies and similar techniques.

The following tables presents the Company's fair value hierarchy for its assets and liabilities that are measured at fair value on a recurring basis and indicate the level within the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value:

	March 31, 2024				June 30, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	\$ 242,707	\$ —	\$ —	\$ 242,707	\$ 215,906	\$ —	\$ —	\$ 215,906
Money market funds	\$ 242,707	\$ —	\$ —	\$ 242,707	\$ 215,906	\$ —	\$ —	\$ 215,906
Total financial assets:								

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
	\$ 299,300	\$ —	\$ —	\$ 299,300
Money market funds	\$ 299,300	\$ —	\$ —	\$ 299,300
Total financial assets:				

The Company's cash equivalents were invested in money market funds and were valued based on Level 1 inputs. During the **three** **six** months ended **March 31, 2024** **June 30, 2024**, there were no transfers between fair value measurement levels. Interest income for the three months ended June 30, 2024 and 2023 was \$3,296 and \$1,518, respectively. Interest income for the six months ended June 30, 2024 and 2023 was \$7,093 and \$2,465, respectively.

6. Goodwill and Intangible Assets

2023 Goodwill Impairment

As a result of sustained decreases in the Company's publicly quoted share price and market capitalization during 2023, the Company considered the potential impact on its goodwill, definite-lived intangibles, and other long-lived assets as of June 30, 2023. As a result of this review, the Company did not identify any triggering events that would result in impairment to its definite-lived intangible assets or other long-lived assets.

The Company identified indicators of goodwill impairment for the single reporting unit which required an interim goodwill impairment assessment. In performing the quantitative assessment of goodwill, our reporting unit's carrying amount exceeded its fair value. The Company estimated the reporting unit's fair value based on the market capitalization and a related control premium of 30% (amount paid by a new controlling shareholder for the benefits resulting from synergies and other potential benefits derived from controlling the acquired company). The Company evaluates the implied control premium or discount by comparing it to control premiums or discounts of recent comparable market transactions, as applicable. As a result of the interim quantitative impairment assessment, the Company recorded a \$27,276 and \$357,585 non-deductible, non-cash goodwill impairment charge for three and six months ended June 30, 2023.

Identified Intangible Assets

Identified intangible assets **consisted** **consist** of the following:

	Weighted				Weighted			
	Average		Remaining		Average		Remaining	
	Gross	Accumulated	Carrying	Value	Gross	Accumulated	Carrying	Value
March 31, 2024								
June 30, 2024								
Customer relationships	\$ 80,483	\$ (35,116)	45,367	6.3	\$ 80,498	\$ (37,146)	43,352	6.1
Contractor relationships	535	(340)	195	4.8	535	(350)	185	4.5
Tradename	14,079	(5,875)	8,204	3.9	14,006	(6,407)	7,599	3.6
Technology	89,478	(48,682)	40,796	3.1	89,245	(52,089)	37,156	2.8
Internally developed software	28,029	(8,253)	19,776	2.7	33,183	(10,252)	22,931	3.2
	\$ 212,604	\$ (98,266)	\$ 114,338		\$ 217,467	\$ (106,244)	\$ 111,223	

	Weighted Average				Weighted Average			
	Gross Amount	Accumulated Amortization	Carrying Value	Remaining Life	Gross Amount	Accumulated Amortization	Carrying Value	Remaining Life
December 31, 2023								
Customer relationships	\$ 80,558	\$ (33,109)	47,449	6.5	\$ 80,558	\$ (33,109)	47,449	6.5
Contractor relationships	535	(329)	206	5.0	535	(329)	206	5.0
Trade name	14,303	(5,389)	8,914	4.1	14,303	(5,389)	8,914	4.1
Technology	90,204	(45,482)	44,722	3.3	90,204	(45,482)	44,722	3.3
Internally developed software	25,210	(6,253)	18,957	2.4	25,210	(6,253)	18,957	2.4
	\$ 210,810	\$ (90,562)	\$ 120,248		\$ 210,810	\$ (90,562)	\$ 120,248	

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The Company capitalized \$2,818 \$5,154 in the three months ended March 31, 2024 June 30, 2024 and \$7,972 in the six months ended June 30, 2024, in each case related to internally developed software to be sold as a service incurred during the application development stage and stage. The Company is amortizing these costs over the expected lives of the related services. Amortization expense related to intangible assets for the three months ended March 31, 2024 June 30, 2024 and 2023 was \$8,144 \$8,133 and \$6,932 \$7,565, respectively. Amortization expense related to intangible assets for the six months ended June 30, 2024 and 2023 was \$16,277 and \$14,497, respectively. Estimated future amortization expense of the identified intangible assets as of March 31, 2024 June 30, 2024, is as follows:

2024	\$ 24,577	\$ 16,584
2025	33,370	34,345
2026	22,887	23,877
2027	12,127	13,150
2028	9,647	10,672
Thereafter	11,730	12,595
	\$ 114,338	\$ 111,223

7. Accrued Expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following:

	March 31, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Employee compensation and benefits	\$ 14,801	\$ 15,573	\$ 17,418	\$ 15,573
Professional services	7,208	3,838	7,495	3,838
Provider services	7,007	7,437	8,392	7,437
Other	10,019	12,140	10,784	12,140
Total	\$ 39,035	\$ 38,988	\$ 44,089	\$ 38,988

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8. Stockholders' Equity

Undesignated Preferred Stock

The Company's Amended and Restated Certificate of Incorporation authorizes the issuance of 100,000,000 shares of undesignated preferred stock, par value of \$0.01 per share, with rights and preferences, including voting rights, designated from time to time by the board of directors. No shares of preferred stock were issued or outstanding as of **March 31, 2024**, **June 30, 2024** and December 31, 2023.

Common Stock

In the three and six months ended **March 31, 2024**, **June 30, 2024**, no shares of Class B common stock were converted to Class A common stock. As of **March 31, 2024**, **June 30, 2024**, the par value of the Class A, Class B and Class C shares was \$2.625, \$275.14, and \$56.3, respectively.

	Shares Authorized	Shares Issued	Shares Outstanding	Shares Authorized	Shares Issued	Shares Outstanding
Class A	1,000,000,000	263,158,793	263,158,793	1,000,000,000	13,308,758	13,308,758
Class B	100,000,000	27,390,397	27,390,397	100,000,000	1,369,518	1,369,518
Class C	200,000,000	5,555,555	5,555,555	200,000,000	277,777	277,777
	1,300,000,000	296,104,745	296,104,745	1,300,000,000	14,956,053	14,956,053

As of **March 31, 2024**, **June 30, 2024** and December 31, 2023, the Company had reserved 83,295,920, 4,014,243 and 74,506,099, 3,725,304 shares of common stock for the exercise of outstanding stock options, the vesting of restricted stock units, the vesting of performance-based market condition share awards, and the number of shares remaining available for future grant, respectively.

Stock Plans and Stock Options

The Company maintains the 2006 Employee, Director and Consultant Stock Plan as amended and restated (the "2006 Plan") and 2020 Equity Incentive Plan (the "2020 Plan" together, the "Plans") under which it has granted incentive stock options, non-qualified stock options, restricted stock units and restricted performance stock units to employees, officers, and directors of the Company. In connection

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with the adoption of the 2020 Plan, the then-remaining shares of common stock reserved for grant or issuance under the 2006 Plan became available for issuance under the 2020 Plan, and no further grants will be made under the 2006 Plan.

Options issued under the Plans are exercisable for periods not to exceed ten years, and vest and contain such other terms and conditions as specified in the applicable award document. Options to buy common stock are issued under the Plans, with exercise prices equal to the closing price of shares of the Company's common stock on the New York Stock Exchange on the date of award.

Activity under the Plans is as follows:

	Weighted Average					Weighted Average					
	Number of Shares	Weighted Average		Remaining Contractual Term (Years)		Aggregate Intrinsic Value	Number of Shares	Weighted Average		Remaining Contractual Term (Years)	
		Exercise Price	Term (Years)	Contractual Term (Years)	Intrinsic Value			Exercise Price	Term (Years)	Intrinsic Value	
Outstanding as of January 1, 2024	9,989,049	\$ 5.09		4.6	\$ —	499,442	\$ 101.82		4.6	\$ —	
Granted	—	\$ —				—	\$ —				
Forfeited	(170,819)	\$ 5.67				(31,417)	\$ 90.40				
Expired	—	\$ —				(2,200)	\$ 36.0				
Exercised	—	\$ —				—	\$ —				
Outstanding as of March 31, 2024	9,818,230	\$ 5.08		4.4	\$ —						
Outstanding as of June 30, 2024	465,825	\$ 102.90		4.2	\$ —						
Vested and expected to vest as of December 31, 2023	9,978,545	\$ 5.09		4.6	\$ —	498,921	\$ 101.80		4.6	\$ —	
Vested and expected to vest as of March 31, 2024	9,810,553	\$ 5.08		4.4	\$ —						
Vested and expected to vest as of June 30, 2024	465,457	\$ 102.89		4.2	\$ —						

Options exercisable as of December 31, 2023	9,906,925	\$ 5.08	4.6	\$ —	495,428	\$ 101.59	4.6	\$ —
Options exercisable as of March 31, 2024	9,807,262	\$ 5.08	4.4	\$ —				
Options exercisable as of June 30, 2024	465,603	\$ 102.90	4.2	\$ —				

No options were granted in the **three six** months ended **March 31, 2024** June 30, 2024 and 2023.

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Restricted Stock Units

Activity for the restricted stock units is as follows:

	Weighted Average			Weighted Average		
	Grant Date		Shares	Grant Date		Shares
	Shares	Fair Value		Fair Value		
Unvested as of January 1, 2024	22,422,895	\$ 7.45				1,119,107
Granted	23,681,803	1.28				1,500,867
Vested	(6,542,751)	2.59				(478,477)
Forfeited	(1,865,789)	3.84				(250,276)
Unvested as of March 31, 2024	37,696,158	\$ 4.60				
Unvested as of June 30, 2024	1,891,221	\$ 39.03				

The total grant date fair value of RSU's granted for the **three six** months ended **March 31, 2024** June 30, 2024 was **\$80,313 33,115**. Restricted stock units vest over the service period of one to four years. The aggregate intrinsic value of restricted stock units vested for the **three six** months ended **March 31, 2024** June 30, 2024 and 2023 was **\$7,508 8,947** and **\$7,693 13,134**, respectively.

Restricted Stock Units with a Market Condition

Activity for the restricted stock units with a market condition is as follows:

	Weighted Average			Weighted Average		
	Grant Date		Shares	Grant Date		Shares
	Shares	Fair Value		Fair Value		
Unvested as of January 1, 2024	26,716,306	\$ 2.29				1,335,803
Granted	—	—				—
Vested	—	—				—
Cancelled/Forfeited	(8,686,061)	2.75				(539,345)
Unvested as of March 31, 2024	18,030,245	\$ 2.07				
Unvested as of June 30, 2024	796,458	\$ 39.62				

The total grant-date fair value of performance-based market condition share awards granted during the **three six** months ended **March 31, 2023** June 30, 2023 was **\$5,805**. There were no performance-based market condition share awards granted during the **three six** months ended **March 31, 2024** June 30, 2024. In the **three six** months ended **March 31, 2024** June 30, 2024, the Company cancelled **8,446,479 422,319** restricted stock units with a market condition

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that were not expected to vest. The Company subsequently issued **11,909,306** **595,462** restricted stock units to the individuals who had held the canceled awards. The cancellation and subsequent issuance was treated as a modification.

The weighted average estimated fair value of the performance-based market condition share awards granted during the **three** **six** months ended **March 31, 2023** **June 30, 2023** was determined using a Monte-Carlo valuation simulation, with the following most significant weighted-average assumptions:

	Three Months Ended March 31,		Six Months Ended June 30,	
	2024		2023	
	N/A	4.61 %	N/A	4.61 %
Risk-free rate				
Term to end of performance period (yrs)	N/A	3 years	N/A	3 years
Valuation date stock price	N/A	\$ 2.76	N/A	\$ 2.76
Expected volatility	N/A	70 %	N/A	70 %
Expected dividend yield	N/A	0 %	N/A	0 %

2020 Employee Stock Purchase Plan

During the **three** **six** months ended **March 31, 2023** **June 30, 2023**, the Company issued **513,339** **25,667** shares under the ESPP. During the **three** **six** months ended **March 31, 2024** **June 30, 2024**, the Company issued **1,073,497** **53,675** shares under the ESPP. As of **March 31, 2024** **June 30, 2024**, **7,831,816** **391,591** shares remained available for issuance.

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Stock-Based Compensation

Stock-based compensation expense was classified in the condensed consolidated statements of operations and comprehensive loss as follows:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024		2023		2024	
	\$ 397	\$ 398	\$ 388	\$ 435	\$ 785	\$ 833
Cost of revenues						
Research and development	2,009	2,801	1,615	2,872	3,624	5,673
Selling and marketing	1,778	1,986	1,380	2,337	3,158	4,323
General and administrative	12,044	15,812	6,455	15,869	18,499	31,681
Total	\$ 16,228	\$ 20,997	\$ 9,838	\$ 21,513	\$ 26,066	\$ 42,510

As of **March 31, 2024** **June 30, 2024**, the unrecognized stock-based compensation expense related to unvested common stock-based awards was **\$70,652** **57,953**, which is expected to be recognized over a weighted-average period of **2.4** **2.3** years.

9. Commitments and Contingencies

Indemnification

The Company's arrangements generally include certain provisions for indemnifying clients against third-party claims asserting infringement of certain intellectual property rights in the ordinary course of business. The Company also regularly indemnifies clients against third-party claims that the company's products or services breach applicable law or regulation or from claims resulting from a breach of the business associate agreement in place with the client. In addition, the Company indemnifies its officers, directors and certain key employees while they are serving in good faith in their capacities. Through **March 31, 2024** **June 30, 2024** and December 31, 2023, there have been no claims under any indemnification provisions.

Litigation

From time to time, and in the ordinary course of business, the Company may be subject to various claims, charges, and litigation. As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company did not have any pending claims, charges or litigation that it expects would have a material adverse effect on its consolidated financial position, results of operations or cash flows.

10. Income Taxes

As a result of the Company's history of net operating losses ("NOL"), the Company continues to maintain a full valuation allowance against its domestic net deferred tax assets. For the three and six months ended **March 31, 2024** **June 30, 2024**, the Company recognized an

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income tax expense of **\$1,275** 97 and **\$1,372**, primarily due to federal, state and foreign income tax expense. During the three and six months ended **March 31, 2023** **June 30, 2023**, the Company recorded income tax expense of **\$1,475** 716 and **\$2,191**, primarily due to state and foreign income taxes.

11. Related-Party Transactions

Cleveland Clinic

Cleveland Clinic is a related party because a member of the Company's board of directors is an executive advisor to Cleveland Clinic. As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company held current deferred revenue of **\$1,31** and \$43, respectively from contracts with this client. As of **March 31, 2024** **June 30, 2024** and December 31, 2023, amounts due from Cleveland Clinic were **\$17,74** and \$24, respectively.

During the three months ended **March 31, 2024** **June 30, 2024** and 2023, the Company recognized revenue of **\$470,426** and **\$599,590**, respectively, from contracts with this client. During the six months ended **June 30, 2024** and 2023, the Company recognized revenue of **\$896** and **\$1,189**, respectively, from contracts with this client.

CCAW, JV LLC

CCAW, JV LLC is a related party because it is a joint venture formed between the Company and Cleveland Clinic for which the Company has a minority owned interest in. During the year ended December 31, 2020, the Company made an initial investment in CCAW, JV LLC of \$2,940 for its less than 50% interest in the joint venture. During the **three** **six** months ended **March 31, 2024** **June 30, 2024**, the Company made capital contributions of \$1,715 related to a portion of the phase one capital commitment.

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During the three months ended **March 31, 2024** **June 30, 2024** and 2023, the Company recognized revenue of \$402 and **\$389,393** from contracts with this client, respectively. During the six months ended **June 30, 2024** and 2023, the Company recognized revenue of \$804 and \$782, respectively, from contracts with this client.

As of **March 31, 2024** **June 30, 2024** and December 31, 2023, the Company held current deferred revenue of **\$851,458** and \$1,243, respectively, from contracts with this client. As of **March 31, 2024** **June 30, 2024**, there **were** **was** **\$1,611** 17 amounts due from CCAW, JV LLC and as of December 31, 2023, \$1,602 was due from CCAW, JV LLC.

12. Net Loss per Share

Basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Numerator:						
Net loss	\$ (73,449)	\$ (398,509)	\$ (50,579)	\$ (93,515)	\$ (124,028)	\$ (492,024)
Net loss attributable to non-controlling interest	(1,344)	(821)	(659)	(1,040)	(2,003)	(1,861)
Net loss attributable to American Well Corporation	\$ (72,105)	\$ (397,688)	\$ (49,920)	\$ (92,475)	\$ (122,025)	\$ (490,163)
Denominator:						
Weighted-average common shares outstanding						
—basic and diluted	291,833,853	279,966,645	14,875,589	14,162,775	14,738,355	14,085,074
Net loss per share attributable to common stockholders—basic and diluted	\$ (0.25)	\$ (1.42)	\$ (3.36)	\$ (6.53)	\$ (8.28)	\$ (34.80)

The Company's potential dilutive securities, which include stock options, unvested restricted stock units and unvested performance market-based stock units, have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted-average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common stockholders is the same. The Company excluded the following potential common

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shares equivalents presented based on amounts outstanding at each period end, from the computation of diluted net loss per share attributable to common stockholders for the periods indicated because including them would have had an anti-dilutive effect:

	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Unvested restricted stock units	37,696,158	24,623,215	1,891,221	1,282,825	1,891,221	1,282,825
Unvested performance market-based stock units	18,030,245	28,110,693	796,458	1,351,663	796,458	1,351,663
Options to purchase shares of common stock	9,818,230	10,737,659	465,825	512,219	465,825	512,219
	65,544,633	63,471,567	3,153,504	3,146,707	3,153,504	3,146,707

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

Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact, including statements regarding our future results of operations, including descriptions of our business plan and strategies, are forward-looking statements. These statements often include words such as "anticipate," "expect," "suggests," "plan," "believe," "intend," "estimates," "targets," "projects," "should," "could," "would," "may," "will," "forecast," or the negative of these terms, and other similar expressions, although not all forward-looking statements contain these words.

The forward-looking statements and projections are subject to and involve risks, uncertainties and assumptions and you should not place undue reliance on these forward-looking statements or projections. Although we believe that these forward-looking statements and projections are based on reasonable assumptions at the time they are made, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those expressed in the forward-looking statements and projections.

Important factors that may materially affect such forward-looking statements and projections include the following:

- weak growth and increased volatility in the digital care market;
- our history of losses and the risk we may not achieve profitability;
- inability to adapt to rapid technological changes;
- our limited number of significant clients and the risk that we may lose their business;
- increased competition from existing and potential new participants in the healthcare industry;
- changes in healthcare laws, regulations or trends and our ability to operate in the heavily regulated healthcare industry;
- compliance with regulations concerning personally identifiable information and personal health industry;
- slower than expected growth in patient adoption of digital care and in platform usage by either clients or patients;
- inability to grow our base of affiliated and non-affiliated providers sufficient to serve patient demand;
- our ability to comply with federal and state privacy regulations and the significant liability that could result from a cybersecurity breach or our failure to comply with such regulations;
- our ability to establish and maintain strategic relationships with third parties;

- the impact of the seasonal viruses on our business or on our ability to forecast our business's financial outlook;
- the risk that the insurance we maintain may not fully cover all potential exposures; and
- the election by the Defense Health Agency to deploy our solution across their entire enterprise; the continuation of the DHA relationship beyond July of 2025 with comparable financial terms; and
- the ability of our Class A common stock to remain listed on the New York Stock Exchange terms.

The foregoing list of factors is not exhaustive and does not necessarily include all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. The information in this Quarterly Report should be read carefully in conjunction with other uncertainties and potential events described in our Form 10-K filed with the SEC on February 15, 2024 (as amended by Amendment No. 1 to our Form 10-K filed with the SEC on March 1, 2024), (the "Form 10-K").

The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this Quarterly Report. Except as required by law or regulation, we do not undertake any obligation to update any forward-looking statements to reflect subsequent events or circumstances

NYSE Notice

On April 2, 2024, the Company received written notice from The New York Stock Exchange ("NYSE") notifying it that, for the last 30 consecutive business days, the bid price for the Company's common stock had closed below the \$1.00 per share minimum bid price requirement for continued inclusion on the NYSE pursuant to Section 802.01C of the NYSE's Listed Company Manual.

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On June 18, 2024, the Company's stockholders approved a reverse stock split of its Class A common stock, Class B common stock and Class C common stock (collectively, the "common stock") at a ratio ranging from 1-for-10 to 1-for-20, with the exact ratio determined by the Company's Board of Directors. On June 28, 2024, the Company's Board of Directors approved a 1-for-20 reverse stock split (Reverse Split) of its common stock that became effective on July 10, 2024. All shares of the Company's common stock, stock-based instruments and per-share data included in this Quarterly Report on Form 10-Q, including the condensed consolidated financial statements, have been retroactively adjusted as though the Reverse Stock Split has been effected prior to all periods presented.

As we have completed the reverse stock split, we expect that we will cure the previously disclosed deficiency with respect to the continued listing minimum price criteria set forth in Section 802.01C of the NYSE Listed Company Manual as of August 1, 2024

Overview

Amwell is a leading enterprise platform and software company digitally enabling hybrid care. We empower health providers, payers, and innovators to achieve their digital ambitions, enabling a coordinated experience across in-person, virtual and automated care. We provide our clients with the core technology and services necessary to successfully develop and distribute digital care programs that meet their strategic, operational, financial and clinical objectives under their own brands.

Founded in 2006, Amwell pioneered virtual healthcare. Today, Amwell extends digital care beyond telehealth, enabling care across in-person, virtual and automated modalities and providing an open, scalable platform that can flex and grow alongside our clients. We deliver technology, services, programs and connected devices that facilitate new models of care, strategic partnerships, consistent execution and better outcomes. Together with our clients and innovation partners, we forge a new hybrid model of care delivery that adapts as needs evolve and makes care more accessible for all.

As of December 31, 2023, we powered the digital care programs of more than 50 health plans, which collectively represent more than 100 million covered lives, as well as approximately 115 of the nation's largest health systems. Since inception, we have powered approximately 28.9 million 30.4 million virtual care visits for our clients, including approximately 1.7 million 3.2 million in the three six months ended March 31, 2024 June 30, 2024.

The Amwell Converge™ Platform

The Amwell Converge platform is the latest version of our enterprise platform software and is our go-forward strategy to digitally enable a unified, scalable healthcare experience across all care settings. It has been designed from the ground up with the holistic understanding that the future of care of any one person inevitably will blend a mix of in-person, virtual and automated experiences. Designed to be future-ready, reliable, flexible, scalable, secure and fully integrated with other healthcare software systems, the Amwell Converge platform offers state-of-the-art data architecture and video capabilities, flexibility and scalability, as well as a user experience focused on the needs of patients, members and providers.

The telehealth of yesterday has grown to encompass hybrid care delivery models and the flow of data that drives healthcare. By providing a single platform for the digital distribution of care, the Amwell Converge platform will accelerate innovation and interoperability for health system and health plan clients as well as other healthcare innovators who

aim to offer a seamless experience for providers, patients and members.

The development of the **Amwell** Converge platform represented a re-platforming by the Company to provide our customer base with an improved and more robust solution. This re-platforming has been an ongoing effort that resulted in increased research and development costs during the peak development period in 2022 and the first half of 2023, and we expect to see a return to normal levels of research and development spend in the coming quarters. The first quarter of 2024 includes expenses that represent an investment in our government sector customers and to development of the government product that we believe will drive revenue growth in the coming years. We expect to continue these investments during the majority of 2024 before experiencing another reduction in our ongoing research and development expense run rate.

Re-platforming can impact timing of revenue as we manage on-boarding and customer churn. During the three months ended **March 31, 2024** **June 30, 2024**, **68%** **69%** of our visits were provided on the **Amwell** Converge platform, which was an increase from 52% in the fourth quarter of 2023. As of **March 31, 2024** **June 30, 2024**, we have a thumbs-up rating by patients and providers of over 90%. A major strategic focus for us in 2024 is the delivery of solutions to our government business clients as well as our existing commercial clients. In addition, we are focused on the transformational steps necessary to **reaccelerate** **re-accelerate** growth during this period of transition. We also continue to focus on the migration of our remaining health plan and health system clients onto the **Amwell** Converge platform.

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Our Business Model

We sell our enterprise platform and software as a service solutions on a subscription basis, which with our modular platform architecture allows our clients to introduce innovative digital care use cases over time, expanding our subscription revenue opportunity. To support the enterprise platform and software as a service, our solutions, we offer professional services on a fee-for-service basis, a range of patient and provider Carepoint™ devices and software that support hospital and home use cases and access to Amwell Medical Group® ("AMG"), our affiliated medical group that provides clinical services on a fee-for-service basis. The combination of the enterprise platform, professional services and Carepoint devices allows our clients to deploy digital care solutions across their full enterprise, deepening their relationships with existing and new patients and members through improved care access and coordination, cost and quality. Our contracts are typically three years in length but may be longer for our largest strategic client partners.

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Total subscription fees received were **\$24.9 million** **\$27.5 million** and **\$28.7 million** **\$28.0 million** for the three months ended **March 31, 2024** **June 30, 2024** and 2023, respectively, respectively, and \$52.4 million and \$56.7 million for the six months ended June 30, 2024 and 2023.

Health Systems

For health systems, our enterprise platform enables provider-to-provider virtual care for use cases ranging from stroke and acute psychiatry evaluations to virtual nursing and e-sitting. Our suite of Carepoint devices can enhance in-person care, whether the clients want to turn existing equipment such as televisions or iPads into digital access points or use Amwell Carepoint carts and peripherals. Our enterprise platform also helps extend care outside the care setting by enabling both on-demand and scheduled provider-to-patient care for a range of use cases. This includes, but is not limited to, urgent care, primary care, behavioral health, chronic disease management, and specialty follow-up care. To augment in-person and virtual care, our automated care programs and digital mental health services help clinicians and health plans engage patients, members, and consumers before, after, or in-between visits to improve care plan adherence and prevent costly escalations.

To supplement a health system's own network of healthcare providers, health systems often choose to purchase clinical services from AMG to deliver care for certain specialties such as telepsychiatry, behavioral health therapy and general urgent care, or to simply operate as backup providers on nights and weekends. AMG services are provided on a fee-for-service basis.

Health Plans

For health plans, employers and government entities, our enterprise platform enables a member-centric hybrid care experience, seamlessly connecting with current technology investments and offering an open architecture that allows simple integration of future innovation. The platform enables a broad set of use cases, including primary, urgent, mental health, specialty, and chronic care. Our virtual primary care solution offers a primary care navigation hub that supports a longitudinal care experience for members, integrating virtual visits with digital behavioral health tools and condition-specific automated care programs, with escalation back to virtual and/or in person care, if needed. Our

urgent care solution helps members conveniently and effectively address unplanned care needs without visiting the emergency department or local urgent care facility, driving quality outcomes at a lower cost.

Our typical health plan contract includes a recurring subscription fee based on the number of members who have access to our enterprise software plus additional subscription fees associated with add-on programs that extend from urgent care services to longitudinal care. As the health plan expands its offerings on our enterprise software through additional programs or additional covered lives, there is a corresponding increase in subscription fees.

Our health plan clients also purchase clinical services that leverage our AMG network. These visit consultations are charged on a fee-for-service basis and range in price based on the type of consultation and the specialty of the provider.

Government Healthcare Services

We offer new tailored healthcare solutions for government clients that provide efficient and accessible care options to meet the diverse needs of government healthcare systems, personnel and their families.

The **Amwell** Converge platform enables government healthcare providers to extend care beyond traditional settings, reaching personnel wherever they are stationed. With both on-demand and scheduled care options, we support a wide range of healthcare needs, including urgent care, primary care, behavioral health, chronic disease management, and specialty consultations.

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Visits

Amwell's clinical affiliate AMG has built a network of providers who are **registered** **licensed** and credentialed to deliver care on our enterprise **software**, **software** across the **entire United States**. This clinical network is designed and operated in a way that allows us to meet the aggregate visit demand requirements of our health plan and health system clients, spanning a broad mix of specialties, including Family Medicine, Lactation, Nutrition, Psychiatry, Therapy and Women's Health.

AMG earns fee-for-service revenue for each episode of care delivered on our enterprise software by its providers with fees varying by physician specialty or clinical program. These clinical fees vary significantly per consultation or case based on the specialty and may require an additional module subscription, as in the case of telepsychiatry.

Fees received from AMG-related visits were **\$31.1 million** **\$28.7 million** and **\$32.5 million** **\$28.1 million** for the three months ended **March 31, 2024** **June 30, 2024** and 2023, **respectively**, **respectively**, and **\$59.8 million** and **\$60.6 million** for the six months ended **June 30, 2024** and 2023.

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Services & Carepoint Devices

We offer a full suite of paid, supporting services to our clients to enable their virtual care offerings, including professional services to facilitate virtual care implementation, workflow design, systems integration and service expansion. To help our clients promote adoption and utilization, we offer patient and provider engagement services through our internal digital engagement agency.

Amwell Carepoint™ devices enable healthcare providers to leverage proprietary carts and transform existing tablets and TVs into digital access points in clinical settings, helping to address personnel shortages and access limitations. Our proprietary Carepoint devices coupled with our Carepoint Calling technology enables providers to deliver digital care into clinical care locations, such as the emergency department, community hospitals, clinics, and hospital-at-home, as well as into community settings such as retail stores, employer sites, skilled nursing facilities, correctional facilities, and schools. Our Virtual Nursing and patient monitoring (eSitter) offerings leverage these Carepoint devices to augment on-site nurse teams with virtual staff, and leverage technology to increase patient safety and nurse efficiencies. Carepoint offerings consist of hardware integrated into our enterprise software but can also be deployed independent of our software solution. Our Carepoint hardware is designed by our product development teams and manufactured through partner and contract relationships.

Fees received from the provision of services and Carepoint devices were **\$3.6 million** **\$6.6 million** and **\$2.8 million** **\$6.3 million** for the three months ended **March 31, 2024** **June 30, 2024** and 2023, **respectively**, **respectively**, and **\$10.1 million** and **\$9.1 million** for the six months ended **June 30, 2024** and 2023.

Key Metrics and Factors Affecting Our Performance

We monitor the following key metrics to help us evaluate our business, identify trends affecting our business, formulate business plans and make strategic decisions. While these metrics present significant opportunities for us, they also represent the challenges that we must successfully address in order to grow our business and improve the results of our operations.

Digital Care Utilization

Digital and hybrid care utilization is a key driver of our business. A client's overall utilization of its digital care platform provides an important measure of the value they derive and drives our business in three important ways. First, to the extent a client succeeds with its digital care program and sees good usage, they are more likely to renew and potentially expand their contract with us. Second, our health systems agreements typically include a certain number of visits conducted by their own providers annually and provide that as certain volume thresholds are exceeded, its annual license fees will rise to reflect this growing value. Third, to the extent that clients utilize provider services from AMG, Amwell derives revenue from clinical fees. We expect that our future revenues will be driven by the growing adoption of digital and hybrid care and our ability to maintain and grow market share within that market.

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We continue to experience strong adoption and usage of our enterprise software and products. In the **three six** months ended **March 31, 2024** **June 30, 2024**, our clients completed a total of **1.7 million** **3.2 million** visits using our enterprise software, while in the **three six** months ended **March 31, 2023** **1.7 million** **June 30, 2023**, **3.2 million** visits were completed. AMG providers accounted for 24% and **25%** **24%** of total visits performed using our enterprise software during the **three six** months ended **March 31, 2024** **June 30, 2024** and 2023, respectively.

Total Overall Quarterly Visits		
Quarter Ended	Overall Visits	Performed by Client Providers
March 31, 2024	1,665,000	76%
December 31, 2023	1,650,000	73%
September 30, 2023	1,445,000	76%
June 30, 2023	1,485,000	76%
March 31, 2023	1,710,000	75%
December 31, 2022	1,715,000	71%

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Total Overall Quarterly Visits		
Quarter Ended	Overall Visits	Performed by Client Providers
June 30, 2024	1,500,000	76%
March 31, 2024	1,665,000	76%
December 31, 2023	1,650,000	73%
September 30, 2023	1,445,000	76%
June 30, 2023	1,485,000	76%
March 31, 2023	1,710,000	75%

Regulatory Environment

Our operations are subject to comprehensive United States federal, state and local regulations as well as international regulation in the jurisdictions in which we do business. Our ability to operate profitably will depend in part upon our ability, and that of our affiliated providers, to maintain all necessary licenses and to operate in compliance with applicable laws and rules. During the COVID-19 pandemic, state and federal regulatory authorities loosened or removed a number of regulatory requirements in order to increase the availability of digital care services. For example, changes were made to the Medicare and Medicaid programs (through waivers and other regulatory authority) to increase

access to digital care services by, among other things, increasing reimbursement, permitting the enrollment of out of state providers and eliminating prior authorization requirements. Most Medicare reimbursement flexibilities have been extended through December 31, 2024, including a waiver for geographic site restrictions (patient may be located at home), the expansion of eligible provider types, and coverage for audio-only consults.

Seasonality

Visit volumes typically follow the annual flu season, rising during quarter four and quarter one and falling in the summer months. While we sell to and implement our solutions to clients year-round, we experience some seasonality in terms of when we enter into agreements with our clients and when we launch our solutions to members.

Non-GAAP Financial Measures

In addition to our financial results determined in accordance with GAAP, we believe adjusted EBITDA, a non-GAAP measure, is useful in evaluating our operating performance. We use adjusted EBITDA to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that this non-GAAP financial measure, when taken together with the corresponding GAAP financial measures, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations or outlook. In particular, we believe that the use of adjusted EBITDA is helpful to our investors as it is a metric used by management in assessing the health of our business and our operating performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measure as a tool for comparison. A reconciliation is provided below for our non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the related GAAP financial measure and the reconciliation of this non-GAAP financial measure to their most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business.

Adjusted EBITDA

Adjusted EBITDA is a key performance measure that our management uses to assess our operating performance. Because adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we use this measure for business planning purposes and in evaluating acquisition opportunities.

We calculate adjusted EBITDA as net loss adjusted to exclude (i) interest income and other income, net, (ii) tax benefit and expense, (iii) depreciation and amortization, (iv) goodwill impairment, (v) stock-based compensation expense, (vi) severance and strategic transformation costs and (vii) capitalized software costs.

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The following table presents a reconciliation of adjusted EBITDA from the most comparable GAAP measure, net loss, for the three and six months ended March 31, 2024 June 30, 2024 and 2023:

(in thousands)	Three Months Ended March 31,		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023	2024	2023
Net loss	\$ (73,449)	\$ (398,509)	\$ (50,579)	\$ (93,515)	\$ (124,028)	\$ (492,024)
Add:						
Depreciation and amortization	8,238	\$ 7,243	8,216	\$ 7,718	16,454	14,961
Interest income and other income (expense), net	(3,784)	(940)	(2,668)	(2,332)	(6,452)	(3,272)
Expense from income taxes	1,275	1,475	97	716	1,372	2,191
Goodwill impairment	—	330,309	—	27,276	—	357,585
Stock-based compensation	16,228	20,997	9,838	21,513	26,066	42,510
Severance and strategic transformation costs ⁽¹⁾	8,659	1,575	5,297	406	13,956	1,981
Capitalized software costs	(2,818)	(6,751)	(5,154)	(7,085)	(7,972)	(13,836)
Adjusted EBITDA	\$ (45,651)	\$ (44,601)	\$ (34,953)	\$ (45,303)	\$ (80,604)	\$ (89,904)

(1) Severance and strategic transformation costs include expenses associated with the termination of employees and expenses that focus on transforming the strategy of the Company's sales and growth organization as well as our overall cost structure during the three and six months ended March 31, 2024 June 30, 2024 and 2023.

Some of the limitations of adjusted EBITDA include (i) adjusted EBITDA does not properly reflect capital commitments to be paid in the future, and (ii) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and adjusted EBITDA does not reflect these capital expenditures. Our adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate adjusted EBITDA in the same manner as we calculate the measure, limiting its usefulness as a comparative measure. In evaluating adjusted EBITDA, you should be aware that in the future we will incur expenses similar to the adjustments in this presentation. Our presentation of adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these expenses or any unusual or non-recurring items. Adjusted EBITDA should not be considered as an alternative to loss before benefit from income taxes, net loss, earnings per share, or any other performance measures derived in accordance with U.S. GAAP. When evaluating our performance, you should consider adjusted EBITDA alongside other financial performance measures, including our net loss and other GAAP results.

Components of Statement of Operations

Revenue

The Company has demonstrated the strength of our revenue as a direct result of the continued acceptance of digital care, our penetration of the market, and the successful launch of new or expanded products that enable broadened applications for care delivered virtually. Revenue performance is reflective of the strong foundation that has been built, focused around health plans, health systems, and our provider network.

We generate revenues from the use of our enterprise platform and software as a service in the form of recurring subscription fees for use, and related services and Carepoint sales. We also generate revenue from the performance of AMG patient visits.

Cost of Revenues, Excluding Amortization of Intangible Assets

Cost of revenues primarily consist of hosting fees paid to our hosting providers, costs incurred in connection with our professional services, technical and hosting support, and costs for running our affiliated provider network operations team. These costs primarily include employee-related expenses (including salaries, bonuses, benefits, stock-based compensation and travel).

Cost of revenues are primarily driven by the size of our provider network and the hosting and technical support required to service our clients. Our business model is designed to be scalable and to leverage fixed costs to generate higher revenues. While we currently expect increased investments to support accelerated growth, we also expect increased efficiencies and economies of scale. Our quarterly cost of revenues as a percentage of revenues is expected to fluctuate from period to period depending on the interplay of these aforementioned factors.

Operating Expenses

Operating expenses consist of research and development, sales and marketing, and general and administrative expenses.

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Research and Development Expenses

Research and development expenses include personnel and related expenses for software and hardware engineering, information technology infrastructure, security and compliance and product development (inclusive of stock-based compensation for our research and development employees). Research and development expenses also include the periodic outsourcing of similar functions to third party specialists. In prior years, we accelerated the expansion of our enterprise platform volume capacity and the development of additional functionality through new programs and modules. While we have recognized an increase in the research and development expense throughout the prior years, the corresponding future revenue growth is expected to result in lower expenses as a percentage of revenue. This increased spend represents an investment in a more scalable and economically beneficial solution that will properly position the Company to benefit in the long term. We believe the increased spend from the prior years to be temporary. We have made additional investment in the current year mainly for our work in the government space, which we believe will provide an opportunity for revenue growth from both existing and new customers in the coming years. We expect this investment in government space to continue for the majority of 2024 before we realize another decrease in research and development expense run rate.

Our research and development expenses may also fluctuate as a percentage of our total revenue from period to period due to the seasonality of our total revenue and the timing and extent of our research and development expenses. We accelerated our multiyear technology investment to accommodate the anticipated significant growth in market demand for increasingly broad and sophisticated digital care enablement infrastructure.

Sales and Marketing Expenses

Sales expenses consist primarily of employee-related expenses, including salaries, benefits, commissions, travel and stock-based compensation costs for our employees engaged in commercial activities. We will continue to invest appropriately in sales expenses as we look to grow with new prospects and expand the business of our existing clients. We will continue to elevate the skills and impact of our sales personnel and related account management teams as we look to provide a differentiated and enhanced client experience to our growing client base as well as identifying new strategic market opportunities.

Marketing costs consist primarily of personnel and related expenses (inclusive of stock-based compensation) for our marketing staff that primarily support the sales organization and client engagement. Marketing costs also include third-party independent research, digital marketing campaigns, participation in trade shows, brand messaging, public relations costs, and the costs of communication materials that are produced to generate awareness and utilization of our enterprise platform and software as a service among our clients and their users.

We have made strategic investments in the development of our sales and marketing department focused on internal process improvement and external go to market strategy during the **first quarter ended March 31, 2024** of 2024. The expense associated with this investment was accelerated into **this the first quarter of 2024** which we believe better positions the Company to deliver on our strategic plan. We expect our sales and marketing expense to decrease as a percentage of our total revenue in future periods. Our sales and marketing expenses will fluctuate as a percentage of our total revenue from period to period due to the seasonality of our total revenue and the timing and extent of our advertising and marketing expenses.

General and Administrative Expenses

General and administrative expenses include personnel and related expenses, and professional fees incurred by finance, legal, human resources, information technology, our executives, and executive administration staff. They also include stock-based compensation for employees in these departments and expenses related to auditing, consulting, legal, and corporate insurance.

We expect our general and administrative expenses to decrease as a percentage of our total revenue over the next several years. Our general and administrative expenses may fluctuate as a percentage of our total revenue from period to period due to the seasonality of our total revenue and the timing and extent of our general and administrative expenses.

Depreciation and Amortization Expense

Depreciation and amortization expense includes the amortization of intangible assets and depreciation related to our fixed assets. Amortization of intangible assets consists of the amortization of acquisition-related intangible assets, which are customer relationships, contractor relationships, technology and trade names, as well as the amortization of capitalized software costs.

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Interest Income and Other Income (Expense), Net

The balance of interest income and other income (expense), net, consists predominantly of interest income on our money-market and short-term investments. We did not incur material interest expenses in the period as there were no outstanding debts or notes payable.

Provision for Income Taxes

The income tax provision is primarily due to state and foreign income tax expense.

Deferred tax assets are reduced by a valuation allowance to the extent management believes it is not more likely than not to be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. Management makes estimates and judgments about future taxable income based on assumptions that are consistent with our plans and estimates.

Consolidated Results of Operations

The following table sets forth our summarized condensed consolidated statement of operations data for the three and six months ended **March 31, 2024** **June 30, 2024** and 2023 and the dollar and percentage change between the respective periods:

(in thousands)	Three Months Ended March 31,				Three Months Ended June 30,				Six Months Ended June 30,			
	2024	2023	Change	%	2024	2023	Change	%	2024	2023	Change	%

Revenue	\$ 59,522	\$ 64,001	\$ (4,479)	-7%	\$ 62,790	\$ 62,447	\$ 343	1%	\$ 122,312	\$ 126,448	\$ (4,136)	-3%
Costs and operating expenses:												
Costs of revenue, excluding depreciation and amortization of intangible assets	41,153	38,752	2,401	6%	39,294	38,244	1,050	3%	80,447	76,996	3,451	4%
Research and development	26,680	25,923	757	3%	20,806	25,842	(5,036)	(19)%	47,486	51,765	(4,279)	(8)%
Sales and marketing	25,726	22,726	3,000	13%	18,386	21,554	(3,168)	(15)%	44,112	44,280	(168)	(0)%
General and administrative	32,757	36,370	(3,613)	(10)%	28,464	36,319	(7,855)	(22)%	61,221	72,689	(11,468)	(16)%
Depreciation and amortization expense	8,238	7,243	995	14%	8,216	7,718	498	6%	16,454	14,961	1,493	10%
Goodwill impairment	—	330,309	(330,309)	(N/A)	—	27,276	(27,276)	(100)%	—	357,585	(357,585)	(100)%
Total costs and operating expenses	134,554	461,323	(326,769)	(71)%	115,166	156,953	(41,787)	(27)%	249,720	618,276	(368,556)	(60)%
Loss from operations	(75,032)	(397,322)	322,290	(81)%	(52,376)	(94,506)	42,130	(45)%	(127,408)	(491,828)	364,420	(74)%
Interest income and other income (expense), net	3,784	940	2,844	303%	2,668	2,332	336	14%	6,452	3,272	3,180	97%
Loss before expense from income taxes and loss from equity method investment	(71,248)	(396,382)	325,134	(82)%	(49,708)	(92,174)	42,466	(46)%	(120,956)	(488,556)	367,600	(75)%
Expense from income taxes	(1,275)	(1,475)	200	(14)%	(97)	(716)	619	(86)%	(1,372)	(2,191)	819	(37)%
Loss from equity method investment	(926)	(652)	(274)	42%	(774)	(625)	(149)	24%	(1,700)	(1,277)	(423)	33%
Net loss	(73,449)	(398,509)	325,060	(82)%	(50,579)	(93,515)	42,936	(46)%	(124,028)	(492,024)	367,996	(75)%
Net loss attributable to non-controlling interest	(1,344)	(821)	(523)	64%	(659)	(1,040)	381	(37)%	(2,003)	(1,861)	(142)	8%
Net loss attributable to American Well Corporation	\$ (72,105)	\$ (397,688)	\$ 325,583	(82)%	\$ (49,920)	\$ (92,475)	\$ 42,555	(46)%	\$ (122,025)	\$ (490,163)	\$ 368,138	(75)%

Revenue

For the three months ended **March 31, 2024** June 30, 2024, visit revenue increased \$0.7 million due to an increase in special program visits. Other revenue increased by \$0.3 million primarily related to an increase in marketing revenue with one of our strategic customers of \$2.3 million partially offset by a decline in professional service revenue of \$1.8 million due to timing of services for a large customer in the prior year. The increase was partially offset by a decrease in subscription revenue of \$0.5 million due to customer churn during re-platforming, partially offset by growth in our existing strategic clients.

For the six months ended June 30, 2024, subscription revenue declined **\$3.8 million** **\$4.3 million** due to customer churn during re-platforming, partially offset by growth in our existing strategic clients. Visit revenue decreased **\$1.3 million** **\$0.8 million** due to a decline in visit volume and lower partially offset by an increase in utilization in specialty care of special programs. Other revenue increased by **\$0.8 million** **\$1.0 million** primarily related to an increase in professional service marketing revenue with one of our strategic customers, customers of \$2.5 million partially offset by a decrease in professional services of \$1.2 million due to timing of services for a large customer in the prior year.

Costs of Revenue, Excluding Amortization of Acquired Intangible Assets

For the three months ended **March 31, 2024** June 30, 2024, the increase in cost of revenue was primarily driven by an increase in employee-related marketing services provided for customers of \$3.1 million, partially offset by a decrease in consulting costs of **\$1.3 million** due \$0.7 million and a decrease of \$0.5 million related to hardware costs. The decrease in gross margin is a result of the shift in revenue mix to lower margin visit revenue from higher margin subscription revenue.

For the six months ended June 30, 2024, the increase in cost of revenue was primarily driven by an increase in headcount marketing services provided for customers of \$2.9 million and an increase of **\$1.2 million** **\$1.4 million** related to third party costs, partially due to incentives

being fully utilized in the prior year. The increases were partially offset by a decrease in hardware costs of \$0.6 million. The decrease in gross margin is a result of a decline in subscription revenue combined with mix to lower margin visit revenue from higher costs of margin subscription revenue.

Research and Development Expenses

For the three months ended **March 31, 2024** June 30, 2024, even though there was a decrease of \$2.3 million in consulting spend (as the peak development of the Converge platform is complete) and a decrease in employee-related costs of \$1.0 million \$2.6 million (due to headcount reduction and reduced stock compensation expense). There was also a decrease of \$2.4 million in consulting spend as the capitalization of internal resources used in peak development of the Amwell Converge platform offerings is complete.

For the six months ended June 30, 2024, there was a decrease in employee-related costs of \$3.6 million (due to headcount reduction and reduced stock compensation expense). There was also decreased by \$3.9 million causing an overall increase a decrease of \$0.9 million in research and consulting spend as the peak development expense of \$0.8 million, the Amwell Converge platform is complete.

Sales and Marketing Expenses

For the three months ended **March 31, 2024** June 30, 2024, there was a decrease in employee-related costs of \$2.3 million, a decrease in marketing spend of \$0.5 million, and a decrease in meals and travel of \$0.4 million, due to headcount reduction and cost savings put into place.

For the increase in sales and marketing expense primarily consisted of \$2.9 million six months ended June 30, 2024, there was \$3.6 million in non-recurring consulting costs related to the acceleration of planned costs related to organizational strategy initiatives. This increase was partially offset by a decrease in employee-related costs of \$1.5 million, a decrease in other consulting spend of \$0.9 million, a decrease of \$0.7 million in research spend and a decrease in meals and travel of \$0.6 million, due to headcount reduction and cost savings put into place.

General and Administrative Expenses

For the three months ended **March 31, 2024** June 30, 2024, the decrease in general and administrative expense was driven by a decrease related to employee-related costs of \$3.8 million \$10.0 million. The employee related costs were driven primarily by the decrease in stock compensation expense as higher value historic awards had become fully expensed, as well as headcount reduction. In addition insurance costs decreased by \$0.7 million. These decreases were partially offset by \$3.0 million in non-recurring consulting costs related to organizational strategy initiatives

For the six months ended June 30, 2024, the decrease in general and administrative expense was driven by a decrease related to employee-related costs of \$13.8 million. The employee related costs were driven primarily by the decrease in stock compensation expense as higher value historic awards had become fully expensed, as well as headcount reduction. In addition, insurance costs decreased by \$1.3 million. There were also decreases of \$0.4 million in meals and travel and \$0.4 million in conferences due to cost savings put into place. These decreases were partially offset by \$5.0 million in non-recurring consulting costs related to organizational strategy initiatives.

Depreciation and Amortization Expense

Depreciation expense remained consistent for the three months ended **March 31, 2024** June 30, 2024. Amortization expense increased by \$1.2 million \$0.8 million for the three months ended **March 31, 2024** June 30, 2024. The increase in amortization was related to the amortization of the internally developed software intangible assets.

Depreciation expense declined by \$0.3 million due to assets becoming fully depreciated for the six months ended June 30, 2024. Amortization expense increased by \$1.5 million for the six months ended June 30, 2024. The increase in amortization was related to the amortization of the internally developed software intangible assets.

Interest Income and Other (Expense) Income, net

For the three and six months ended **March 31, 2024** June 30, 2024 and 2023, interest income and other (expense) income, net consist entirely of interest income and gains from our cash equivalents and short-term investments.

Expense from Income Taxes

Income tax expense was \$1.3 million \$0.1 million and \$1.4 million for the three and six months ended **March 31, 2024** June 30, 2024, compared to income tax expense of \$1.5 million \$0.7 million and \$2.2 million for the three and six months ended **March 31, 2023** June 30, 2023.

Loss from Equity Method Investment

The Company and Cleveland Clinic partnered to form a joint venture, under the name CCAW, JV LLC, to provide broad access to comprehensive and high acuity care services via virtual care. The Company does not have a controlling financial interest in CCAW, JV LLC, but it does have the ability to exercise significant influence over the operating

and financial policies of CCAW, JV LLC. Therefore, the Company accounts for its investments in CCAW, JV LLC using the equity method of accounting.

During the three months ended **March 31, 2024** **June 30, 2024** and 2023, the Company recognized a loss of **\$0.9 million** **\$0.8 million** and **\$0.7 million** **\$0.6 million**, respectively, as its proportionate share of the joint venture results of operations. During the six months ended **June 30, 2024** and 2023, the Company recognized a loss of **\$1.7 million** and **\$1.3 million**, respectively, as its proportionate share of the joint venture results of operations.

Liquidity and Capital Resources

The following table presents a summary of our cash flow activity for the periods set forth below:

	Three Months Ended March 31,	
	2024	2023
Consolidated Statements of Cash Flows Data:		
Net cash used in operating activities	\$ (59,756)	\$ (29,148)
Net cash used in investing activities	(4,608)	(397,739)
Net cash provided by financing activities	956	1,556
Total	\$ (63,408)	\$ (425,331)

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	Six Months Ended June 30,	
	2024	2023
Consolidated Statements of Cash Flows Data:		
Net cash used in operating activities	\$ (81,549)	\$ (68,776)
Net cash used in investing activities	(9,788)	(308,866)
Net cash provided by financing activities	956	1,251
Total	\$ (90,381)	\$ (376,391)

Sources of Financing

Our principal sources of liquidity were cash and cash equivalents totaling **\$308.6 million** **\$276.9 million** and \$372.0 million as of **March 31, 2024** **June 30, 2024** and December 31, 2023, respectively, which were held for a variety of growth initiatives and investments as well as working capital purposes. Our cash and cash equivalents are comprised of money market funds.

As shown in the accompanying condensed consolidated financial statements, the Company incurred a loss from operations of **\$75.0 million** **\$127.4 million** and a net loss of **\$73.4 million** **\$124.0 million** for the **three six** months ended **March 31, 2024** **June 30, 2024** and had an accumulated deficit of **\$1,829.9 million** **\$1,879.8 million** as of **March 31, 2024** **June 30, 2024**.

The Company has no debt as of **March 31, 2024** **June 30, 2024** or December 31, 2023 and expects to generate operating losses in future **years** **periods**.

We believe that our existing cash and cash equivalents will be sufficient to meet our working capital and capital expenditure needs for at least the next 12 months from the issuance date of the financial statements. Our future capital requirements will depend on many factors including our growth rate, the scope of our relationship with the Defense Health Agency, contract renewal activity, number of consultations on our enterprise software, the timing and extent of spending to support product development efforts, our expansion of sales and marketing activities, the introduction of new and enhanced services offerings, and the continuing market acceptance of digital care services. We may in the future enter into arrangements to acquire or invest in complementary businesses, services and technologies and intellectual property rights. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all.

Three Six months ended **March 31, 2024 **June 30, 2024**, vs. **three six** months ended **March 31, 2023** **June 30, 2023****

Cash Used in Operating Activities

Cash used in operating activities was **\$59.8 million** **\$81.5 million** for the **three six** months ended **March 31, 2024** **June 30, 2024**. The primary driver of this use of cash was our net loss of **\$73.4 million** **\$124.0 million**. The net loss was partially offset by non-cash expenses of **\$26.9 million** **\$46.2 million** (primarily stock-based compensation of **\$16.2**

million \$26.1 million and depreciation and amortization of \$8.2 million \$16.5 million). The net loss was reflective of the investments made back into the Company (from a technology and infrastructure perspective), partially offset by the overall growth of our business including expansion of business with existing clients.

Cash used in operating activities was \$29.1 million \$68.8 million for the three six months ended March 31, 2023 June 30, 2023. The primary driver of this use of cash was our net loss of \$398.5 million \$492.0 million. The net loss was reflective of the investments made back into the Company (from a technology and infrastructure perspective), partially offset by the overall growth of our business including expansion of business with existing clients. The net loss was partially offset by non-cash expenses of \$360.0 million \$417.8 million (primarily goodwill impairment of \$330.3 million \$357.6 million, stock-based compensation of \$21.0 million \$42.7 million and depreciation and amortization of \$7.2 million \$15.0 million).

Cash Used in Investing Activities

Cash used in investing activities was \$4.6 million \$9.8 million for the three six months ended March 31, 2024 June 30, 2024. Cash used in investing activities consisted of \$2.8 million \$8.0 million in capitalized software development costs and \$1.7 million investment in the less than majority owned joint venture.

Cash used in investing activities was \$397.7 million \$308.9 million for the three six months ended March 31, 2023 June 30, 2023. Cash used in investing activities consisted of purchases of short-term investments of \$390.0 million, \$6.8 million \$13.8 million in capitalized software development costs, and \$1.0 million \$3.9 million investment in the less than majority owned joint venture. venture and purchases of short-term investments of \$390.0 million, partially offset by sales and maturities of investments of \$98.9 million.

Cash Provided by Financing Activities

Cash provided by financing activities for the three six months ended March 31, 2024 June 30, 2024, was \$1.0 million. Cash provided by financing activities consisted of \$1.0 million of proceeds from the employee stock purchase plan.

Cash provided by financing activities for the three six months ended March 31, 2023 June 30, 2023, was \$1.6 million \$1.3 million. Cash provided by financing activities consisted of \$1.6 million \$1.8 million of proceeds from the exercise of employee stock options and the employee stock purchase plan, offset by \$0.6 in the repurchase of stock to cover tax withholding obligations upon vesting of restricted stock units.

Off-Balance Sheet Arrangements

During the periods presented, we did not have, nor do we currently have, any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. We are therefore not exposed to the financing, liquidity, market or credit risk that could arise if we had engaged in those types of relationships.

Contractual Obligations and Commitments

As of March 31, 2024 June 30, 2024, there have been no material changes from the contractual obligations and commitments previously disclosed in our Form 10-K.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements and the related notes thereto are prepared in accordance with GAAP. The preparation of 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 and accompanying notes. The Company bases its estimates on historical experience, current business factors, and various other assumptions that the Company believes are necessary to consider to form a basis for making judgments about the carrying values of assets and liabilities, the recorded amounts of revenue and expenses, and the disclosure of contingent assets and liabilities. The Company is subject to uncertainties such as the impact of future events, economic and political factors, and changes in the Company's business environment; therefore, actual results could differ from these estimates. Accordingly, the accounting estimates used in the preparation of the Company's condensed consolidated financial statements will change as new events occur, as more experience is acquired, as additional information is obtained, and as the Company's operating

environment evolves. For a discussion of our critical accounting policies and estimates see Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the 2023 Form 10-K.

Recently Issued Accounting Pronouncements Adopted

For more information on recently issued accounting pronouncements, see Note 2 to our condensed consolidated financial statements covered under Part I, Item 1 of this Quarterly Report on Form 10-Q.

New Accounting Pronouncements Not Yet Adopted

For more information on new accounting pronouncements not yet adopted, see Note 2 to our condensed consolidated financial statements covered under Part I, Item 1 in this Quarterly Report on Form 10-Q.

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Item 3. Qualitative and Quantitative Disclosure about Market Risk

Interest Rate Risk

We had cash and cash equivalents totaling \$308.6 million \$276.9 million, and \$372.0 million as of March 31, 2024 June 30, 2024 and December 31, 2023, respectively. These amounts were primarily invested in money markets. The Company held no investments as of March 31, 2024 June 30, 2024 and December 31, 2023. The cash and cash equivalents are held for a variety of growth and investments as well as working capital purposes.

We do not believe that an increase or decrease of 100 basis points in interest rates would have a material effect on our business, financial condition or results of operations. However, our cash equivalents are subject to market risk due to changes in interest rates. Fixed rate securities may have their market value adversely affected due to a rise in interest rates. Due in part to these factors, our future investment income may fall short of expectation due to changes in interest rates or we may suffer losses in principal if we are forced to sell securities that decline in market value due to changes in interest rates.

Fluctuations in the value of our money market funds caused by a change in interest rates (gains or losses on the carrying value) are recorded in other income and are realized only if we sell the underlying securities.

Foreign Currency Exchange Risk

To date, a substantial majority of our revenue from client arrangements has been denominated in U.S. dollars. We have limited operations outside the United States. As of March 31, 2024 June 30, 2024 and December 31, 2023, the Company has one foreign subsidiary in Israel,

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the functional currency of that subsidiary is the New Israeli Shekel. In addition the Company has three foreign subsidiaries from the acquisition of SilverCloud, with functional currencies of the Euro, British pound and Australian dollars. The Company also has a branch with a functional currency of the New Israeli Shekel. The transactional activity for these entities in the three six months ended March 31, 2024 June 30, 2024 and 2023 was not considered significant. Accordingly, we believe we do not have a material exposure to foreign currency risk. We may choose to focus on international expansion, which may increase our exposure to foreign currency exchange risk in the future.

Inflation Risk

We do not believe that inflation had a material effect on our business, financial condition or results of operations in the last two years. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition or results of operations.

Item 4. Controls and Procedures

Managements Report on Internal Control over Financial Reporting

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Our management, with the participation of our principal executive officers and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our principal executive officers and principal financial officer concluded that as of **March 31, 2024** **June 30, 2024**, our disclosure controls and procedures were effective. Disclosure controls and procedures are our controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officers and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

There have been no changes in our internal control over financial reporting during the quarter ended **March 31, 2024** **June 30, 2024**, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II – OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not presently a party to any legal proceedings that, in the opinion of our management, would individually or taken together have a material adverse effect on our business, financial condition, results of operations or cash flows. Regardless of outcome, litigation can have an adverse impact on us due to defense and settlement costs, diversion of management resources, negative publicity, reputational harm and other factors.

Item 1A. Risk Factors

Except as disclosed below, there **There** have been no material changes to the risk factors previously disclosed in our Form 10-K. For a discussion of potential risks and uncertainties related to our Company see the information in our Form 10-K in the section entitled "Risk Factors."

We may not be able to maintain the listing of our Class A common stock on the NYSE.

On April 2, 2024, we received a notice from the NYSE that we were not in compliance with the continued listing minimum price criteria set forth in Section 802.01C of the NYSE Listed Company Manual because the average closing price of the Company's Class A common stock was less than \$1.00 per share over a consecutive 30 trading-day period. We have proposed a reverse stock split for stockholder approval at our upcoming annual general meeting in an effort to cure this deficiency. However, there can no assurance that we will be able to cure this deficiency within the period provided by the NYSE or that we will be able to maintain compliance with other continued listing standards. If we are not able to regain compliance with the NYSE's continued listing standards, our Class A common stock will be delisted from the NYSE, which would have an adverse effect on our stock price, our ability to raise capital through the sale of our Class A common stock, the liquidity of our Class A common stock, investors' ability to obtain quotations for our Class A common stock and investors' ability to trade our Class A common stock.

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in the "Special Note Regarding Forward-Looking Statements" section in Part I, Item 2, of this Quarterly Report on Form 10-Q.

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

Recent Sales of Unregistered Securities

There were no sales of unregistered equity securities during the quarter ended **March 31, 2024** **June 30, 2024**.

Issuer Purchases of Equity Securities

The following table provides information about the Company's purchases of its common stock for each month during this quarterly period covered by this report:

Period	(a) Total number of shares	(b) Average price paid per share (or unit)*	(c) Total number of shares (or units) purchased as part	(d) Maximum number (or approximate dollar value)

	(or units) purchased*	of publicly announced plans or programs	of shares (or units) that may yet be purchased under the plans or programs
January 1 to January 31	—	\$ —	—
February 1 to February 28	—	—	—
March 1 to March 31	—	—	—
Total	—	\$ —	—
			(d) Maximum number (or approximate dollar value)
	(a) Total number of shares (or units) purchased*	(b) Average price paid per share (or unit)*	(c) Total number of shares (or units) purchased as part of publicly announced plans or programs
Period			of shares (or units) that may yet be purchased under the plans or programs
April 1 to April 30	—	\$ —	—
May 1 to May 31	1	10.21	—
June 1 to June 30	1	8.54	—
Total	2	\$ 9.37	—

* Shares withheld to cover tax withholding obligations under the net settlement provision upon vesting of restricted stock units and exercising of options.

Item 3. Defaults Upon Senior Securities

Not applicable.

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Item 4. Mine Safety Disclosures

Not applicable.

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Item 5. Other Information

Insider Trading Arrangements and Policies

During the three months ended **March 31, 2024** **June 30, 2024**, **no** **none** of our officers and directors adopted or terminated any Rule 10b5-1 trading arrangement.

Item 6. Exhibits

The documents listed below are incorporated by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

10.1#* 3.1 [Non-Employee Director Compensation Policy](#) [Certificate of Amendment to the Amended and Restated Certificate of Incorporation](#)

10.1#	Transition Agreement between American Well Corporation and Dr. Roy Schoenberg, dated June 13, 2024
10.2#	Amended and Restated Employment Agreement between American Well Corporation and Dr. Roy Schoenberg, dated June 13, 2024
10.3*#	Employment Agreement between American Well Corporation and Kathy Weiler, dated April 17, 2023
31.1*	Chief Executive Officers Certifications Officer Certification
31.2*	Chief Financial Officer Certification
32.1*	CEO Certification of Quarterly Report
32.2*	CFO Certifications of Quarterly Report
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover page formatted as Inline XBRL and contained in Exhibit 101

* Filed herewith

Indicates a management contract or compensatory plan

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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.

AMERICAN WELL CORPORATION

Date: <u>May 1, July 31, 2024</u>	By: <u>/s/ Ido Schoenberg, MD</u> <u>Co-Chief</u> <u>Chief Executive Officer</u> <u>(Principal Executive Officer)</u>
Date: <u>May 1, 2024</u>	By: <u>/s/ Roy Schoenberg, MD, MPH</u> <u>Co-Chief Executive Officer</u> <u>(Principal Executive Officer)</u>
Date: <u>May 1, July 31, 2024</u>	By: <u>/s/ Robert Shepardson</u> Chief Financial Officer <u>(Principal Financial Officer)</u>
Date: <u>May 1, July 31, 2024</u>	By: <u>/s/ Paul McNeice</u> Chief Accounting Officer

Exhibit 10.110.3

AMERICAN WELL CORPORATION

NON-EMPLOYEE DIRECTOR COMPENSATION POLICY EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is hereby entered into as of April 17, 2023 (the "Effective Date") by and between American Well Corporation, a Delaware corporation (the "Company"), and Kathy Weiler, an individual (the "Executive") (hereinafter collectively referred to as "the parties"). Where the context requires, references to the Company shall include the Company's subsidiaries and affiliates.

RECITALS

WHEREAS, the Company desires to employ Executive for the period provided in this Agreement, and Executive desires to accept such employment with the Company, subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, it is agreed as follows:

1. Commencement Date; Term; Effect on Other Agreements. The employment term (the "Employment Term") of Executive's employment under this Agreement shall be for the period commencing on June 1, 2023 (or such other date as may be agreed between the parties) (the "Commencement Date") and ending on the third (3rd) anniversary of the Commencement Date. Thereafter, the Employment Term shall extend automatically for consecutive periods of one year unless either party provides notice of non-renewal not less than ninety (90) days prior to the end of the Employment Term as then in effect.

2. Employment. During the Employment Term:

- (a) Executive shall be employed as EVP, Chief Commercial & Growth Officer of the Company, reporting to the Company's Chairman and Chief Executive Officer, Mr. Ido Schoenberg, and Executive shall perform the duties, undertake the responsibilities and exercise the authority customarily performed, undertaken and exercised by persons situated in similar executive capacities. Executive shall provide the services under this Agreement remotely from her residence in Milton, Massachusetts.
- (b) Excluding periods of vacation and sick leave to which Executive is entitled and other service outside of the Company contemplated in this Section 2(b), Executive shall devote Executive's full professional time and attention to the business and affairs of the Company to discharge the responsibilities of Executive hereunder. Executive may manage personal and family investments and participate in industry organizations and charitable endeavors, so long as such activities do not interfere with the performance of Executive's responsibilities hereunder. It is understood that, during

Originally Adopted November 2, 2020;

Executive's employment by the Company, Executive shall not engage in any activities that constitute a conflict of interest with the interests of the Company or its direct and

Amended indirect subsidiaries. The Company acknowledges that Executive is being considered for appointment as a Director to the Board of Directors of Wave Life, Inc. and Restated Axogen, Inc. and agrees that Executive may serve on April 20, 2023 such Boards if appointed.

Non-employee members (c)Executive shall be subject to and shall abide by each of the personnel policies applicable to senior executives, including but not limited to any policy restricting pledging and hedging investments in Company equity by Company executives, any policy the Company adopts regarding the recovery of incentive compensation (sometimes referred to as "clawback") and any additional clawback provisions as required by law and applicable listing rules. This Section 2(c) shall survive the termination of the Employment Term.

(d) Subject to Sections 6, 7 and 8 hereof, Executive's employment with the Company is "at will," such that each of Executive or the Company has the option to terminate Executive's employment at any time, with or without advance notice, and with or without Cause or with or without Good Reason. This Agreement does not constitute an express or implied agreement of continuing or long-term employment.

3. Annual Compensation.

(a) **Base Salary.** During the Employment Term, Executive shall be paid an annual base salary of US \$485,000 ("Base Salary"). The Base Salary shall be payable in accordance with the Company's regular payroll practices as then in effect.

(b) **Annual Bonus.** Subject to the terms of the Company's annual cash bonus program as in effect from time to time and the provisions hereof, for each fiscal year of the Company ending during the Employment Term (commencing with the 2023 fiscal year), Executive shall be eligible to receive a target annual cash bonus of 100% of Base Salary (such target bonus, as may hereafter be increased, the "Target Bonus"). For the avoidance of doubt, Executive shall be eligible to receive a full annual bonus for the 2023 fiscal year. Annual bonuses, if any, will be payable after the close of the applicable fiscal year, but in any event prior to March 15 of the following calendar year. The criteria for, and attainment of, Executive's annual bonus will be at the sole discretion of the compensation committee of the board of directors of the Company (the "Board Committee") and may be based on the achievement of American Well Corporation (the "both corporate and personal performance objectives.

(c) **Annual Review.** On an annual basis during the Employment Term, the Committee shall review and analyze the then-current Base Salary and

Target Bonus of Executive and determine, in its discretion, whether adjustments are necessary or advisable based on merit, to meet industry benchmarks or otherwise, taking into account market practice and the performance of both the Company and Executive.

(d) **Equity Incentives".** During the Employment Term, Executive shall be eligible for consideration to receive cash and equity compensation grants on substantially the same terms as set forth in this Non-Employee Director Compensation Policy (this "Policy"). The cash and equity compensation described in this Policy shall be paid or be made, as applicable, automatically and without further action of the Board, to each member of the Board who is not an employee other similarly situated senior executives of the Company or any parent or subsidiary in the sole discretion of the Company (each, a "Non-Employee Director") who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company. This Policy became effective on November 2, 2020 and shall remain in effect until it is revised or rescinded by further action of the Board. This Policy may be amended, modified or terminated by the Board at any time in its sole discretion. The terms and conditions of this Policy shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Non-Employee Directors and between any subsidiary of the Company and any of its non-employee directors.

1. Cash Compensation.

(a) **Annual Retainers.** Each Non-Employee Director shall receive an annual retainer of \$75,000 for service on the Board. Each Non-Employee Director shall also receive \$5,000 annually in addition to the annual retainer for serving as a Board Chair for one of the three (3) established Board Committees: Audit Committee Compensation Committee and Nominating and Corporate Governance Committee.

(b) **Payment of Retainers.** The annual retainer described in Section 1(a) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the fifteenth day following the end of each calendar quarter. In the event a Non-Employee Director does not serve as a Non-Employee Director for an entire calendar quarter, such Non-Employee Director shall receive a prorated portion of the retainer(s) otherwise payable to such Non-Employee Director for such calendar quarter pursuant to Section 1(a), with such prorated portion determined by multiplying such otherwise payable retainer by a fraction, the numerator of which is the number of days during which the Non-Employee Director serves as a Non-Employee Director during the applicable calendar quarter and the denominator of which is the number of days in the applicable calendar quarter.

2. **Equity Compensation.** Non-Employee Directors shall be granted the equity awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Company's 2020 Equity Incentive Plan, or any other applicable Company equity incentive plan then-maintained by the Company (such plan, as may be amended and restated from time to time the (the "Equity Plan") and. Any additional grants shall be granted subject to the execution availability of shares at the time of grant and delivery such vesting terms and conditions as may be determined by the Committee in its discretion, and both the amount and type of award agreements, including attached exhibits, such grants shall be based on merit, to meet industry benchmarks or otherwise, taking into account market practice and the performance of both the Company and the Executive.

4. **Equity Considerations.**

(a) **Share Ownership Commitment.** Executive agrees to comply with any applicable share ownership requirements or guidelines adopted by the Company applicable to Executive, which shall be on the same terms as similarly situated executives of the Company.

(b) **Initial Equity Grant.** Subject to the approval of the Committee, Executive shall be eligible to receive a grant of restricted stock units that settle in a number of shares of the Company's Class A common stock (the "RSU Award") determined by dividing \$5,000,000 by the thirty (30)-day volume weighted average price per share of Class A common stock preceding the date of grant. 25% of the RSU Award will vest on the date of grant and the remaining 75% of the RSU Award will vest in substantially equal quarterly installments over a three (3) year period, with the forms previously approved by first vest occurring on the Board. All applicable first day of the first month following the 15 month anniversary of the grant date and subsequent vests occurring on each three-month anniversary thereof until such RSU Award is fully vested on the four (4) year anniversary of the grant date, in all cases subject to the Executive's continued employment through each such vesting date. The timing of the granting of the initial RSU Award will be consistent with the grant of other initial grants of equity awards; provided that any time vesting of the RSU Award will begin on the Commencement Date. The RSU Award will be granted pursuant to the terms of the form of RSU Award agreement and the Equity Plan, apply to this Policy as if fully set forth herein, and all equity grants hereunder are the RSU Award will be subject in all respects to the terms of and conditions set forth in the final RSU Award agreement and the Equity Plan.

(a) **5. Annual Awards/Other Benefits.** Each Non-Employee Director who (i) serves During the Employment Term:

(a) **Employee Benefits.** Executive shall be eligible to participate in the various benefits offered by the Company on terms and conditions that are substantially comparable to the Board as other senior executives of the date of any annual meeting Company, including the Company's group medical and dental plans, life and disability insurance and 401(k) plan. Benefits may be modified or changed from time to time at the sole discretion of the Company's stockholders (an "Annual Meeting") Company (but not in a manner discriminatory against Executive), and (ii) will continue to serve as a Non-Employee Director immediately following such Annual Meeting shall be automatically granted, on the date provision of such Annual Meeting, benefits to Executive in no way changes or impacts Executive's status as an award at-will employee. The Company's present benefit structure and other important

information about the benefits for which Executive may be eligible are described in the Company's benefits summary booklet and in the Company's employee handbook. Where a benefit is subject to a formal plan (for example, medical insurance or life insurance), eligibility to participate in and receive any particular benefit is governed solely by the applicable plan document.

- (b) **Business Expenses.** Upon submission of restricted stock units that have an aggregate fair value on the date of such Annual Meeting of \$200,000 (as determined proper invoices in accordance with, ASC 718 and subject to, the Company's normal policies and procedures, Executive shall be entitled to receive prompt reimbursement of all reasonable out-of-pocket business, entertainment and travel expenses incurred by Executive in connection with the performance of shares of common stock underlying such award subject Executive's duties hereunder.
- (c) **Paid Time Off.** Executive shall be entitled to adjustment as provided participate in the Equity Plan. The awards described in this Section 2(a) shall be referred to as the "Annual Awards." For the avoidance of doubt, if the Company's Annual Meeting does not occur by June 30 of each calendar year, each Non-Employee Director shall be automatically granted an Annual Award on June 30, unlimited Personal Paid Time Off Policy.

6.

(b) **Initial Awards Termination.** Except as otherwise determined by the Board, each Non-Employee Director who is initially elected or appointed to the Board on any date (including the date of an Annual Meeting) shall be automatically granted, on the date of such Non-Employee Director's initial election or appointment (such Non-Employee Director's "Start Date"), an award of restricted stock units that have an aggregate fair value on such Non-Employee Director's Start Date equal to \$400,000 (as determined in accordance with ASC 718). The awards described in this Section 2(b) shall be referred to as "Initial Awards." For the avoidance of doubt and notwithstanding anything set forth herein, (i) no Non-Employee Director shall be granted more than one Initial Award, and (ii) in the event that a Non-Employee Director's Start Date occurs on the date of an Annual Meeting, such Director shall receive an award of restricted stock units that have an aggregate fair value on such Non-Employee Director's Start Date equal to \$600,000 (as determined in accordance with ASC 718) (which is meant to represent the sum of an Initial Award and an Annual Award).

(c) **Termination of Employment of Employee Directors.** Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their Executive's employment with the Company and any parent or subsidiary of hereunder may be terminated under the Company and remain on circumstances set forth below; provided, however, that notwithstanding anything contained herein to the Board will not receive an Initial Award pursuant to Section 2(b) above, but contrary, to the extent that they are otherwise eligible, will be eligible to receive, after termination from employment with the Company and any parent or subsidiary of the Company, Annual Awards as described in required by Section 2(a) above.

(d) **409A ("Vesting of Awards Granted to Non-Employee Directors.** Each Annual Award shall vest on the earlier of (i) the day immediately preceding the date of the first Annual Meeting following the date of grant and (ii) the first anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through the applicable vesting date. Each Initial Award shall vest ratably over a period of three years, with such tranches vesting on the first, second and third anniversaries of the date of grant. No portion of an Annual Award or Initial Award that is unvested at the time of a Non-Employee Director's termination of service on the Board shall become vested thereafter.

3. Expenses

The Company will reimburse each Non-Employee Director for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in Board meetings and meetings of any committee of the Board; provided, that the Non-Employee Director timely submit to the Company appropriate documentation substantiating such expenses in accordance with the Company's travel and expense policy applicable to directors, as in effect from time to time. To the extent that any taxable reimbursements are provided to any Non-Employee Director, they will be provided in accordance with Section 409A) of the Internal Revenue Code of 1986, as amended including, but (the "Code"), Executive shall not limited be considered to have terminated employment with the Company for purposes of this Agreement until Executive would be considered to have incurred a "separation from service" from the Company within the meaning of Section 409A.

- (a) **Death.** Executive's employment shall be terminated as of the date of Executive's death and Executive's beneficiaries shall be entitled to the following provisions: (i) benefits provided in Section 8(b) hereof.
- (b) **Disability.** The Company may terminate Executive's employment, on written notice to Executive after having established Executive's Disability and while Executive remains Disabled, and Executive shall be entitled to the amount benefits provided in Section 8(b) hereof. For purposes of this Agreement, "Disability" shall have the meaning assigned to such term in the Equity Plan.
- (c) **Cause.** The Company may terminate Executive's employment for Cause (as defined in Exhibit A) effective as of the date of the Notice of Termination

(as defined in Section 7 hereof) and Executive shall be entitled to the benefits provided in Section 8(a) hereof.

- (d) Without Cause. The Company may terminate Executive's employment without Cause and Executive shall be entitled to the benefits provided in Section 8(c) or 8(f) hereof, as applicable.
- (e) Good Reason. Executive may terminate Executive's employment with Good Reason (as defined in Exhibit A) and Executive shall be entitled to the benefits provided in Section 8(c) or 8(f) hereof, as applicable.
- (f) Without Good Reason. Executive may voluntarily terminate Executive's employment without Good Reason by delivering to the Company a Notice of Termination not less than thirty (30) days prior to the termination of Executive's employment and the Company shall have the option of terminating Executive's duties and responsibilities prior to the expiration of such thirty (30) day notice period (in which case Executive shall not receive any payment of Executive's salary or other compensation for the balance of such expenses eligible for reimbursement during such individual's taxable year may not affect thirty (30) day period), and Executive shall be entitled to the expenses eligible for reimbursement benefits provided in any other taxable year; (ii) the reimbursement of an eligible expense must be made no later than Section 8(a) hereof through the last day of such individual's taxable notice period.
- (g) Retirement. Executive may terminate Executive's employment upon Executive's retirement in accordance with the terms of a retirement plan or policy of the Company approved by the Board and applicable to Executive (a "Company Retirement Plan"), and Executive shall be entitled to the benefits provided in Section 8(d) hereof.
- (h) Notice of Non-Renewal. Executive's employment shall terminate upon expiration of the Employment Term as then in effect following timely provision by either party of notice of non-renewal in accordance with Section 1 hereof, and Executive shall be entitled to the benefits provided in Section 8(e) or 8(f) hereof, as applicable.

7. Notice of Termination. Any purported termination by Executive or the Company shall be communicated by written Notice of Termination.

For purposes of this Agreement, a "Notice of Termination" shall mean a notice which indicates a termination date, the specific termination provision in this Agreement relied upon and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive's employment under the provision so indicated. For purposes of this Agreement, no such purported termination of Executive's employment hereunder shall be effective without such Notice of Termination (unless waived by the party entitled to receive such notice).

8. Compensation Upon Termination. Upon termination of Executive's employment during the Employment Term, Executive shall be entitled to the following benefits; provided, however, that any such benefits to which Executive is hereunder entitled shall be offset by those benefits that Executive receives, if any, under applicable law or otherwise:

- (a) Termination by the Company for Cause or by Executive Without Good Reason. If Executive's employment is terminated by the Company for Cause or by Executive without Good Reason, the Company shall pay Executive all amounts earned or accrued hereunder through the termination date, including without limitation:
 - (1) reimbursement for reasonable and necessary expenses incurred by Executive on behalf of the Company for the period ending on the termination date, pursuant to the procedures of the Company's applicable policies;
 - (2) earned and accrued, but unpaid, Base Salary and any previous compensation which Executive has previously received (including any interest earned or credited thereon), in accordance with the terms and conditions of the applicable deferred compensation plans or arrangements then in effect;

- (3) equity and incentive awards, to the extent previously vested, shall be paid or delivered to Executive in accordance with the terms of such awards; and
- (4) any amount or benefit as provided under any benefit plan or program, and any accrued, but unpaid vacation (the foregoing items in clauses (1) through (4) being collectively referred to as the "Accrued Compensation").

(b) Termination by the Company for Disability or Death. If Executive's employment is terminated by the Company for Disability or by reason of Executive's death, then, subject to Section 16(d) hereof, Executive shall be entitled to the benefits provided in this Section 8(b).

- (1) The Company shall pay Executive (or Executive's beneficiaries, as applicable) the Accrued Compensation;
- (2) The Company shall pay to Executive (or Executive's beneficiaries, as applicable) within sixty (60) days following the termination date, any bonus earned but unpaid in respect of any fiscal year that immediately follows the pre-termination date; and
- (3) Each unvested equity award held by Executive at the time of termination shall be governed by the terms of the applicable plan and/or award agreement.

(c) Termination by the Company Without Cause or by Executive for Good Reason. If Executive's employment by the Company shall be terminated by the Company without Cause or by Executive for Good Reason (other than as provided in Section 8(f)), then, subject to Section 16(d) hereof, Executive shall be entitled to the benefits provided in this Section 8(c).

- (1) The Company shall pay to Executive any Accrued Compensation;
- (2) The Company shall pay to Executive any bonus earned but unpaid in respect of any fiscal year preceding the termination date and such bonus will be paid as and when such bonuses are paid to the other senior executives;
- (3) The Company shall pay to Executive in a lump sum within the time period set forth in Section 3(b), a pro rata bonus for the year in which Executive's employment terminates based on actual performance through the termination date and the number of days Executive was employed during such year;
- (4) The Company shall pay Executive as severance pay, in lieu of any further compensation (except as provided in this Section 8(c)) for the periods subsequent to the termination date, an amount in cash, equal to one (1) times Executive's then-current Base Salary, paid in equal installments on the Company's regular payroll dates during the twelve (12) month period following the date on which Executive executes a release in accordance with Section 16(d) hereof (the "Severance Period");
- (5) Each unvested equity award held by Executive at the time of termination shall (i) vest as to the portion that would have vested had Executive remained employed by the Company through the first anniversary of the termination date; (ii) otherwise be governed by the terms of the applicable plan and/or award agreement; and
- (6) If Executive is participating in the Company's group health insurance plans on the effective date of termination, and Executive timely elects and remains eligible for continued coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), or, if applicable, state or local insurance laws, the Company shall pay that portion of Executive's premiums that the Company was paying prior to the effective date of termination for the Severance Period or for the continuation period for which Executive is eligible, whichever is shorter.

(d) Termination by Executive due to Executive's Retirement. If Executive terminates Executive's employment upon

Executive's retirement pursuant to a Company Retirement Plan, then Executive shall receive any reimbursement such benefits as may be provided under such Company Retirement Plan.

(e) Expiration of Employment Term Upon Notice of Non-Renewal. If Executive's employment terminates upon expiration of the Employment Term as then in effect following timely provision by the Company of notice of non-renewal in accordance with Section 1 hereof (other than as provided

in Section 8(f) hereof), then, subject to Section 16(d) hereof, Executive shall be entitled to the benefits provided in Section 8(c) hereof. If Executive's employment terminates upon expiration of the Employment Term as then in effect following timely provision by Executive of notice of non-renewal in accordance with Section 1 hereof, then Executive shall be entitled to the benefits provided in Section 8(a) hereof.

(f) Change in Control Termination. Notwithstanding any other provision contained herein, if Executive's employment by the Company shall be terminated by the Company without Cause, by Executive for Good Reason or upon expiration of the Employment Term as then in effect following timely provision by the Company of notice of non-renewal in accordance with Section 1 hereof, in each case within one month before or twenty-four (24) months immediately following a Change in Control (as defined under the Equity Plan), then, subject to Section 16(d) hereof, Executive shall be entitled to the benefits provided in this Section 8(f).

- (1) The Company shall pay to Executive any Accrued Compensation;
- (2) The Company shall pay to Executive any bonus earned but unpaid in respect of any fiscal year preceding termination date and such bonus will be paid as and when such bonuses are paid to the other senior executives;
- (3) The Company shall pay to Executive an amount equal to Executive's then-current Target Bonus within thirty (30) days following the termination date;
- (4) The Company shall pay Executive as severance pay, in lieu of any further compensation (except as provided in this Section 8(f)) for the periods subsequent to the termination date, an amount in cash, equal to one (1) times Executive's then-current Base Salary, paid in equal installments on the Company's regular payroll dates during the Severance Period;
- (5) Each unvested equity award held by Executive at the time of termination shall vest in full (with any applicable performance goals treated as achieved at target); and
- (6) If Executive is participating in the Company's group health insurance plans on the effective date of termination, and Executive timely elects and remains eligible for continued coverage under COBRA, or, if applicable, state or local insurance laws, the Company shall pay that portion of Executive's premiums that the Company was paying prior to the effective date of termination for the Severance Period or for the continuation period for which Executive is eligible, whichever is shorter.

(g) Executive shall not be required to mitigate the amount of any payment provided for under this Section 8 by seeking other employment or otherwise and no such payment shall be offset or reduced by the amount of any compensation or benefits provided to Executive in any subsequent employment.

9. Section 409A. This Agreement is intended to comply with, or otherwise be exempt from, Section 409A. The Company shall undertake to administer, interpret and construe this Agreement, to the extent reasonably practicable, in a manner that does not result in the imposition on Executive of any additional tax, penalty or interest under Section 409A. If the Company determines in good faith that any provision of this Agreement would cause Executive to incur an additional tax, penalty or interest under Section 409A, the Company and Executive shall use reasonable efforts to reform such provision, if possible, in a mutually agreeable fashion to maintain to the maximum extent practicable the original intent of the applicable provision without violating the provisions of Section 409A. If a payment obligation under this Agreement arises on account of Executive's separation from service while Executive is a "specified employee" (as defined under Section 409A), then any payment that constitutes "deferred compensation" (as defined under Treasury Regulation Section 1.409A-1(b)(1), after giving effect to the exemptions in Treasury Regulation Sections 1.409A-1(b)(3) through (b)(12)) that is scheduled to be paid within six (6) months after such separation from service shall accrue without interest and shall be paid within fifteen (15) days after the end of the six (6) month period beginning on the date of such separation from service or, if earlier, within fifteen (15) days after the appointment of the personal representative or executor of Executive's estate following Executive's death. Notwithstanding the foregoing, nothing in this Agreement or otherwise is intended to, nor does it, guarantee that the payments and benefits under this Agreement will not be subject to liquidation any additional tax or exchange other adverse tax consequences under Section 409A or any similar state or local tax law. For purposes of Section 409A, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

10. Employee Protection. Nothing in this Agreement or otherwise limits Executive's ability to communicate directly with and provide information, including documents, not otherwise protected from disclosure by any applicable law or privilege to the Securities and Exchange Commission (the "SEC"), any other federal, state or local governmental agency or commission ("Government Agency") or self-regulatory organization regarding possible legal violations, without disclosure to the Company. The Company may not retaliate against Executive for another benefit, any of these activities, and nothing in this Agreement or otherwise requires Executive to waive any monetary award or other payment that Executive might become entitled to from the SEC or any other Government Agency or self-regulatory organization.

11. Records and Confidential Data.

(a) Executive acknowledges that in connection with the performance of Executive's duties during the Employment Term, the Company will make available to Executive, or Executive will have access to, certain Confidential Information (as defined below) of the Company and its affiliates. Executive acknowledges and agrees that any and all Confidential Information disclosed to, or obtained by, Executive during the

course of Executive's employment by the Company or otherwise, whether developed by Executive alone or in conjunction with others or otherwise, shall be and is the sole and exclusive property of the Company and its affiliates and Executive hereby assigns to the Company any and all right, title and interest Executive may have or acquire in and to such Confidential Information.

(b) Except as provided in Section 10 hereof, the Confidential Information will be kept confidential by Executive, will not be used in any manner which is detrimental to the Company, will not be used other than in connection with Executive's discharge of Executive's duties hereunder, and will be safeguarded by Executive from unauthorized disclosure. Executive acknowledges and agrees that the confidentiality restrictions set forth herein shall apply to any and all Confidential Information disclosed to, or learned or obtained by, Executive, whether before, on or after the date hereof. For the avoidance of doubt, nothing in this Section 11(b) shall prevent Executive from complying with a valid legal requirement (whether by oral questions, interrogatories, requests for information or documents, subpoena, civil or criminal investigative demand or similar process) to disclose any Confidential Information or from exercising any legally protected whistleblower rights (including under Rule 21F under the Securities Exchange Act of 1934, as amended) as set forth in Section 10.

(c) Following the termination of Executive's employment hereunder, as soon as possible after the Company's written

request, Executive will return to the Company all written Confidential Information which has been provided to Executive and Executive will return or destroy (or cooperate with any reasonable Company requested process to return or destroy) all copies of any analyses, compilations, studies or other documents (including any email or other electronic correspondence) prepared by Executive or for Executive's use containing or reflecting any Confidential Information, except as provided in Section 10. Within five (5) business days of the receipt of such request by Executive, Executive shall, upon written request of the Company, deliver to the Company a document certifying that such written Confidential Information has been returned or destroyed in accordance with this Section 11(c).

(d) For the purposes of this Agreement, "Confidential Information" shall mean all confidential and proprietary information of the Company and its affiliates, including, without limitation, information derived from reports, investigations, experiments, research, work in progress, drawings, designs, plans, proposals, codes, marketing and sales programs, client lists, client mailing lists, supplier lists, financial projections, cost summaries, pricing formula, marketing studies relating to prospective business opportunities and all other know-how, trade secrets, inventions, concepts, ideas, materials, or information developed, prepared or performed for or by the Company or its affiliates (in each case, including any email or other

electronic correspondence). For purposes of this Agreement, the Confidential Information shall not include and Executive's obligations shall not extend to information that Executive can demonstrate with competent evidence is (i) generally available to the public without any action or involvement by Executive or (ii) independently obtained by Executive from a third party on a non-confidential and authorized basis. Notwithstanding anything in this Section 11 to the contrary, Executive may disclose Confidential Information: (1) as set forth in Section 10; and (2) to the extent it is required to be disclosed by law or pursuant to judicial process or administrative subpoena. To the extent that Confidential Information is required to be disclosed by law, governmental investigation or pursuant to judicial process or administrative subpoena, Executive shall, to the extent legally permitted, first give written notice to the Company and reasonably cooperate with the Company to obtain a protective order or other measures preserving the confidential treatment of such Confidential Information and requiring that the information or documents so disclosed be used only for the purposes required by law, governmental investigation or pursuant to judicial process or administrative subpoena, except as provided in Section 10 and subject to Section 11(e).

(e) Notwithstanding anything in this Agreement to the contrary, pursuant to the Defend Trade Secrets Act of 2016, the parties acknowledge and agree that Executive shall not have criminal or civil liability under any federal or state trade secret law for disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition and limiting the preceding sentence, if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney and may use the trade secret information in the proceeding, if Executive (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret except pursuant to court order.

(f) In connection with Executive's employment with the Company, Executive will not use any confidential or proprietary information Executive may have obtained in connection with employment with any prior employer.

(g) Executive's obligations under this Section 11 shall survive the termination of the Employment Term.

12. Covenant Not to Solicit and Not to Compete; Non-Disparagement.

(a) Covenants Not to Solicit or to Interfere. To protect the Confidential Information, Company Intellectual Property (as defined below) and other

trade secrets of the Company and its affiliates, Executive agrees, during the Employment Term and for a period of twelve (12) months after Executive's cessation of employment with the Company, not to solicit, hire or participate in or assist in any way in the solicitation or hire of any employees of the Company or any of its subsidiaries (or any person who was an employee of the Company or any of its subsidiaries during the six-month period preceding such action) in any country. For purposes of this covenant, "solicit" or "solicitation" means directly or indirectly influencing or attempting to influence employees of the Company or any of its subsidiaries to become employed with any other person, partnership, firm, corporation or other entity.

In addition, to protect the Confidential Information, Company Intellectual Property and other trade secrets of the Company and its affiliates, Executive agrees, during the Employment Term and for a period of twelve (12) months after Executive's cessation of employment with the Company, not to (x) solicit any client or customer to receive services or to purchase any goods or services in competition with those provided by the Company or any of its subsidiaries or (y) interfere or attempt to interfere in any material respect with the relationship between the Company or any of its subsidiaries on one hand and any client, customer, supplier, investor, financing source or capital market intermediary on the other hand, in any country. For purposes of this covenant, "solicit" or "solicitation" means directly or indirectly influencing or attempting to influence clients or customers of the Company or any of its affiliates to accept the services or goods of any other person, partnership, firm, corporation or other entity in competition with those provided by the Company or any of its affiliates.

Executive agrees that the covenants contained in this Section 12(a) are reasonable and desirable to protect the Confidential Information and Company Intellectual Property of the Company and its affiliates; provided that solicitation through general advertising or the provision of references shall not constitute a breach of such obligations.

(b) Covenant Not to Compete. To protect the Confidential Information, Company Intellectual Property and other trade secrets of the Company and its affiliates, and in specific consideration for a cash payment of \$1,000, Executive agrees, to the maximum extent permitted by applicable law, not to become involved with any entity that directly or indirectly engages in Prohibited Activities (as defined below) in any country in which the Company or any of its affiliates conducts such business, or plans to conduct such business during the Employment Term, during the period commencing with the Employment Term and ending twelve (12) months after Executive's cessation of employment with the Company for any reason. For the purposes of this Agreement, the term "Prohibited Activities" means directly or indirectly owning any interest in, managing, participating in (whether as an employee, director, officer, consultant, partner, member,

manager, representative or agent), consulting with or rendering services to any entity (including, without limitation, Doctor On Demand, MDLive, Teladoc, Epic Systems, Cerner or Zoom) in (A) the telehealth industry or (B) digital healthcare, that, in the case of clause (B), performs or plans to perform any of the services or manufactures or sells or plans to manufacture or sell any of the products planned, provided or offered by the Company or any of its subsidiaries or any products or services designed to perform the same function or achieve the same results as the products or services planned, provided or offered by the Company or any of its subsidiaries or performs or plans to perform any other services and/or engages or plans to engage in the development, production, manufacture, distribution or sale of any product similar to any planned or actual services performed or products developed, produced, manufactured, distributed or sold by the Company or any of its subsidiaries during the term of Executive's employment with the Company and its affiliates, including, without limitation, any business activity that directly or indirectly

provides the research, development, manufacture, marketing, selling or servicing of systems facilitating consumer communications with professional service providers in the digital healthcare field; provided that Prohibited Activities shall not mean Executive's investment in securities of a publicly-traded company (or a non-publicly traded entity through a passive investment) equal to less than five percent (5%) of such company's outstanding voting securities. Executive agrees that the covenants contained in this Section 12(b) are reasonable and desirable to protect the Confidential Information and Company Intellectual Property of the Company and its affiliates. Any reference to plans or planned activity in this paragraph shall be limited to plans or planned activities that are based upon material demonstrable actions. Following Executive's cessation of employment, the prohibitions in this paragraph shall be limited to activities and planned activities (including locations) as of the date of Executive's termination of employment.

(c) Non-Disparagement. Executive agrees not to make written or oral statements about the Company, its subsidiaries or affiliates, or its directors, executive officers or non-executive officer employees that are negative or disparaging, except as provided in Section 10 hereof or in the ordinary course of personnel performance reviews when making such statements is reasonable and appropriate. The Company, as represented by its directors and executive officers, shall not make written or oral statements about Executive that are negative or disparaging, except as provided in Section 10 hereof or in the ordinary course of personnel performance reviews when making such statements is reasonable and appropriate. Notwithstanding the foregoing, nothing in this Agreement or otherwise shall preclude Executive, the Company, its subsidiaries and affiliates, and the Company's directors and executive officers from communicating or testifying truthfully to the extent required by law to any federal, state, provincial or local governmental

agency or in response to a subpoena to testify issued by a court of competent jurisdiction.

(d) It is the intent and desire of Executive and the Company that the restrictive provisions of this Section 12 be enforced to the fullest extent permissible under the laws and public policies as applied in each jurisdiction in which enforcement is sought. If any particular provision of this Section 12 shall be determined to be invalid or unenforceable, such covenant shall be amended, without any action on the part of either party hereto, to delete therefrom the portion so determined to be invalid or unenforceable, such deletion to apply only with respect to the operation of such covenant in the particular jurisdiction in which such adjudication is made.

(e) Executive's obligations under this Section 12 shall survive the termination of the Employment Term.

13. Remedies for Breach of Obligations under Sections 11 or 12 hereof. Executive acknowledges that the Company will suffer irreparable injury, not readily susceptible of valuation in monetary damages, if Executive breaches Executive's obligations under Sections 11 or 12 hereof. Accordingly, Executive agrees that the Company will be entitled, in addition to any other available remedies, to seek injunctive relief against any breach or prospective breach by Executive of Executive's obligations under Sections 11 or 12 hereof. Executive agrees that process in any or all of those actions or proceedings may be served by registered mail, addressed to the last address provided by Executive to the Company, or in any other manner authorized by law. This Section 13 shall survive the termination of the Employment Term.

14. Cooperation.

(a) Following Executive's termination of employment for any reason, except as provided in Section 10 hereof, Executive agrees to make Executive reasonably available at the request of the Company to reasonably cooperate with the Company and its affiliates in matters that materially concern: (i) requests for information about the services Executive provided to the Company and its affiliates during Executive's employment with the Company and its affiliates, (ii) the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company and its affiliates which relate to events or occurrences that transpired while Executive was employed by the Company and its affiliates and as to which Executive has, or would reasonably be expected to have, personal experience, knowledge or information or (iii) any investigation or review by any federal, state or local regulatory, quasi-regulatory or self- governing authority (including, without limitation, the US Department of Justice, the

US Federal Trade Commission or the SEC) as any such investigation or review relates to events or occurrences that transpired while Executive was employed by the Company and its affiliates. Executive's reasonable cooperation shall include: (A) making Executive reasonably available to meet and speak with officers or employees of the

Company, the Company's counsel or any third-parties at the reasonable request of the Company at times and locations to be determined by the Company reasonably and in good faith, taking into account the Company's business and Executive's business and personal needs (the "Company Cooperation") and (B) giving accurate and truthful information at any interviews and accurate and truthful testimony in any legal proceedings or actions (the "Witness Cooperation"). Nothing in this Section 14(a) shall be construed to limit in any way any rights Executive may have at applicable law not to provide testimony with regard to specific matters. Unless required by law or legal process, Executive will not knowingly or intentionally furnish information to or cooperate with any non-governmental entity (other than the Company) in connection with any potential or pending proceeding or legal action involving matters arising during Executive's employment with the Company and its affiliates, except as provided in Section 10. In addition, at the request of the Company, Executive shall be required annually to complete a directors' and officers' questionnaire to facilitate the Company's preparation of any filings and reports with the SEC.

- (b) Executive shall not be entitled to any payments in addition to those otherwise set forth in this Agreement in respect of any Company Cooperation or Witness Cooperation, regardless of when provided. The Company will reimburse Executive for any reasonable, out-of-pocket travel, hotel and meal expenses incurred in connection with Executive's performance of obligations pursuant to this Section 14 for which Executive has obtained prior approval (which shall not be unreasonably withheld) from the Company. Executive shall not be required to cooperate against Executive's own legal interests.
- (c) Nothing in this Agreement or any other agreement by and between the parties is intended to or shall preclude or in any way restrict Executive from providing accurate and truthful testimony or information to any governmental agency.
- (d) This Section 14 shall survive the termination of the Employment Term.

15. Inventions and Intellectual Property.

- (a) Definitions. As used in this Agreement:
 - (1) "Intellectual Property" means all patents, invention disclosures, invention registrations, trademarks, service marks, trade names, trade dress, logos, domain names, copyrights, mask works, trade secrets, know-how and all other intellectual property and proprietary rights recognized by any applicable law of any jurisdiction, and all registrations and applications for registration of, and all goodwill associated with, the foregoing.
 - (2) "Inventions" means all inventions, discoveries, concepts, information, works, materials, processes, methods, data, software, programs, apparatus, designs and the like.
- (b) Disclosure. Executive will disclose promptly in writing to the Company any and all Inventions and Intellectual Property, in

each case that Executive conceives, develops, creates or reduces to practice, or has conceived, developed, created or reduced to practice, either alone or jointly with others, during the period of Executive's employment, whether prior to or after the Effective Date, that (1) are, or were, conceived, created or developed using any equipment, supplies, facilities, trade secrets, know-how or other Confidential Information of the Company or any of its affiliates, (2) result, or resulted, from any work performed by Executive for the Company or any of its affiliates and/or (3) otherwise relate to the Company's or any of its affiliates' business or actual or demonstrably anticipated research or development (collectively, "Company Intellectual Property").

(c) **Ownership and Assignment.** Executive acknowledges and agrees that the Company has and will have exclusive title and ownership rights in and to all Company Intellectual Property. To the extent that exclusive title and/or ownership rights may not originally vest in the Company as contemplated herein (or did not so vest), Executive hereby irrevocably assigns, transfers, conveys and delivers to the Company all right, title and interest in and to any and all Company Intellectual Property. Executive acknowledges and agrees that, with respect to any Company Intellectual Property that may qualify as a Work Made For Hire as defined in 17 U.S.C. § 101 or other applicable law, such Company Intellectual Property is and will be deemed a Work Made for Hire and the Company has and will have the sole and exclusive right to the copyright (or, in the event that any such Company Intellectual Property does not qualify as a Work Made for Hire, the copyright and all other rights thereto are hereby automatically and irrevocably assigned to the Company as above).

(d) **Prior Inventions.** Set forth in Exhibit B (Prior Inventions) attached hereto is a complete list of all Inventions that Executive has, alone or jointly with others, conceived, developed created or reduced to practice prior to the commencement of Executive's employment with the Company, that are Executive's property, and that the Company acknowledges and agrees are excluded from the scope of this Agreement (collectively, "Prior Inventions"). If disclosure of any such Prior Invention would cause Executive to violate any prior confidentiality agreement, Executive understands that Executive is not to list such Prior Inventions in Exhibit B but is only to disclose where indicated a cursory name for each such Prior Invention, a listing of each person or entity to whom it belongs, and the fact that full disclosure as to such Prior Inventions has not been made for that reason (it being understood that, if no Invention or disclosure is provided in Exhibit B, Executive hereby represents and warrants that there are no Prior

Inventions). If, in the course of Executive's employment with the Company, Executive incorporates any Prior Invention into any Company product, process or machine or otherwise uses any Prior Invention, Executive hereby grants to the Company and its affiliates a worldwide, non-exclusive, irrevocable, perpetual, fully paid-up and royalty-free license (with rights to sublicense through multiple tiers of sublicensees) to use, reproduce, modify, make derivative works of, publicly perform, publicly display, make, have made, sell, offer for sale, import and otherwise exploit such Prior Invention for any purpose.

(e) **Non-Assignable Inventions.** If Executive transfers Executive's principal work location to California, Illinois, Kansas, Minnesota, Washington State or any other state that has codified applicable law, the provisions regarding Executive's assignment of Company Intellectual Property to the Company in Section 15(c) hereof shall not apply to certain Inventions ("Non- Assignable Inventions") as specified in the statutory code of the applicable state. Executive acknowledges having received and reviewed notification regarding such Non-Assignable Inventions pursuant to such states' codes.

(f) **Waiver of Moral Rights.** To the extent that Executive may do so under applicable law, Executive hereby transfers to the Company any and all Moral Rights that Executive may possess or acquire in or with respect to any Company Intellectual Property. Insofar as any of Executive's Moral Rights cannot be so assigned or transferred, to the extent that Executive may do so under applicable law, Executive hereby waives and agrees never to assert any Moral Rights that Executive may have in or with respect to any Company Intellectual Property, even after termination of any work on behalf of the Company. As used in this Agreement, "Moral Rights" means any and all rights to claim authorship of a work, to object to or prevent the modification or destruction of a work, or to withdraw from circulation or control the publication or

distribution of a work, and any similar right, existing under any applicable law of any jurisdiction, regardless of whether or not such right is denominated or generally referred to as a "moral right."

(g) **Further Assurances.** Executive shall give the Company and its affiliates all reasonable assistance and execute all documents necessary to assist with enabling the Company and its affiliates to prosecute, perfect, register, record, enforce and defend any of their rights in any Company Intellectual Property and Confidential Information.

(h) This Section 15 shall survive the termination of the Employment Term.

16. Miscellaneous.

(a) **Successors and Assigns.**

(1) This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and permitted assigns. The Company may not assign or delegate any rights or obligations hereunder except to a successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, as applicable. The term "the Company" as used herein shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company, as the case may be, (including this Agreement) whether by operation of law or otherwise. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company expressly to assume and agree to perform this Agreement to the same extent that the Company would be required to perform it if no succession had taken place. Failure of the Company to obtain an assumption of this Agreement at or prior to the effectiveness of any succession shall be a material breach of this Agreement.

(2) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by Executive, Ex beneficiaries or legal representatives, except by will or by the laws of descent and distribution.

(3) This Agreement shall inure to the benefit of and be enforceable by Executive's legal personal representatives, Executive's beneficiaries in the event of Executive's death.

(b) **Notice.** For the purposes of this Agreement, notices and all other communications provided for in the Agreement (including the Notice of Termination) shall be in writing and shall be deemed to have been duly given when personally delivered or sent by Certified mail, return receipt requested, postage prepaid, addressed to the respective addresses last given by each party to each other party; provided that all notices to the Company shall be directed to the attention of the General Counsel of the Company. All notices and communications shall be deemed to have been received on the date of delivery thereof or on the third business day after the mailing thereof, except that notice of change of address shall be effective only upon receipt.

(c) **Withholding.** The Company shall be entitled to withhold the amount, if any, of all taxes of any applicable jurisdiction required to be withheld by an employer with respect to any amount paid to Executive hereunder. The Company, in its sole and absolute discretion, shall make all determinations as to whether it is obligated to withhold any taxes hereunder and the amount hereof.

(d) Release of Claims. The termination benefits described in Sections 8(b), 8(c), 8(e) and 8(f) hereof (the “Total Payments”) shall be conditioned on Executive delivering to the Company, and failing to revoke, a signed release of claims (the “Release”) reasonably acceptable to the Company within fifty (50) days following Executive’s termination date. Notwithstanding any provision of this Agreement to the contrary, in no event shall the timing of Executive’s execution of the Release, directly or indirectly, result in Executive designating the calendar year of payment, and, to the extent required by Section 409A, if a payment that is subject to execution of the Release could be made in more than one taxable year, payment shall be made in the later taxable year. Where applicable, references to Executive in this Section 16(d) shall refer to Executive’s representative or estate. Notwithstanding anything to the contrary contained in this Agreement, the Release (a) shall not contain any terms or conditions that lessen the rights and benefits to which Executive is entitled under this Agreement or increase Executive’s obligations under Section 12 of this Agreement and (b) shall provide that the following claims are excluded from the Release: (1) any claims or rights which cannot be waived by law, including Executive’s right to accrued and unused vacation pay; (2) any claims for the payments and benefits due under this Agreement or claims to enforce rights that accrue under this Agreement following termination of employment; (3) any claims or rights to any vested benefits or vested rights that Executive may have under any employee benefit, retirement, pension or equity plans; (4) non-termination related claims under the Employee Retirement Income Security Act (29 U.S.C. § 1001 et seq.), as amended; (5) any rights and/or claims under COBRA to elect continued group health plan coverage; (6) claims for reimbursement of approved business expenses incurred prior to the date of termination of Executive’s employment or this Agreement; (7) rights, if any, to defense and indemnification from the Company or its insurers pursuant to the Company’s articles of incorporation or bylaws, applicable law or any applicable directors and officers insurance policies or indemnification agreement of the Company; and (8) any rights and/or claims Executive may have as a shareholder of the Company to the extent arising after the date on which the Release is executed by Executive.

(e) Parachute Payments. To the extent consistent with applicable law, the payment of any amounts or the provision of any benefits under this Agreement or any other agreement including, without limitation, the Total Payments, will be reduced or adjusted to avoid triggering the excise tax (the “Excise Tax”) imposed by Section 4999 of the Code (the “Required Reduction”), if such adjustment would result in the provision of a greater total benefit, on a net after-tax basis (after taking into account any applicable federal, state and local income and employment taxes and the Excise Tax), to Executive. In the case of a reduction in the Total Payments, the Total Payments will be reduced in the following order: (i) by reducing any cash payments to be made to Executive (excluding any cash payment with respect to the acceleration of equity-based compensation); (ii) by canceling

the acceleration of vesting of any outstanding equity-based compensation awards; and (iii) by reducing any other non-cash benefits provided to Executive. In the case of the reductions to be made pursuant to each of the above-mentioned clauses, the payment and/or benefit amounts to be reduced, and the acceleration of vesting to be cancelled, shall be reduced or cancelled in the inverse order of their originally scheduled dates of payment or vesting, as applicable, and shall be so reduced: (x) only to the extent that the payment and/or benefit otherwise to be paid, or the vesting of the award that otherwise would be accelerated, would be treated as a “parachute payment” within the meaning of Code Section 280G(b)(2)(A); and (y) only to the extent necessary to achieve the Required Reduction. All determinations made under this Section 16(e) (as well as with respect to any payments provided to any other “disqualified individual” of the Company within the meaning of Section 280G(c) of the Code) shall be made by a nationally recognized accounting or consulting firm as selected by the Company (the “Accounting Firm”) which shall provide detailed supporting calculations to Executive and the Company. All fees and expenses of the Accounting Firm shall be borne by the Company. All determinations by the Accounting Firm shall be binding on Executive and the Company absent manifest error. Notwithstanding the foregoing, if prior to a change in ownership or effective control of the Company (as described in Section 280G of the Code and the regulations and guidance promulgated thereunder), no stock of the Company is readily

tradable on an established securities market and the Accounting Firm determines that the Excise Tax would be imposed upon the Total Payments (and any other payments) then, subject to Executive's execution of a written agreement providing that Executive will waive any portion of the Total Payments (and any other payments) that would otherwise cause such payments to be subject to the Excise Tax, the Company agrees to use commercially reasonable efforts to submit to the Company's shareholders for approval, in a manner that satisfies Section 280G(b)(5)(B) of the Code, Executive's conditional right to receive the portion of the Total Payments (and other payments) otherwise subject to the waiver agreement.

(f) Modification. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by the other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by any party which are not expressly set forth in this Agreement.

(g) Arbitration. If any dispute arises under this Agreement or otherwise which cannot be resolved by mutual discussion between the parties, then the

Company and Executive each agree to resolve that dispute by binding arbitration before an arbitrator experienced in employment law. Said arbitration will be conducted by a single arbitrator in accordance with the rules applicable to employment disputes of the Judicial Arbitration and Mediation Services ("JAMS") and the law applicable to the claim. The parties shall have thirty (30) calendar days after notice of such arbitration has been given to attempt to agree on the selection of an arbitrator from JAMS. In the event the parties are unable to agree in such time, JAMS will provide a list of five (5) available arbitrators and an arbitrator will be selected from such five member panel provided by JAMS by the parties alternately striking out one name of a potential arbitrator until only one name remains. The party entitled to strike an arbitrator first shall be selected by a toss of a coin. The parties agree that this agreement to arbitrate includes any such disputes that the Company may have against Executive, or Executive may have against the Company and/or its related entities and/or employees, arising out of or relating to this Agreement, or Executive's employment or Executive's termination, including any claims of discrimination or harassment in violation of applicable law and any other aspect of Executive's compensation, employment, or Executive's termination. The parties further agree that arbitration as provided for in this Section 16(g) is the exclusive and binding remedy for any such dispute and will be used instead of any court action, which is hereby expressly waived, except for any request by any party for temporary, preliminary or permanent injunctive relief pending arbitration in accordance with applicable law or for breaches by Executive of Executive's obligations under Sections 11, 12, 14 or 15 hereof. The parties agree that the seat of the arbitration shall be Boston, Massachusetts. The Company shall pay the cost of any arbitration brought pursuant to this paragraph, including, without limitation, JAMS filing and administrative fees and the arbitrator's fees, excluding, however, the cost of representation of Executive, unless such cost is awarded by the arbitrator in accordance with law. Neither party nor an arbitrator may disclose the existence, content or results of any arbitration hereunder without the prior written consent of both parties, except (1) as provided by Section 10 and (2) as may be required by law.

(h) Effect of Other Law. Anything herein to the contrary notwithstanding, the terms of this Agreement shall be modified to the extent required to meet the provisions of the Sarbanes-Oxley Act of 2002, Section 409A, the Dodd- Frank Wall Street Reform and Consumer Protection Act (including, without limitation, Rule 10D-1 of the Securities Exchange Act of 1934 and the related rules set forth by the applicable exchanges) or other law applicable to the employment arrangements between Executive and the Company. Any delay in providing benefits or payments or any failure to provide a benefit or payment pursuant to this Section 16(h) shall not in and of itself constitute a breach of this Agreement as a result of applicable law; provided, however, that the Company shall provide economically equivalent payments or benefits to Executive to the extent permitted by law as soon as practicable

after such benefits or payments are due. Any request or requirement that Executive repay compensation that is required under the first sentence of this Section 16(h), or pursuant to a Company policy that is applicable to other executive officers of the Company and that is designed to advance the legitimate corporate governance objectives of the Company, shall not in and of itself constitute a breach of this Agreement.

- (i) Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts executed in and to be performed entirely within such State, without giving effect to the conflict of law principles thereof.
- (j) No Conflicts. As a condition to the effectiveness of this Agreement, Executive represents and warrants to the Company that Executive is not a party to or otherwise bound by any agreement or arrangement (including, without limitation, any license, covenant, or commitment of any nature), or subject to any judgment, decree, or order of any court or administrative agency, that would conflict with or will be in conflict with or in any way preclude, limit or inhibit Executive's ability to execute this Agreement or to carry out Executive's duties and responsibilities hereunder. In the event that the Company reasonably determines that Executive's duties hereunder may conflict with an agreement or arrangement to which Executive is bound, Executive shall be required to cease engaging in any such activities, duties or responsibilities (including providing supervisory services over certain subsets of the Company's business operations) and the Company will take steps to restrict Executive's access to, and participation in, any such activities, until the Company determines that such conflict ceases to exist. Any actions taken by the Company under this Section 16(j) to restrict or limit Executive's access to information or provision of services shall not constitute Good Reason for purposes of Section 6(e), hereof.
- (k) Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.
- (l) Effectiveness of Agreement. The effectiveness of this Agreement is contingent upon the occurrence of the Commencement Date within the time provided in Section 1 hereof.

17. Indemnification. The Company will indemnify Executive to the same extent that it indemnifies similarly situated executive officers of the Company and Executive shall be covered by directors' and officers' liability insurance on the same basis as similarly situated executive officers of the Company.

18. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, term sheets, understandings and arrangements,

oral or written, between the parties hereto with respect to the subject matter hereof, including without limitation any term sheets or other similar presentations.

19. Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement. Signatures transmitted via facsimile or PDF will be deemed the equivalent of originals.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the day and year first above written, to be effective as of the Effective Date.

AMERICAN WELL CORPORATION

By: s/o Brad Gay
Name: Brad Gay
Title: SVP & General Counsel

EXECUTIVE

By: s/o Kathy Weiler
Name: Kathy Weiler

EXHIBIT A
DEFINITIONS

For purposes of Section 6(c) of this Agreement, the following shall constitute "Cause": (1) Executive's indictment or conviction for either a felony offense or any other crime involving, or participation in, any fraud, theft or embezzlement; (2) willful breach of Executive's duties of good faith and fair dealing that are owed to the Company or any of its subsidiaries; (3) Executive's material breach or violation of any material agreement between Executive and the Company or any of its subsidiaries; (4) willful and material failure to comply with the code of conduct of the Company or any of its subsidiaries or any other material written policies of the Company that have been approved by the board of directors of the Company (the "Board") or its authorized delegate and which is materially harmful to the Company and its subsidiaries taken as a whole; or (5) Executive's willful failure or refusal to follow the lawful directions of the Company's Chief Executive Officer (or co-Chief Executive Officers, if applicable) or the Board; provided that Executive shall have thirty (30) days after written notice from the Company to cure the deficiency leading to the Cause determination (except with respect to prong (1) above, for which no notice is required) if, in the sole and reasonable discretion of the Board, such deficiency is curable.

For purposes of Section 6(e) of this Agreement, "Good Reason" means, without Executive's express written consent: (1) the failure by the Company to provide Executive with Executive's Base Salary, compensation and benefits in accordance with the terms of this Agreement, except for a reduction in Executive's Base Salary prior to a Change in Control that is consistent with base salary reductions for similarly situated executives of the Company; (2) a material diminution in Executive's authorities, responsibilities, position, reporting or job title as of immediately prior to such diminution; (3) the failure of the Company to assign this Agreement to a successor to all or substantially all of the business and/or assets of the Company, as applicable, as contemplated by Section 16(a) hereof; or (4) a material breach by the Company of the terms of this Agreement. For the avoidance of doubt,

Executive shall not be considered to have terminated Executive's employment for Good Reason unless Executive has (A) not expressly consented in writing to the occurrence that Executive alleges constitutes Good Reason; (B) given the Company written Notice of Termination for Good Reason not more than thirty (30) days after Executive's knowledge of the initial existence of the alleged condition giving rise to Good Reason; (C) given the Company at least thirty (30) days after receipt of such notice to cure the alleged deficiency; and (D) terminated Executive's employment within sixty (60) days following the Company's receipt of such notice.

EXHIBIT B
PRIOR INVENTIONS

1. The following is a complete list of all Prior Inventions (as provided in Section 15(d) of the attached Employment Agreement):

2. Due to a prior confidentiality agreement, Executive cannot complete the disclosure under Section 1 above with respect to the Prior Inventions generally listed below, the duty of confidentiality with respect to which Executive owes to the following party(ies):

<u>Prior Invention</u>	<u>Party(ies)</u>	<u>Relationship</u>
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Exhibit 31.1

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICERS PERIODIC REPORT UNDER SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Ido Schoenberg, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Well Corporation for the period ended **March 31, 2024** **June 30, 2024**;
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 circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules **13a-15(e)** **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 (registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to 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: **May 1, 2024** **July 31, 2024**

By: **/s/ Ido Schoenberg**
Ido Schoenberg
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PERIODIC REPORT UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, **Roy Schoenberg**, **Robert Shepardson**, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Well **Corporation** for the period ended **March 31, 2024** **June 30, 2024**;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(e) 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 officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. **All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to 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: **May 1, 2024**

By: **/s/ Roy Schoenberg**
Roy Schoenberg
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF CHIEF FINANCIAL OFFICER PERIODIC REPORT UNDER SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert Shepardson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of American Well Corporation for the period ended March 31, 2024;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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 (registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 1, 2024 July 31, 2024

By: /s/ Robert Shepardson
 Robert Shepardson
 Chief Financial Officer
 (Principal Financial Officer)

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

I, Ido Schoenberg, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of American Well Corporation for the fiscal quarter ended March 31, 2024 June 30, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of American Well Corporation.

Date: May 1, 2024 July 31, 2024

By: /s/ Ido Schoenberg

Name: Ido Schoenberg
Title: Chief Executive Officer
(Principal Executive Officer)

I, Roy Schoenberg, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of American Well Corporation for the fiscal quarter ended March 31, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of American Well Corporation.

Date: May 1, 2024

By: /s/ Roy Schoenberg
Name: Roy Schoenberg
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

I, Robert Shepardson, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of American Well Corporation for the fiscal quarter ended March 31, 2024 June 30, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of American Well Corporation.

Date: May 1, 2024 July 31, 2024

By: /s/ Robert Shepardson
Name: Robert Shepardson
Title: Chief Financial Officer
(Principal Financial Officer)

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