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9 **UNITED STATES DISTRICT COURT**
10 **NORTHERN DISTRICT OF CALIFORNIA**
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12 HEMALATHA VELANKI, Individually and
13 on Behalf of All Others Similarly Situated,

14 Plaintiff,

15 v.

16 HIMS & HERS HEALTH, INC., ANDREW
17 DUDUM, and OLUYEMI OKUPE,

18 Defendants.
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Case No.

**CLASS ACTION COMPLAINT FOR
VIOLATIONS OF THE FEDERAL
SECURITIES LAWS**

1 Plaintiff Hemalatha Velanki (“Plaintiff”), individually and on behalf of all others similarly
 2 situated, by and through her attorneys, alleges the following upon information and belief, except as
 3 to those allegations concerning Plaintiff, which are alleged upon personal knowledge. Plaintiff’s
 4 information and belief is based upon, among other things, her counsel’s investigation, which
 5 includes without limitation: (a) review and analysis of regulatory filings made by Hims & Hers
 6 Health, Inc. (“Hims” or the “Company”) with the United States (“U.S.”) Securities and Exchange
 7 Commission (“SEC”); (b) review and analysis of press releases and media reports issued by and
 8 disseminated by Hims; and (c) review of other publicly available information concerning Hims.

9 **NATURE OF THE ACTION AND OVERVIEW**

10 1. This is a class action on behalf of persons and entities that purchased or otherwise
 11 acquired Hims securities between August 4, 2025 and July 29, 2026, inclusive (the “Class Period”).
 12 Plaintiff pursues claims against the Defendants under the Securities Exchange Act of 1934 (the
 13 “Exchange Act”).

14 2. Hims operates a health and wellness platform that connects consumers to licensed
 15 healthcare professionals. The Company offers a range of curated prescription and non-prescription
 16 health and wellness products and services available to purchase on its websites and mobile
 17 application directly by customers.

18 3. On July 29, 2026, during market hours, the Federal Trade Commission (“FTC”)
 19 announced it had filed a lawsuit against Hims “alleging that the telehealth provider shared
 20 consumers’ sensitive health information about medical conditions with third-party advertising
 21 platforms despite claiming its services maintain consumers’ privacy and deceives users about its
 22 billing and cancellation practices.” According to the FTC’s complaint, Hims engages in other
 23 deceptive advertising practices, including failing to “clearly disclose that it charges consumers for
 24 prescriptions almost immediately after they submit an intake form, despite telling consumers that
 25 they will be able to consult with a medical provider to find a treatment that is ‘right for them.’” The
 26 complaint further alleges that, contrary to its promises that the platform is “100% online, private,
 27 and secure,” Hims “shared sensitive health information with third-party advertising companies and
 28 platforms . . . such as Meta Platforms, Inc. (‘Meta’) and Snap Inc. (‘Snap’).”

SUBSTANTIVE ALLEGATIONS

Background

16. Hims operates a health and wellness platform that connects consumers to licensed healthcare professionals. The Company offers a range of curated prescription and non-prescription health and wellness products and services available to purchase on its websites and mobile application directly by customers.

Materially False and Misleading

Statements Issued During the Class Period

17. The Class Period begins on August 4, 2025. On that day, the Company submitted its quarterly report for the period ended June 30, 2025 on a Form 10-Q filed with the SEC. The quarterly report claimed that the Company “developed and maintain policies and procedures to protect” private health information, “including the adoption of administrative, physical and technical safeguards.” It also purported to warn of risks which “*could*” or “*may*” negatively impact the Company, including risks related to the “use, disclosure, and other processing of personally identifiable information.”¹ Specifically, the quarterly report stated as follows, in relevant part:

Our use, disclosure, and other processing of personally identifiable information, including health information, is subject to federal, state, and foreign privacy and security regulations, and our failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, a material adverse effect on our customers, the Affiliated Medical Groups and/or their Providers, the Pharmacies, our revenue, our business, and/or our financial condition.

* * *

We have developed and maintain policies and procedures with respect to health information and personal information that we use or disclose in connection with our operations, including the adoption of administrative, physical, and technical safeguards to protect such information. As our business operations continue to develop, including through the launch of new product offerings or the development of new services, we may collect additional sensitive health and personal information from our customers that could create additional compliance obligations and may increase our exposure to compliance and regulatory risks regarding the protection and dissemination of such information.

* * *

¹ Unless otherwise stated, all emphasis in bold and italics hereinafter is added.

From time to time, we are subject to legal proceedings in the ordinary course of business, which can include intellectual property disputes or claims related to our marketing or sale of products, any of which may be costly to defend and could materially harm our business and results of operations.

* * *

For example, in October 2023, the Federal Trade Commission (the “FTC”) issued to us a Civil Investigative Demand requesting information as part of a non-public investigation. As of the date of this Quarterly Report on Form 10-Q, the FTC has not communicated to us any potential conclusions or findings the FTC may make with respect to its investigation. While we do not expect the outcome of this investigation to have a material impact on our business or operations, there can be no assurance that our expectations will prove correct.

18. On November 3, 2025, the Company submitted its quarterly report for the period ended September 30, 2025 on a Form 10-Q filed with the SEC. The quarterly report claimed the Company has “developed and maintain policies and procedures to protect” users private health information, “including the adoption of administrative, physical and technical safeguards.” It also purported to warn of risks which “*could*” or “*may*” negatively impact the Company, including risks related to the “use, disclosure, and other processing of personally identifiable information.” Specifically, the quarterly report stated as follows, in relevant part:

Our use, disclosure, and other processing of personally identifiable information, including health information, is subject to federal, state, and foreign privacy and security regulations, and our failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, a material adverse effect on our customers, the Affiliated Medical Groups and/or their Providers, the Pharmacies, our revenue, our business, and/or our financial condition.

* * *

We have developed and maintain policies and procedures with respect to health information and personal information that we use or disclose in connection with our operations, including the adoption of administrative, physical, and technical safeguards to protect such information. As our business operations continue to develop, including through the launch of new product offerings or the development of new services, we may collect additional sensitive health and personal information from our customers that could create additional compliance obligations and may increase our exposure to compliance and regulatory risks regarding the protection and dissemination of such information.

* * *

From time to time, we are subject to legal proceedings in the ordinary course of business, which can include intellectual property disputes or claims related to our marketing or sale of products, any of which may be costly to defend and could materially harm our business and results of operations.

* * *

For example, in October 2023, the Federal Trade Commission (the “FTC”) issued to us a Civil Investigative Demand requesting information as part of a non-public investigation. As of the date of this Quarterly Report on Form 10-Q, the FTC has not communicated to us any potential conclusions or findings the FTC may make with respect to its investigation. While we do not expect the outcome of this For example, in October 2023, the Federal Trade Commission (the “FTC”) issued to us a Civil Investigative Demand requesting information as part of a non-public investigation. As of the date of this Quarterly Report on Form 10-Q, the FTC has not communicated to us any potential conclusions or findings the FTC may make with respect to its investigation. While we do not expect the outcome of this investigation to have a material impact on our business or operations, there can be no assurance that our expectations will prove correct.

19. On February 23, 2026, the Company submitted its annual report for the fiscal year ended December 31, 2025 on a Form 10-K filed with the SEC. The annual report purported to warn of risks which “*could*” or “*may*” negatively impact the Company, including risks related to the “use, disclosure, and other processing of personally identifiable information.” Specifically, the annual report stated, in relevant part:

Our use, disclosure, and other processing of personally identifiable information, including health information, is subject to federal, provincial, state, and foreign privacy and security regulations, and our failure to comply with those regulations or to adequately secure the information we hold could result in significant liability or reputational harm and, in turn, a material adverse effect on our customers, the Affiliated Medical Groups and/or their Providers, the Pharmacies, our revenue, our business, and/or our financial condition.

* * *

We have developed and maintain policies and procedures with respect to health information and personal information that we use or disclose in connection with our operations, including the adoption of administrative, physical, and technical safeguards to protect such information. As our business operations continue to develop, including through the launch of new product offerings or the development of new services, we may collect additional sensitive health and personal information from our customers that could create additional compliance obligations and may increase our exposure to compliance and regulatory risks regarding the protection and dissemination of such information.

* * *

In October 2023, the Federal Trade Commission (the “FTC”) issued to the Company a Civil Investigative Demand requesting information regarding the Company’s privacy, advertising, and cancellation practices as part of a non-public investigation. The Company believes it has substantially completed providing responses to the FTC’s information requests. As of the date of this Annual Report on Form 10-K, the FTC has not communicated to the Company any potential conclusions or findings the FTC may make with respect to its investigation. While the Company does not expect the outcome of this investigation to have a material

1 impact on its business or operations, there can be no assurance that its expectations
2 will prove correct. At this time, the Company is unable to estimate the possible loss
or range of loss, if any, associated with this matter.

3 20. On May 11, 2026, the Company submitted its quarterly report for the period ended
4 March 31, 2026 on a Form 10-Q filed with the SEC. As to risks related to the “use, disclosure, and
5 other processing of personally identifiable information,” the quarterly report stated, in relevant part:

6 *Our use, disclosure, and other processing of personally identifiable information,*
7 *including health information, is subject to federal, provincial, state, and foreign*
8 *privacy and security regulations, and our failure to comply with those regulations*
9 *or to adequately secure the information we hold could result in significant liability*
or reputational harm and, in turn, a material adverse effect on our customers, the
Affiliated Medical Groups and/or their Providers, the Pharmacies, our revenue,
our business, and/or our financial condition.

10 * * *

11 *We have developed and maintain policies and procedures with respect to health*
12 *information and personal information that we use or disclose in connection with*
13 *our operations, including the adoption of administrative, physical, and technical*
14 *safeguards to protect such information.* As our business operations continue to
15 develop, including through the launch of new product offerings or the development
of new services, we may collect additional sensitive health and personal information
from our customers that could create additional compliance obligations and may
increase our exposure to compliance and regulatory risks regarding the protection
and dissemination of such information.

16 * * *

17 *In October 2023, the Federal Trade Commission (the “FTC”) issued to the*
18 *Company a Civil Investigative Demand (the “CID”) requesting information*
19 *regarding the Company’s privacy, advertising, and cancellation practices as part*
20 *of a non-public investigation related to the Restore Online Shoppers’ Confidence*
21 *Act (“ROSCA”).* The Company responded cooperatively to the CID and related
22 follow-up requests from the FTC. In April 2026, the FTC communicated to the
23 Company its findings with respect to its investigation. The FTC and the Company
24 are engaged in active settlement negotiations, and the outcome is uncertain. There is
25 a reasonable possibility that the final liability could be materially higher than the
26 amount accrued. While the Company believes that it has meritorious arguments and
27 would pursue a vigorous defense if the matter were to proceed to litigation, the
28 Company has submitted a substantive offer to the FTC to settle this matter without
admission of liability or wrongdoing. There can be no assurance, however, that this
settlement offer will be accepted or that any current or future discussions with the
FTC to resolve this inquiry will be successful. The Company has recorded an accrual
for estimated probable losses of \$15.0 million for this matter as of March 31, 2026
within accrued liabilities on the unaudited condensed consolidated balance sheets
and as a general and administrative expense on the unaudited condensed consolidated
statements of operations and comprehensive (loss) income for the three months
ended March 31, 2026, and such estimate may be subject to change based on
additional information. The Company is unable at this time to reasonably estimate
any range of loss above the amount accrued due to a number of unknown factors that

1 may materially affect the resolution of the FTC matter and its impacts on the
2 Company's business, results of operations, and financial condition.

3 21. The above statements identified in ¶¶ 17-20 were materially false and/or misleading,
4 and failed to disclose material adverse facts about the Company's business, operations, and
5 prospects. Specifically, Defendants failed to disclose to investors that: (1) the Company shared
6 consumers' health information with third-party advertising platforms; (2) the Company charges
7 consumers for prescriptions almost immediately after they submit an intake form, despite telling
8 consumers that they will be able to consult with a medical provider to find a treatment that is "right
9 for them;" (3) the foregoing conduct subjected the Company to regulatory scrutiny; (4) as a result
10 of the foregoing, the Company was reasonably likely to incur fees and penalties; and (5) as a result
11 of the foregoing, Defendants' positive statements about the Company's business, operations, and
12 prospects were materially misleading and/or lacked a reasonable basis.

13 **Disclosures at the End of the Class Period**

14 22. On July 29, 2026, during market hours, the Federal Trade Commission announced it
15 had filed a lawsuit against Hims, "alleging that the telehealth provider shared consumers' sensitive
16 health information about medical conditions with third-party advertising platforms despite claiming
17 its services maintain consumers' privacy and deceives users about its billing and cancellation
18 practices." The press release announcing the complaint states the FTC accuses Hims of "deceptive
19 and unlawful privacy practices," including that "Hims shared consumers' health information with
20 Meta, Snap and other third parties." Specifically, the press release stated, in relevant part:

21 **FTC and States Act Against Hims & Hers for Deceptive and Unlawful Privacy Practices**

22 *Complaint alleges telehealth provider shared consumers' sensitive health*
23 *information with third-party advertising platforms despite promising patient*
privacy

24 *

*

*

25 The Federal Trade Commission, joined by Utah and California, by and through Los
26 Angeles County Counsel, today sued Hims & Hers alleging that the telehealth
27 provider *shared consumers' sensitive health information about medical conditions*
with third-party advertising platforms despite claiming its services maintain
consumers' privacy and deceives users about its billing and cancellation practices.

1 In a complaint filed in federal court, the FTC and its state and local partners allege
 2 that Hims & Hers (Hims) *fails to clearly disclose that it charges consumers for*
 3 *prescriptions almost immediately after they submit an intake form, despite telling*
 4 *consumers that they will be able to consult with a medical provider to find a*
 5 *treatment that is “right for them.”* The FTC also alleges that the company has made
 it difficult for consumers to cancel subscriptions and misled consumers about
 keeping their health information private. *The FTC alleges that Hims shared*
consumers’ health information with Meta, Snap and other third parties.

* * *

6 In advertisements and on its website, Hims has claimed that consumers can
 7 “connect” and consult with a medical provider through Hims to determine whether
 8 they need prescription medication. When consumers fill out their intake form, they
 9 are asked to provide their billing information despite assurances that they will not be
 charged unless and until medications are prescribed, according to the complaint.

10 The FTC alleges, however, that Hims does not give most consumers a consultation
 11 with a provider. Instead, *by submitting their intake form, most consumers will*
 12 *unknowingly be charged for and subscribed to a prescription treatment without*
having a chance to review or approve it. According to the complaint, Hims enrolls
 consumers in recurring subscription plans for those treatments shortly after receiving
 consumers’ intake forms.

13 In addition, the complaint alleges that Hims fails to clearly and conspicuously inform
 14 consumers when their prescriptions will be refilled each month, making it difficult
 to cancel before the next billing cycle.

* * *

16 *In addition, the complaint alleges that Hims shared consumers’ sensitive health*
 17 *information with third-party advertising platforms such as Meta and Snap despite*
 18 *promising to protect patient privacy. Hims shared its consumers’ health*
 19 *information with advertising platforms by sharing lists of certain customers with*
those companies. Hims also shared consumers’ health information via third-party
tracking technologies that automatically shared certain “Events”—the actions of
visitors on Hims’ website—with those companies.

20 The FTC alleges these practices have violated the FTC Act and the Restore Online
 21 Shoppers’ Confidence Act, which prohibits deceptive billing and subscription
 22 practices. Utah alleges violations of the Utah Consumer Sales Practices Act, and
 California alleges violations of California’s False Advertising and Unfair
 Competition Laws.

23 23. The case is captioned *FTC et al. v. Hims & Hers Health, Inc.*, Case No. 3:26-cv-
 24 07871 (N.D. Cal.). According to the FTC’s complaint, the Company places “pixels” from at least
 25 several advertising platforms to collect and share protected health information:

26 In addition to Meta and Snap, Hims placed pixels from at least the following
 27 Advertising Platforms on its website: Microsoft (Bing Pixel and Bing Image Pixel);
 28 Google (Google Ads Pixel and Google Ads S2S Pixel); Criteo (Criteo Pixel);
 MediaBids.com (MediaBids Pixel); PartnerCentric (PartnerCentric Pixel);
 PebblePost.com (PebblePost Pixel); Pinterest (Pinterest Pixel); Podsights (now

1 known as Spotify Ad Analytics - Podsights iHeartMedia Pixel); Reddit (Reddit
2 Pixel); StackAdapt (StackAdapt Pixel); TikTok (TikTok s2s Pixel); the Trade Desk
3 (Trade Desk Pixel); and X (formerly known as Twitter - Twitter Pixel). As with the
4 Meta and Snap pixels, many of these pixels captured and shared Users' health
information by way of similar pixel tracking events that captured [REDACTED]—
all of which was contrary to Hims' privacy promises.

5 24. According to the FTC's complaint, Hims engages in other deceptive advertising
6 practices, including failing to "clearly disclose that it charges consumers for prescriptions almost
7 immediately after they submit an intake form, despite telling consumers that they will be able to
8 consult with a medical provider to find a treatment that is 'right for them.'"

9 25. On this news, shares of Hims declined \$4.32 or 14.73% to close at \$25.00 on July
10 29, 2026, on unusually heavy trading volume.

11 **CLASS ACTION ALLEGATIONS**

12 26. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil
13 Procedure 23(a) and (b)(3) on behalf of a class, consisting of all persons and entities that purchased
14 or otherwise acquired Hims securities between August 4, 2025 and July 29, 2026, inclusive, and
15 who were damaged thereby (the "Class"). Excluded from the Class are Defendants, the officers and
16 directors of the Company, at all relevant times, members of their immediate families and their legal
17 representatives, heirs, successors, or assigns, and any entity in which Defendants have or had a
controlling interest.

18 27. The members of the Class are so numerous that joinder of all members is
19 impracticable. Throughout the Class Period, Hims's shares actively traded on the NYSE. While
20 the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained
21 through appropriate discovery, Plaintiff believes that there are at least hundreds or thousands of
22 members in the proposed Class. Millions of Hims shares were traded publicly during the Class
23 Period on the NYSE. Record owners and other members of the Class may be identified from records
24 maintained by Hims or its transfer agent and may be notified of the pendency of this action by mail,
25 using the form of notice similar to that customarily used in securities class actions.
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1 28. Plaintiff's claims are typical of the claims of the members of the Class as all members
2 of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that
3 is complained of herein.

4 29. Plaintiff will fairly and adequately protect the interests of the members of the Class
5 and has retained counsel competent and experienced in class and securities litigation.

6 30. Common questions of law and fact exist as to all members of the Class and
7 predominate over any questions solely affecting individual members of the Class. Among the
8 questions of law and fact common to the Class are:

9 (a) whether the federal securities laws were violated by Defendants' acts as
10 alleged herein;

11 (b) whether statements made by Defendants to the investing public during the
12 Class Period omitted and/or misrepresented material facts about the business, operations, and
13 prospects of Hims; and

14 (c) to what extent the members of the Class have sustained damages and the
15 proper measure of damages.

16 31. A class action is superior to all other available methods for the fair and efficient
17 adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the
18 damages suffered by individual Class members may be relatively small, the expense and burden of
19 individual litigation makes it impossible for members of the Class to individually redress the wrongs
20 done to them. There will be no difficulty in the management of this action as a class action.

21 **UNDISCLOSED ADVERSE FACTS**

22 32. The market for Hims's securities was open, well-developed and efficient at all
23 relevant times. As a result of these materially false and/or misleading statements, and/or failures to
24 disclose, Hims's securities traded at artificially inflated prices during the Class Period. Plaintiff and
25 other members of the Class purchased or otherwise acquired Hims's securities relying upon the
26 integrity of the market price of the Company's securities and market information relating to Hims,
27 and have been damaged thereby.

1 33. During the Class Period, Defendants materially misled the investing public, thereby
2 inflating the price of Hims's securities, by publicly issuing false and/or misleading statements and/or
3 omitting to disclose material facts necessary to make Defendants' statements, as set forth herein,
4 not false and/or misleading. The statements and omissions were materially false and/or misleading
5 because they failed to disclose material adverse information and/or misrepresented the truth about
6 Hims's business, operations, and prospects as alleged herein.

7 34. At all relevant times, the material misrepresentations and omissions particularized in
8 this Complaint directly or proximately caused or were a substantial contributing cause of the
9 damages sustained by Plaintiff and other members of the Class. As described herein, during the
10 Class Period, Defendants made or caused to be made a series of materially false and/or misleading
11 statements about Hims's financial well-being and prospects. These material misstatements and/or
12 omissions had the cause and effect of creating in the market an unrealistically positive assessment
13 of the Company and its financial well-being and prospects, thus causing the Company's securities
14 to be overvalued and artificially inflated at all relevant times. Defendants' materially false and/or
15 misleading statements during the Class Period resulted in Plaintiff and other members of the Class
16 purchasing the Company's securities at artificially inflated prices, thus causing the damages
17 complained of herein when the truth was revealed.

18 **LOSS CAUSATION**

19 35. Defendants' wrongful conduct, as alleged herein, directly and proximately caused
20 the economic loss suffered by Plaintiff and the Class.

21 36. During the Class Period, Plaintiff and the Class purchased Hims's securities at
22 artificially inflated prices and were damaged thereby. The price of the Company's securities
23 significantly declined when the misrepresentations made to the market, and/or the information
24 alleged herein to have been concealed from the market, and/or the effects thereof, were revealed,
25 causing investors' losses.

26 **SCIENTER ALLEGATIONS**

27 37. As alleged herein, Defendants acted with scienter since Defendants knew that the
28 public documents and statements issued or disseminated in the name of the Company were

1 materially false and/or misleading; knew that such statements or documents would be issued or
 2 disseminated to the investing public; and knowingly and substantially participated or acquiesced in
 3 the issuance or dissemination of such statements or documents as primary violations of the federal
 4 securities laws. As set forth elsewhere herein in detail, the Individual Defendants, by virtue of their
 5 receipt of information reflecting the true facts regarding Hims, their control over, and/or receipt
 6 and/or modification of Hims's allegedly materially misleading misstatements and/or their
 7 associations with the Company which made them privy to confidential proprietary information
 8 concerning Hims, participated in the fraudulent scheme alleged herein.

9 **APPLICABILITY OF PRESUMPTION OF RELIANCE**

10 **(FRAUD-ON-THE-MARKET DOCTRINE)**

11 38. The market for Hims's securities was open, well-developed and efficient at all
 12 relevant times. As a result of the materially false and/or misleading statements and/or failures to
 13 disclose, Hims's securities traded at artificially inflated prices during the Class Period. On July 6,
 14 2026, the Company's share price closed at a Class Period high of \$38.28 per share. Plaintiff and
 15 other members of the Class purchased or otherwise acquired the Company's securities relying upon
 16 the integrity of the market price of Hims's securities and market information relating to Hims, and
 17 have been damaged thereby.

18 39. During the Class Period, the artificial inflation of Hims's shares was caused by the
 19 material misrepresentations and/or omissions particularized in this Complaint causing the damages
 20 sustained by Plaintiff and other members of the Class. As described herein, during the Class Period,
 21 Defendants made or caused to be made a series of materially false and/or misleading statements
 22 about Hims's business, prospects, and operations. These material misstatements and/or omissions
 23 created an unrealistically positive assessment of Hims and its business, operations, and prospects,
 24 thus causing the price of the Company's securities to be artificially inflated at all relevant times, and
 25 when disclosed, negatively affected the value of the Company shares. Defendants' materially false
 26 and/or misleading statements during the Class Period resulted in Plaintiff and other members of the
 27 Class purchasing the Company's securities at such artificially inflated prices, and each of them has
 28 been damaged as a result.

1 40. At all relevant times, the market for Hims's securities was an efficient market for the
2 following reasons, among others:

3 (a) Hims shares met the requirements for listing, and was listed and actively
4 traded on the NYSE, a highly efficient and automated market;

5 (b) As a regulated issuer, Hims filed periodic public reports with the SEC and/or
6 the NYSE;

7 (c) Hims regularly communicated with public investors via established market
8 communication mechanisms, including through regular dissemination of press releases on the
9 national circuits of major newswire services and through other wide-ranging public disclosures,
10 such as communications with the financial press and other similar reporting services; and/or

11 (d) Hims was followed by securities analysts employed by brokerage firms who
12 wrote reports about the Company, and these reports were distributed to the sales force and certain
13 customers of their respective brokerage firms. Each of these reports was publicly available and
14 entered the public marketplace.

15 41. As a result of the foregoing, the market for Hims's securities promptly digested
16 current information regarding Hims from all publicly available sources and reflected such
17 information in Hims's share price. Under these circumstances, all purchasers of Hims's securities
18 during the Class Period suffered similar injury through their purchase of Hims's securities at
19 artificially inflated prices and a presumption of reliance applies.

20 42. A Class-wide presumption of reliance is also appropriate in this action under the
21 Supreme Court's holding in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972),
22 because the Class's claims are, in large part, grounded on Defendants' material misstatements and/or
23 omissions. Because this action involves Defendants' failure to disclose material adverse
24 information regarding the Company's business operations and financial prospects—information that
25 Defendants were obligated to disclose—positive proof of reliance is not a prerequisite to recovery.
26 All that is necessary is that the facts withheld be material in the sense that a reasonable investor
27 might have considered them important in making investment decisions. Given the importance of
28

1 the Class Period material misstatements and omissions set forth above, that requirement is satisfied
2 here.

3 **NO SAFE HARBOR**

4 43. The statutory safe harbor provided for forward-looking statements under certain
5 circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. The
6 statements alleged to be false and misleading herein all relate to then-existing facts and conditions.
7 In addition, to the extent certain of the statements alleged to be false may be characterized as forward
8 looking, they were not identified as “forward-looking statements” when made and there were no
9 meaningful cautionary statements identifying important factors that could cause actual results to
10 differ materially from those in the purportedly forward-looking statements. In the alternative, to the
11 extent that the statutory safe harbor is determined to apply to any forward-looking statements
12 pleaded herein, Defendants are liable for those false forward-looking statements because at the time
13 each of those forward-looking statements was made, the speaker had actual knowledge that the
14 forward-looking statement was materially false or misleading, and/or the forward-looking statement
15 was authorized or approved by an executive officer of Hims who knew that the statement was false
16 when made.

17 **FIRST CLAIM**

18 **Violation of Section 10(b) of The Exchange Act and**

19 **Rule 10b-5 Promulgated Thereunder**

20 **Against All Defendants**

21 44. Plaintiff repeats and re-alleges each and every allegation contained above as if fully
22 set forth herein.

23 45. During the Class Period, Defendants carried out a plan, scheme and course of conduct
24 which was intended to and, throughout the Class Period, did: (i) deceive the investing public,
25 including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other
26 members of the Class to purchase Hims’s securities at artificially inflated prices. In furtherance of
27 this unlawful scheme, plan and course of conduct, Defendants, and each defendant, took the actions
28 set forth herein.

1 46. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue
2 statements of material fact and/or omitted to state material facts necessary to make the statements
3 not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a
4 fraud and deceit upon the purchasers of the Company's securities in an effort to maintain artificially
5 high market prices for Hims's securities in violation of Section 10(b) of the Exchange Act and Rule
6 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct
7 charged herein or as controlling persons as alleged below.

8 47. Defendants, individually and in concert, directly and indirectly, by the use, means or
9 instrumentalities of interstate commerce and/or of the mails, engaged and participated in a
10 continuous course of conduct to conceal adverse material information about Hims's financial well-
11 being and prospects, as specified herein.

12 48. Defendants employed devices, schemes and artifices to defraud, while in possession
13 of material adverse non-public information and engaged in acts, practices, and a course of conduct
14 as alleged herein in an effort to assure investors of Hims's value and performance and continued
15 substantial growth, which included the making of, or the participation in the making of, untrue
16 statements of material facts and/or omitting to state material facts necessary in order to make the
17 statements made about Hims and its business operations and future prospects in light of the
18 circumstances under which they were made, not misleading, as set forth more particularly herein,
19 and engaged in transactions, practices and a course of business which operated as a fraud and deceit
20 upon the purchasers of the Company's securities during the Class Period.

21 49. Each of the Individual Defendants' primary liability and controlling person liability
22 arises from the following facts: (i) the Individual Defendants were high-level executives and/or
23 directors at the Company during the Class Period and members of the Company's management team
24 or had control thereof; (ii) each of these defendants, by virtue of their responsibilities and activities
25 as a senior officer and/or director of the Company, was privy to and participated in the creation,
26 development and reporting of the Company's internal budgets, plans, projections and/or reports;
27 (iii) each of these defendants enjoyed significant personal contact and familiarity with the other
28 defendants and was advised of, and had access to, other members of the Company's management

1 team, internal reports and other data and information about the Company's finances, operations, and
2 sales at all relevant times; and (iv) each of these defendants was aware of the Company's
3 dissemination of information to the investing public which they knew and/or recklessly disregarded
4 was materially false and misleading.

5 50. Defendants had actual knowledge of the misrepresentations and/or omissions of
6 material facts set forth herein, or acted with reckless disregard for the truth in that they failed to
7 ascertain and to disclose such facts, even though such facts were available to them. Such defendants'
8 material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose
9 and effect of concealing Hims's financial well-being and prospects from the investing public and
10 supporting the artificially inflated price of its securities. As demonstrated by Defendants'
11 overstatements and/or misstatements of the Company's business, operations, financial well-being,
12 and prospects throughout the Class Period, Defendants, if they did not have actual knowledge of the
13 misrepresentations and/or omissions alleged, were reckless in failing to obtain such knowledge by
14 deliberately refraining from taking those steps necessary to discover whether those statements were
15 false or misleading.

16 51. As a result of the dissemination of the materially false and/or misleading information
17 and/or failure to disclose material facts, as set forth above, the market price of Hims's securities was
18 artificially inflated during the Class Period. In ignorance of the fact that market prices of the
19 Company's securities were artificially inflated, and relying directly or indirectly on the false and
20 misleading statements made by Defendants, or upon the integrity of the market in which the
21 securities trades, and/or in the absence of material adverse information that was known to or
22 recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during
23 the Class Period, Plaintiff and the other members of the Class acquired Hims's securities during the
24 Class Period at artificially high prices and were damaged thereby.

25 52. At the time of said misrepresentations and/or omissions, Plaintiff and other members
26 of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other
27 members of the Class and the marketplace known the truth regarding the problems that Hims was
28 experiencing, which were not disclosed by Defendants, Plaintiff and other members of the Class

1 would not have purchased or otherwise acquired their Hims securities, or, if they had acquired such
2 securities during the Class Period, they would not have done so at the artificially inflated prices
3 which they paid.

4 53. By virtue of the foregoing, Defendants violated Section 10(b) of the Exchange Act
5 and Rule 10b-5 promulgated thereunder.

6 54. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the
7 other members of the Class suffered damages in connection with their respective purchases and
8 sales of the Company's securities during the Class Period.

9 **SECOND CLAIM**

10 **Violation of Section 20(a) of The Exchange Act**

11 **Against the Individual Defendants**

12 55. Plaintiff repeats and re-alleges each and every allegation contained above as if fully
13 set forth herein.

14 56. Individual Defendants acted as controlling persons of Hims within the meaning of
15 Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions and their
16 ownership and contractual rights, participation in, and/or awareness of the Company's operations
17 and intimate knowledge of the false financial statements filed by the Company with the SEC and
18 disseminated to the investing public, Individual Defendants had the power to influence and control
19 and did influence and control, directly or indirectly, the decision-making of the Company, including
20 the content and dissemination of the various statements which Plaintiff contends are false and
21 misleading. Individual Defendants were provided with or had unlimited access to copies of the
22 Company's reports, press releases, public filings, and other statements alleged by Plaintiff to be
23 misleading prior to and/or shortly after these statements were issued and had the ability to prevent
24 the issuance of the statements or cause the statements to be corrected.

25 57. In particular, Individual Defendants had direct and supervisory involvement in the
26 day-to-day operations of the Company and, therefore, had the power to control or influence the
27 particular transactions giving rise to the securities violations as alleged herein, and exercised the
28 same.

1 58. As set forth above, Hims and Individual Defendants each violated Section 10(b) and
2 Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their position as
3 controlling persons, Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act.
4 As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and other members of
5 the Class suffered damages in connection with their purchases of the Company's securities during
6 the Class Period.

7 **PRAYER FOR RELIEF**

8 WHEREFORE, Plaintiff prays for relief and judgment, as follows:

9 (a) Determining that this action is a proper class action under Rule 23 of the Federal
10 Rules of Civil Procedure;

11 (b) Awarding compensatory damages in favor of Plaintiff and the other Class members
12 against all defendants, jointly and severally, for all damages sustained as a result of Defendants'
13 wrongdoing, in an amount to be proven at trial, including interest thereon;

14 (c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this
15 action, including counsel fees and expert fees; and

16 (d) Such other and further relief as the Court may deem just and proper.

17 **JURY TRIAL DEMANDED**

18 Plaintiff hereby demands a trial by jury.
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