UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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, 2021

OR

☐ **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: 001-40295

ALIGNMENT HEALTHCARE, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**46-5596242**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
1100 W. Town and Country Road, Suite 1600 Orange, California	**92868**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (844) 310-2247

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	**ALHC**	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ 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 definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☐
Emerging growth 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 May 12, 2021, the registrant had 187,273,782 shares of common stock, $0.001 par value per share, outstanding.

Table of Contents

		Page
PART I.	FINANCIAL INFORMATION	4
Item 1.	Financial Statements (Unaudited)	4
	Condensed Consolidated Balance Sheets	4
	Condensed Consolidated Statements of Operations	5
	Condensed Consolidated Statements of Stockholders' Equity	6
	Condensed Consolidated Statements of Cash Flows	7
	Notes to Unaudited Condensed Consolidated Financial Statements	9
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	25
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	35
Item 4.	Controls and Procedures	35
PART II.	OTHER INFORMATION	36
Item 1.	Legal Proceedings	36
Item 1A.	Risk Factors	36
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	36
Item 3.	Defaults Upon Senior Securities	36
Item 4.	Mine Safety Disclosures	36
Item 5.	Other Information	36
Item 6.	Exhibits	37
Signatures		39

FORWARD-LOOKING STATEMENTS

Throughout this quarterly report on Form 10-Q (this "Quarterly Report"), we make "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this Quarterly Report are forward-looking statements. Forward-looking statements give our current expectations relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "will," "should," "can have," "likely" and other words and terms of similar meaning. The forward-looking statements contained in this Quarterly Report are generally located in the material set forth under the heading *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* but may be found in other locations as well. These statements are based upon management's current expectations, assumptions and estimates and are not guarantees of timing, future results or performance. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- our history of net losses, and our ability to achieve or maintain profitability in an environment of increasing expenses;
- the impact of the COVID-19 pandemic or any other pandemic, epidemic or outbreak of an infectious disease in the United States or worldwide on our business, financial condition and results of operations;
- the effect of our relatively limited operating history on investors' ability to evaluate our current business and future prospects;
- the viability of our growth strategy and our ability to realize expected results;
- our ability to attract new members;
- the quality and pricing of our products and services;
- our ability to maintain a high rating for our plans on the Five Star Quality Rating System;
- our ability to develop and maintain satisfactory relationships with care providers that service our members;
- our ability to manage our growth effectively, execute our business plan, maintain high levels of service and member satisfaction or adequately address competitive challenges;
- our ability to compete in the healthcare industry;
- the impact on our business of security breaches, loss of data or other disruptions causing the compromise of sensitive information or preventing us from accessing critical information;
- the impact on our business of disruptions in our disaster recovery systems or management continuity planning;
- the cost of legal proceedings and litigation, including intellectual property and privacy disputes;
- risks associated with being a government contractor;
- the impact on our business of the healthcare services industry becoming more cyclical;
- our ability to manage acquisitions, divestitures and other significant transactions successfully;
- our ability to maintain, enhance and protect our reputation and brand recognition;
- our ability to effectively invest in, implement improvements to and properly maintain the uninterrupted operation and data integrity of our information technology and other business systems;
- our ability to obtain, maintain, protect and enforce intellectual property protection for our technology;

- the potential adverse impact of claims by third parties that we are infringing on, misappropriating or otherwise violating their intellectual property rights;
- our ability to protect the confidentiality of our trade secrets, know-how and other internally developed information;
- the impact of any restrictions on our use of or ability to license data or our failure to license data and integrate third-party technologies;
- risks associated with our use of “open-source” software;
- our dependence on our senior management team and other key employees;
- the concentration of our health plans in California, North Carolina and Nevada;
- the impact on our business of an economic downturn;
- our management team’s limited experience managing a public company;
- our ability to maintain our corporate culture;
- the impact of shortages of qualified personnel and related increases in our labor costs;
- the risk that our records may contain inaccurate or unsupportable information regarding risk adjustment scores of members;
- our ability to accurately estimate incurred but not reported medical expenses;
- the impact of negative publicity regarding the managed healthcare industry;
- the impact of federal efforts to reduce Medicare spending;
- the impact of weather and other factors beyond our control on our clinics, the centers out of which our external providers operate, and the facilities that host our AVA platform (as defined below);
- our dependence on reimbursements by CMS and premium payments by individuals;
- the impact on our business of renegotiation, non-renewal or termination of risk agreements with hospitals, physicians, nurses, pharmacists and medical support staff;
- risks associated with estimating the amount of liabilities that we recognize under our risk agreements with providers;
- our ability to develop and maintain proper and effective internal control over financial reporting;
- the potential adverse impact of legal proceedings and litigation;
- the impact of reductions in the quality ratings of our health plans;
- the risk of our agreements with care providers being deemed invalid;
- the impact on our business of the termination of our leases, increases in rent or inability to renew or extend leases;
- our ability to engage and maintain our relationships with hospitals, physicians, nurses, pharmacists and medical support staff;
- the impact of state and federal efforts to reduce Medicare spending;

- our ability to comply with applicable federal, state and local rules and regulations, including those relating to data privacy and security; and

- other factors disclosed in the section entitled “Risk Factors” and elsewhere in this Quarterly Report.

We derive many of our forward-looking statements from our operating budgets and forecasts, which are based on many detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under the sections entitled *“Risk Factors”* and *“Management’s Discussion and Analysis of Financial Condition and Results of Operations”* in this Quarterly Report.

All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by these cautionary statements as well as other cautionary statements that are made from time to time in our other SEC filings and public communications. You should evaluate all forward-looking statements made in this Quarterly Report in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our operations in the way we expect. The forward-looking statements included in this Quarterly Report are made only as of the date hereof. We undertake no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

Item 1. Financial Statements.

Alignment Healthcare, Inc.
Condensed Consolidated Balance Sheets
(amounts in thousands, except par value and share amounts)
(Unaudited)

	March 31, 2021	December 31, 2020 [1]
Assets		
Current Assets:		
Cash	$ 528,417	$ 207,311
Accounts receivable (less allowance for credit losses of $8 at March 31, 2021 and $0 at December 31, 2020, respectively)	49,458	40,140
Prepaid expenses and other current assets	26,773	17,225
Total current assets	604,648	264,676
Property and equipment, net	28,403	27,145
Right of use asset, net	9,577	9,888
Goodwill and intangible assets, net	34,563	34,645
Restricted and other assets	2,153	2,148
Total assets	$ 679,344	$ 338,502
Liabilities and Stockholders' Equity		
Current Liabilities:		
Medical expenses payable	$ 128,673	$ 112,605
Accounts payable and accrued expenses	19,639	15,675
Accrued compensation	21,481	25,172
Total current liabilities	169,793	153,452
Long-term debt, net of debt issuance costs	145,734	144,168
Long-term portion of lease liabilities	9,565	10,271
Total liabilities	325,092	307,891
Commitments and Contingencies (Note 12)		
Stockholders' Equity:		
Preferred stock, $.001 par value; 100,000,000 and 0 shares authorized as of March 31, 2021 and December 31, 2020 respectively; no shares issued and outstanding as of March 31, 2021 and December 31, 2020	—	—
Common stock, $.001 par value; 1,000,000,000 and 164,063,787 shares authorized as of March 31, 2021 and December 31, 2020 respectively; 187,273,782 and 164,063,787 shares issued and outstanding as of March 31, 2021 and December 31, 2020, respectively	188	164
Additional paid-in capital	790,509	410,018
Accumulated deficit	(436,445)	(379,571)
Total stockholders' equity	354,252	30,611
Total liabilities and stockholders' equity	$ 679,344	$ 338,502

(1) The condensed consolidated balance sheet as of December 31, 2020 was derived from the audited consolidated financial statements as of that date and was retroactively adjusted, including shares and per share amounts, as a result of the Reorganization. See Note 1 to the condensed consolidated financial statements for additional details.

See accompanying notes to condensed consolidated financial statements.

Alignment Healthcare, Inc.
Condensed Consolidated Statements of Operations
(amounts in thousands, except share and per share amounts)
(Unaudited)

	For the Three Months Ended March 31,	
	2021	2020
Revenues:		
Earned premiums	$ 267,000	$ 224,266
Other	82	367
Total revenues	267,082	224,633
Expenses:		
Medical expenses	251,095	193,396
Selling, general, and administrative expenses	64,914	32,787
Depreciation and amortization	3,737	3,565
Total expenses	319,746	229,748
Loss from operations	(52,664)	(5,115)
Other expenses:		
Interest expense	4,248	4,160
Other (income) expenses	(38)	797
Total other expenses	4,210	4,957
Loss before income taxes	(56,874)	(10,072)
Provision for income taxes	—	—
Net loss	$ (56,874)	$ (10,072)
Total weighted-average common shares outstanding - basic and diluted[(1)]	154,432,027	140,764,196
Net loss per share - basic and diluted	$ (0.37)	$ (0.07)

(1) The weighted-average shares used in computing net loss per share, basic and diluted were retroactively adjusted as a result of the Reorganization. See Note 1 to the condensed consolidated financial statements for additional details.

See accompanying notes to condensed consolidated financial statements.

Alignment Healthcare, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(amounts in thousands, except par value and share amounts)
(Unaudited)

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance at December 31, 2019[(1)]	147,157,801	$ 147	$ 277,787	$ (356,645)	$ (78,711)
Net loss	—	—	—	(10,072)	(10,072)
Issuance of common stock at $7.99 per share, net of issuance costs of $3,700	16,905,986	17	131,283	—	131,300
Equity-based compensation	—	—	326	—	326
Equity repurchase	—	—	(516)	—	(516)
Balance at March 31, 2020	164,063,787	$ 164	$ 408,880	$ (366,717)	$ 42,327

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total
	Shares	Amount			
Balance at December 31, 2020[(1)]	164,063,787	$ 164	$ 410,018	$ (379,571)	$ 30,611
Net loss	—	—	—	(56,874)	(56,874)
Issuance of common stock upon initial public offering at $18 per share, net of issuance costs of $28,999	21,700,000	22	361,579	—	361,601
Issuance of common stock to third-party business partners	573,782	1	6,479	—	6,480
Issuance of common stock to stock appreciation rights holders	936,213	1	11,509	—	11,510
Equity-based compensation	—	—	2,398	—	2,398
Equity repurchase	—	—	(1,474)	—	(1,474)
Balance at March 31, 2021	187,273,782	$ 188	$ 790,509	$ (436,445)	$ 354,252

(1) The consolidated balances as of December 31, 2019 and 2020 were derived from the audited consolidated financial statements as of that date and were retroactively adjusted, including shares and per share amounts, as a result of the Reorganization. See Note 1 to the consolidated financial statements for additional details.

See accompanying notes to condensed consolidated financial statements.

Alignment Healthcare, Inc.
Condensed Consolidated Statements of Cash Flows
(amounts in thousands)
(Unaudited)

	For the Three Months Ended March 31,	
	2021	2020
Operating Activities:		
Net loss	$ (56,874)	$ (10,072)
Adjustments to reconcile net loss to net cash used in operating activities:		
Provision for doubtful accounts	8	10
Depreciation and amortization	3,789	3,670
Amortization-debt issuance costs and investment discount	550	540
Payment-in-kind interest	1,015	982
Loss on disposal of property and equipment	—	860
Equity-based compensation and common stock payments	20,388	326
Non-cash lease expense	648	573
Changes in operating assets and liabilities:		
Accounts receivable	(9,326)	(9,671)
Prepaid expenses and other current assets	(9,547)	(8,908)
Other assets	(6)	2
Medical expenses payable	16,069	(5,516)
Accounts payable and accrued expenses	(298)	6,544
Accrued compensation	(3,691)	(1,101)
Lease liabilities	(832)	3,883
Noncurrent liabilities	—	(3,941)
Net cash used in operating activities	(38,107)	(21,819)
Investing Activities:		
Purchase of investments	(750)	(1,000)
Sale of investments	750	250
Acquisition of property and equipment	(4,446)	(3,085)
Proceeds from the sale of property and equipment	—	100
Net cash used in investing activities	(4,446)	(3,735)
Financing Activities:		
Equity repurchase	(1,474)	(516)
Issuance of common stock	390,600	135,000
Common stock issuance costs	(25,467)	(3,000)
Net cash provided by financing activities	363,659	131,484
Net increase in cash	321,106	105,930
Cash and restricted cash at beginning of period	207,811	86,484
Cash and restricted cash at end of period	$ 528,917	$ 192,414
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 2,682	$ 2,637
Supplemental non-cash investing and financing activities:		
Acquisition of property in accounts payable	$ 474	$ 93
Common stock issuance costs included in accounts payable and accrued expenses	$ 3,532	$ 700

The following table provides a reconciliation of cash and restricted cash reported within the consolidated balance sheets to the total above:

Cash	$ 528,417	$ 192,414
Restricted cash in restricted and other assets	500	—
Total	$ 528,917	$ 192,414

See accompanying notes to condensed consolidated financial statements.

1. Organization

Alignment Healthcare, Inc. (collectively, “we” or “us” or “our” or the “Company”), formerly, Alignment Healthcare Holdings, LLC, is a next generation, consumer-centric health care platform that is purpose-built to provide seniors with high quality, affordable care with a vastly improved consumer experience. Enabled by our innovative technology and care delivery model, the Company focuses on improving outcomes in the Medicare Advantage sector.

The Company’s operations primarily consist of the following:

- The Company owns Medicare Advantage Plans in the states of California, North Carolina and Nevada.
- The Company coordinates and provides covered health care services, including professional, institutional, and ancillary services, to members enrolled in certain benefit plans of unaffiliated Medicare Advantage Health Maintenance Organizations (“HMO”) (collectively, “Third-Party Payors”). The Company’s contracts with two different Third-Party Payors terminated on December 31, 2020 and 2019, respectively. The Company continues to service the claims in runoff related to their respective agreements.

Reorganization

We historically operated as a Delaware limited liability company under the name Alignment Healthcare Holdings, LLC. On March 17, 2021, Alignment Healthcare Holdings, LLC converted to a Delaware corporation pursuant to a statutory conversion and we changed our name to Alignment Healthcare, Inc. for purposes of completing an initial public offering ("IPO") ("the Reorganization"). As part of the Reorganization, Alignment Healthcare Partners, LP ("the Parent"), the sole unitholder of Alignment Healthcare Holdings, LLC, exchanged its membership units for our common stock and became the sole holder of our shares of common stock. Prior to the closing of the IPO, the Parent merged with and into the Company with Alignment Healthcare, Inc. surviving the merger.

The membership units that were owned by the Parent prior to the Reorganization were converted to our common stock using an approximately 1 to 260 common stock split. All share and per share amounts in these condensed consolidated financial statements and related notes have been retroactively adjusted, where applicable, for all periods presented to give effect to the common stock split and exchange ratio applied in connection with the Reorganization. As a result, we reclassified the capital contributions associated with the issuance of the membership units to additional paid-in capital and common stock using a par value of $0.001 for all periods presented within the condensed consolidated financial statements.

Initial Public Offering

On March 25, 2021, our Registration Statement on Form S-1 for the initial public offering of 27,200,000 shares of common stock was declared effective by the Securities and Exchange Commission. Our common stock began trading on March 26, 2021 on the Nasdaq Global Select Market under the ticker symbol “ALHC."

On March 30, 2021, we completed an IPO through issuing and selling 21,700,000 shares of common stock and certain stockholders selling 5,500,000 shares of common stock, in each case at a price of $18.00 per share. On April 6, 2021, pursuant to a partial exercise of the underwriters' over-allotment option, certain selling stockholders sold an additional 3,314,216 shares of common stock at the IPO price. The Company did not receive any proceeds from the sale of shares of common stock by the selling stockholders in the IPO. We received proceeds of $361,601 after deducting underwriting discounts and commissions of $24,389 and deferred offering costs of $4,610. Deferred direct offering costs were capitalized and consisted of fees and expenses incurred in connection with the sale of our common stock in the IPO, including legal, accounting, printing and other offering related costs. Upon completion of the IPO, these deferred offering costs were reclassified from prepaid and other current assets to stockholders' equity and recorded against the net proceeds from the offering.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been omitted pursuant to such regulations. These financial statements have been prepared on a basis consistent with the accounting principles applied for the fiscal year ended December 31, 2020 as presented in the Company's Form S-1, as amended, filed with the SEC. In the opinion of management, all adjustments (consisting of all normal and recurring adjustments) considered necessary for a fair presentation have been included. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and accompanying note thereto as of December 31, 2020.

The condensed consolidated financial statements include the accounts of the Company, our subsidiaries, and two immaterial variable interest entities in which we are the primary beneficiary. All intercompany transactions have been eliminated in consolidation.

We have no components of other comprehensive income (loss), and accordingly, comprehensive income (loss) is the same as the net loss for all periods presented.

Use of Estimates

The preparation of the condensed consolidated financial statements requires management to make estimates and judgments that affect the amounts reported in the condensed consolidated financial statements. Our significant estimates include, but are not limited to, the determination of medical expenses payable; the impact of risk adjustment provisions related to our Medicare contracts; collectability of receivables; right of use ("ROU") assets and lease liabilities valuation; valuation of related impairment recognition of long-lived assets, including goodwill and intangible assets; equity-based compensation expense; and contingent liabilities. Estimates and judgments are based upon historical information and on various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ materially from those estimates and the impact of any change in estimates is included in earnings in the period in which the estimate is adjusted.

Segments

We have determined that our chief executive officer is the chief operating decision maker ("CODM"). We operate and manage the business as one reporting and one operating segment, which is referred to as the Medicare Advantage segment. Factors used in determining the reportable segment include the nature of operating activities, our organizational and reporting structure, and the type of information reviewed by the CODM to allocate resources and evaluate financial performance. All of our assets are located in the United States.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Our current assets and current liabilities approximate fair value because of the short-term nature of these financial instruments. Financial instruments measured at fair value on a recurring basis were based upon a three-tier hierarchy as follows:

Level 1 **-** Quoted prices in active markets for identical assets or liabilities

Level 2 **-** Other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability

Level 3 **-** Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date

The fair value of cash was determined based on Level 1 inputs. The fair value of deposits of US Treasury bills and certificate of deposits, which were included in restricted and other assets in the condensed consolidated balance sheets, was determined based on Level 2 inputs. There were no assets or liabilities measured at fair value using Level 3 inputs for the three months ended March 31, 2021 and 2020. Our long-term debt was reported at carrying value.

Revenue and Accounts Receivable

Earned premium revenue consisted of premium revenue and capitation revenue as of March 31, 2021 and 2020:

	March 31, 2021	March 31, 2020
Premium	$ 264,713	$ 204,277
Capitation	2,287	19,989
	$ 267,000	$ 224,266

Premium revenue is derived monthly from the federal government based on our contract with the Centers for Medicare and Medicaid Services ("CMS"). In accordance with this arrangement, we assume the responsibility for the outcomes and the economic risk of funding our members' health care, supplemental benefits and related administration costs. We recognize premium revenue in the month that members are entitled to receive health care services, and premiums collected in advance are deferred. The monthly reimbursement includes a fixed payment per member month ("PMPM"), which is adjusted based on certain risk factors derived from medical diagnoses for our members. The adjustments are estimated by projecting the ultimate annual premium and are recognized ratably during the year, with adjustments each period to reflect changes in the estimated ultimate premium. Premiums are also recorded net of estimated uncollectible amounts and retroactive membership adjustments.

Capitation revenue consists primarily of capitated fees for medical care services provided by us under arrangements with our Third-Party Payors. Under those arrangements, we receive a PMPM payment for a defined member population, and we are responsible for providing health care services to the member population over the contract period. We are solely responsible for the cost of health care services related to the member population and in some cases, we are financially responsible for the supplemental benefits provided by us to the members. We act as a principal in arranging for and controlling the services provided by our provider network and we are at risk for arranging and providing health care services.

The premium and capitation payments we receive monthly from CMS for our members are determined from our annual bid or similarly from Third-Party Payors under our capitation arrangement. These payments represent revenues for providing health care coverage, including Medicare Part D benefits. Under the Medicare Part D program, our members and the members of our Third-Party Payors receive standard drug benefits. We may also provide enhanced benefits at our own expense. We recognize premium or capitation revenue for providing this insurance coverage in the month that members are entitled to receive health care services and any premium or capitation collected in advance is deferred. Our CMS payment related to Medicare Part D is subject to risk sharing through the Medicare Part D risk corridor provisions.

Revenue Adjustments

Payments by CMS to health plans are determined via a competitive bidding process with CMS and are based upon the cost of care in a local market and the average utilization of services by the member enrolled. These payments are subject to periodic adjustments under CMS' "risk adjustment model," which compensates health plans based on the health severity and certain demographic factors of each individual member. Members diagnosed with certain conditions are paid at a higher monthly payment than members who are healthier. Under this risk adjustment model, CMS calculates the risk adjustment payment using diagnosis data from hospital inpatient, hospital outpatient, and physician treatment settings. The Company and health care providers collect, capture, and submit the necessary and available diagnosis data to CMS within prescribed deadlines. Both premium and capitation revenues (including Medicare Part D) are subject to adjustments under the risk adjustment model.

Throughout the year, we estimate risk adjustment payments based upon the diagnosis data submitted and expected to be submitted to CMS. Those estimated risk adjustment payments are recorded as an adjustment to premium and capitation revenue. Our risk adjustment data is also subject to review by the government, including audit by regulators.

Our recognized premium revenue for our Medicare Advantage Plans in California, North Carolina and Nevada are each subject to a minimum annual medical loss ratio ("MLR") of 85%. The MLR represents medical costs as a percentage of premium revenue. The Code of Federal Regulations define what constitutes medical costs and premium revenue, including certain additional expenses related to improving the quality of care provided, and to exclude certain taxes and fees, in each case as permitted or required by CMS and applicable regulatory requirements. If the minimum MLR is not met, we are required to remit a portion of the premiums back to the federal government. The amount remitted, if any, is recognized as an adjustment to premium revenues in the condensed consolidated statements of operations. There were no amounts payable for the MLR as of March 31, 2021 and December 31, 2020, respectively.

Medicare Part D payments are also subject to a federal risk corridor program, which limits a health plan's overall losses or profit if actual spending for basic Medicare Part D benefits is much higher or lower than what was anticipated. Risk corridor is recorded within

premium revenue. The risk corridor provisions compare costs targeted in our bids or Third-Party Payors' bids to actual prescription drug costs, limited to actual costs that would have been incurred under the standard coverage as defined by CMS. Variances exceeding certain thresholds may result in CMS or Third-Party Payors making additional payments to us or require us to refund a portion of the premiums we received. We estimate and recognize an adjustment to premiums revenue related to these provisions based upon pharmacy claims experience. We record a receivable or payable at the contract level and classify the amount as current or long-term in our condensed consolidated balance sheet based on the timing of expected settlement.

Receivables, including risk adjusted premium due from the government or through Third-Party Payors, pharmacy rebates, and other receivables, are shown net of allowances for credit losses and retroactive membership adjustments.

Property and Equipment—Net

Depreciation expense is computed using the straight-line method generally based on the following estimated useful lives:

Description	Estimated Service Lives (years)
Computer and equipment	5
Office equipment and furniture	5-7
Software	3-5
Leasehold improvements	15 (or lease term, if shorter)

Depreciation expense related to property and equipment used to service our members or at our clinics are included within medical expenses in the condensed consolidated statements of operations.

Medical Expenses and Medical Expense Payable

Medical expense includes claim payments, capitation payments, pharmacy costs net of rebates, allocations of certain centralized expenses, internal care delivery expenses and various other costs incurred to provide health insurance coverage and care to members, as well as estimates of future payments to hospitals and others for medical care and other supplemental benefits provided.

We have contracts with a network of hospitals, physicians, and other providers and compensates those providers and ancillary organizations based on contractual arrangements or CMS Medicare compensation guidelines. We pay these contracting providers either through fee-for-service arrangement in which the provider is paid negotiated rates for specific services provided or a capitation payment, which represent monthly contractual fees disbursed for each member regardless of medical services provided to the member. We are responsible for the entirety of the cost of health care services related to the member population, in addition to supplemental benefits provided by us to our seniors.

Capitation-related expenses are recorded on an accrual basis during the coverage period. Expenses related to fee-for-service contracts are recorded in the period in which the related services are dispensed.

Pharmacy costs represent payments for members' prescription drug benefits, net of rebates from drug manufacturers. Receivables for such pharmacy rebates are included in accounts receivable in the condensed consolidated balance sheet.

Medical Expenses Payable

Medical expenses payable includes estimates of our obligations for medical care services that have been rendered on behalf of our members and the members of the Third-Party Payors, but for which claims have either not yet been received or processed, loss adjustment expense reserve for the expected costs of settling these claims, and for liabilities related to physician, hospital, and other medical cost disputes.

We develop estimates for medical expenses incurred but not yet paid ("IBNP") using an actuarial process that is consistently applied and centrally controlled. Medical expenses payable includes claims reported but not yet paid, estimates for claims incurred but not reported, and estimates for the costs necessary to process unpaid claims at the end of each period. We estimate our medical claims liability using actuarial methods that are commonly used by health insurance actuaries and meet Actuarial Standards of Practice. These actuarial methods consider factors, such as historical data for payment patterns, cost trends, product mix, seasonality, utilization of health care services, and other relevant factors. Each period, we re-examine previously established medical expense payable estimates based on actual claim submissions and other changes in facts and circumstances. As the medical expenses payable estimates recorded in prior periods develop, we adjust the amount of the estimates and include the changes in estimates in medical expenses in the period in which the change is identified.

Actuarial Standards of Practice generally require that the medical claims liability estimates be adequate to cover obligations under moderately adverse conditions. Moderately adverse conditions are situations in which the actual claims are expected to be higher than the otherwise estimated value of such claims at the time of estimate. In many situations, the claims amount ultimately settled will be different than the estimate that satisfies the Actuarial Standards of Practice. We include in our IBNP an estimate for medical claims liability under moderately adverse conditions, which represents the risk of adverse deviation of the estimates in our actuarial method of reserving. We believe that medical expenses payable is adequate to cover future claims payments required. However, such estimates are based on knowledge of current events and anticipated future events. Therefore, the actual liability could differ materially from the amounts provided.

We reassess the profitability of contracts for providing coverage to members when current operating results or forecasts indicate probable future losses. A premium deficiency reserve is established in current operations to the extent that the sum of expected future costs, claim adjustment expenses, and maintenance costs exceed related future premiums under contracts without consideration of investment income. For purposes of determining premium deficiencies, contracts are grouped in a manner consistent with the method of acquiring, servicing, and measuring the profitability of such contracts. Losses recognized as a premium deficiency result in a beneficial effect in subsequent periods as operating losses under these contracts are charged to the liability previously established.

Part D Subsidies

We also receive advance payments each month from CMS related to Catastrophic Reinsurance, Coverage Gap Discount, and the Low-Income Member Cost Sharing Subsidy (“Subsidies”). Reinsurance subsidies represent funding from CMS for our portion of prescription drug costs, which exceed the member’s out-of-pocket threshold or the catastrophic coverage level. Low-income cost subsidies represent funding from CMS for all or a portion of the deductible, the coinsurance and co-payment amounts above the out-of-pocket threshold for low-income beneficiaries. Additionally, the Health Care Reform Law mandates consumer discounts of 75% on brand-name prescription drugs for Part D plan participants in the coverage gap. The majority of the discounts are funded by the pharmaceutical manufacturers, while we fund a smaller portion and administer the application of the total discount. These Subsidies represent cost reimbursements under the Medicare Part D program and are recorded as deposits.

These Subsidies received in excess of, or less than, actual subsidized benefits paid are refundable to or recoverable from CMS through an annual reconciliation process following the end of the contract year.

Shared Risk Reserve Arrangements

We established a fund (also referred to as “a pool”) for risk and profit-sharing with various independent physician associations (“IPAs”). The pool enables us and our IPAs to share in the financial responsibility and/or upside associated with providing covered medical expenses to our members. The risk pool is based on a contractually agreed upon medical budget, typically based upon a percentage of revenue. If actual medical expenses are less than the budgeted amount, this results in a surplus. Conversely, if actual medical expenses are greater than the budgeted amount, this results in a deficit. We will distribute the surplus, or a portion thereof, to each IPA based upon contractual terms. Deficits are charged to shared risk providers’ risk pool as per the contractual term and evaluated for collectability at each reporting period.

We record risk-sharing receivables and payables on a gross basis on the condensed consolidated balance sheet. Throughout the year, we evaluate expected losses on risk-sharing receivables and record the resulting expected losses to the reserve. We systematically build and release reserves based on adequacy and its assessment of expected losses on a monthly basis. Credit loss associated with risk share deficit receivables are recorded within medical expense in the condensed consolidated statements of operations. As of March 31, 2021 and December 31, 2020, we recorded a valuation allowance for substantially all of the risk-sharing receivable balance due to collection risk related to the balance. The risk-sharing payable is included within medical expenses payable on the condensed consolidated balance sheet.

Concentrations of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash deposits and restricted investments with financial institutions. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to certain limits. At March 31, 2021 and December 31, 2020, there was $525,983 and $205,882, respectively in excess of FDIC-insured limits.

Industry Tax

Section 9010 of the Patient Protection and Affordable Care Act imposes an annual, nondeductible insurance industry tax (“Industry Tax”), which is levied proportionately across the insurance industry for risk-based products. The Industry Tax was estimated

based on a ratio of our net premiums written compared to the US Health insurance total net premiums. The Industry Tax was $3,343 for the three months ended March 31, 2020 and was reported as selling, general and administrative expenses. The Industry Tax has been repealed for calendar years beginning after December 31, 2020.

Equity-Based Compensation

Equity-based compensation expense is measured and recognized based on the grant date fair value of the awards. The grant date fair value of stock options is estimated using the Black-Scholes option pricing model. The grant date fair value of Restricted Stock Units (“RSUs”) and Restricted Stock Awards (“RSAs”) is estimated based on the fair value of our underlying common stock.

The Black-Scholes option pricing model requires the use of highly subjective assumptions, including the award’s expected term, the fair value of the underlying common stock, the expected volatility of the price of the common stock, risk-free interest rates, and the expected dividend yield of the common stock. The assumptions used to determine the fair value of the stock-based awards are management’s best estimates and involve inherent uncertainties and the application of judgment. The expected term represents the period the stock-based awards are expected to be outstanding. As we do not have sufficient historical experience for determining the expected term of the stock option awards granted, it was on the simplified method available under U.S. GAAP. As we do not have trading history, volatility assumptions were developed using the historical volatilities of a set of peer companies, adjusted for debt-equity leverage. Equity-based compensation expense for awards with service-based vesting only is recognized on a straight-line basis over the requisite service period of the awards, which is generally four years. We account for forfeitures as they occur.

Additionally, prior to the IPO, the Parent had granted its Class B and Class C units to certain of our executives and board members ("Incentive Units") and had also approved the Company’s Stock Appreciation Rights (“SARs”) Plan. Upon the IPO, SARs were modified and concurrently were, partially settled in cash and partially settled with issuance of common stock, a portion of which is restricted as discussed in Note 10 below.

During March of 2021, we also amended certain of our contracts with third-party business partners and agreed to issue shares of common stock at the IPO price, in consideration for the discharge of certain contingent payment obligations under such agreements ("Stock Payment") as discussed in Note 10.

Equity-based compensation is recorded within selling, general and administrative expense, and medical expenses based on the function of the applicable employee and non-employee.

Net Loss per Share

The numerator for basic net loss per share is calculated as the net loss for the three months ended March 31, 2021 and 2020, respectively. The denominator for basic net loss per share is determined as the weighted-average number of unrestricted common shares outstanding during the period ended March 31, 2021 and 2020, respectively.

The following table sets forth the computation of basic and diluted net loss per share for the three months ended March 31, 2021 and 2020:

	March 31, 2021	March 31, 2020
Numerator:		
Net loss attributable to common stockholders	$ (56,874)	$ (10,072)
Denominator:		
Total weighted-average common shares outstanding - basic and diluted	165,611,120	152,916,985
Less: Restricted shares of common stock	11,179,093	12,152,789
Total weighted-average common shares outstanding, net of restricted shares of common stock - basic and diluted	154,432,027	140,764,196
Net loss per share:		
Net loss per share - basic and diluted	$ (0.37)	$ (0.07)

Basic net loss per share is the same as diluted net loss per share as the inclusion of all potentially dilutive shares would have been anti-dilutive.

In addition to the restricted shares of common stock, we also excluded the following potential common shares, presented based on amounts outstanding at each period end, from the computation of diluted net loss per share for the three months ended March 31, 2021 and 2020:

	March 31, 2021	March 31, 2020
Stock options	11,123,391	—
Restricted stock units	1,517,000	—
Total	12,640,391	—

Emerging Growth Company Status

We are an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it (i) is no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. As a result, these condensed consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

As described in "Recent Accounting Pronouncements Adopted" and "Recent Accounting Pronouncements Not Yet Adopted" below, we early adopted certain accounting standards, as the JOBS Act does not preclude an emerging growth company from adopting a new or revised accounting standard earlier than the time that such standard applies to private companies. We expect to use the extended transition period for any other new or revised accounting standards during the period in which it remains an emerging growth company.

Recent Accounting Pronouncements Adopted

On January 2021, we early adopted Accounting Standards Update ("ASU") No. 2017-04, *Simplifying the Test for Goodwill Impairment*. This ASU eliminates the requirement to calculate the implied fair value of goodwill to measure a goodwill impairment charge. A goodwill impairment charge would be recognized if the carrying amount of a reporting unit exceeds the estimated fair value of the reporting unit. This guidance did not have a material impact to our condensed consolidated financial statements.

On January1, 2021, we adopted ASU No. 2018-17, *Targeted Improvements to Related Party Guidance for Variable Interest Entities*, which provides clarification on determining whether a decision-making fee is a variable interest. This ASU requires reporting entities to consider indirect interests held through related parties under common control on a proportional basis rather than as the equivalent of a direct interest in its entirety. This guidance did not have a material impact to our condensed consolidated financial statements.

On January1, 2021, we adopted ASU No. 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which aligns the requirements for capitalization implementation costs incurred in a hosting arrangement that is a service contract with the requirement for capitalizing implementation costs incurred to develop or obtain internal-use software. Capitalized implementation costs related to a hosting arrangement that is a service contract will be amortized over the term of the hosting arrangement. New disclosures are required. This guidance did not have a material impact to our condensed consolidated financial statements.

3. Fair Value

US Treasury bills and certificate of deposits are reported at amortized costs which is equivalent to fair value. The following tables present the carrying value and fair value of these financial instruments as of March 31, 2021 and December 31, 2020:

	March 31, 2021			
		Fair Value		
	Carrying Value	Level 1	Level 2	Level 3
US Treasury bills	$ 325	$ —	$ 325	$ —
Certificate of deposits	1,116	—	1,116	—
Total	$ 1,441	$ —	$ 1,441	$ —

	December 31, 2020			
		Fair Value		
	Carrying Value	Level 1	Level 2	Level 3
US Treasury bills	$ 325	$ —	$ 325	$ —
Certificate of deposits	1,115	—	1,115	—
Total	$ 1,440	$ —	$ 1,440	$ —

The carrying value of long-term debt represents the outstanding balance, net of unamortized debt issuance costs. As of March 31, 2021, the carrying value and fair value of our long-term debt was $145,734 and $150,754, respectively. As of December 31, 2020 the carrying value and fair value of our long-term debt was $144,168 and $149,965, respectively.

The fair value of our long-term debt is classified as a Level 3 financial instrument because certain inputs used to determine its fair value are not observable. The fair value was estimated using a discounted cash flow ("DCF") methodology. The discount rate used in the DCF model was estimated based on a synthetic credit rating analysis for us, and a screening of market data to identify market yields of instruments within the range of identified credit ratings and with otherwise similar features.

Our nonfinancial assets and liabilities, which include goodwill, intangible assets, property, and equipment, are not required to be measured at fair value on a recurring basis. However, on a periodic basis, or whenever events or changes in circumstances indicate that their carrying value may not be recoverable, we assess these assets for impairment. No such impairment resulted during the three months ended March 31, 2021 and 2020.

4. Accounts Receivable

Accounts receivable consisted of the following as of March 31, 2021 and December 31, 2020:

	March 31, 2021	December 31, 2020
Government receivables	$ 18,828	$ 10,392
Pharmacy rebates	28,512	25,888
Other receivables	2,126	3,860
Total accounts receivable	49,466	40,140
Allowance for credit losses	(8)	—
Accounts receivable, net	$ 49,458	$ 40,140

The allowance for expected credit losses for accounts receivable is based primarily on past collections experience relative to the length of time receivables are past due. However, when available evidence reasonably supports an assumption that future economic conditions will differ from current and historical payment collections, an adjustment is reflected in the allowance for expected credit losses. We record pharmacy rebates and other receivables based on contractual terms and expected collections and our estimation process for contractual allowances for such balances generally results in an allowance for balances outstanding greater than 90 days or if expected credit risks are known.

Receivables and any associated allowance are written off only when all collection attempts have failed and such amounts are determined unrecoverable. We regularly review the adequacy of these allowances based on a variety of factors, including age of the outstanding receivable and collection history. When circumstances related to specific collection patterns change, estimates of the recoverability of receivables are adjusted. Because substantially all of our receivable amounts are readily determinable and a large portion of our creditors are governmental authorities, our allowance for credit losses is insignificant.

We recorded credit loss related to accounts receivable of $8 and $10 during the three months ended March 31, 2021 and 2020, respectively. The amount was recorded in selling general, and administrative expense in the condensed consolidated statements of operations.

5. Property and Equipment

Property and equipment consisted of the following as of March 31, 2021 and December 31, 2020:

	March 31, 2021	December 31, 2020
Computers and equipment	$ 8,608	$ 8,309
Office equipment and furniture	4,380	4,363
Software	84,168	79,204
Leasehold improvements	6,116	6,083
Construction in progress	1,500	1,893
Subtotal	104,772	99,852
Less accumulated depreciation	(76,369)	(72,707)
Property and equipment-net	$ 28,403	$ 27,145

Depreciation expense for the three months ended March 31, 2021, was $3,707, of which $52 was included in medical expenses. Depreciation expense for the three months ended March 31, 2020, was $3,588, of which $105 was included in medical expenses.

6. Goodwill and Intangible Assets

Intangible assets consisted of the following as of March 31, 2021 and December 31, 2020:

	March 31, 2021			
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Weighted Average Life
Goodwill	$ 29,303	$ —	$ 29,303	—
License (indefinite lived)	4,500	—	4,500	—
Plan member relationships	2,700	2,103	597	9 years
Other	633	470	163	2 - 10 years
	$ 37,136	$ 2,573	$ 34,563	

	December 31, 2020			
	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Weighted Average Life
Goodwill	$ 29,303	$ —	$ 29,303	—
License (indefinite lived)	4,500	—	4,500	—
Plan member relationships	2,700	2,034	666	9 years
Other	633	457	176	2 - 10 years
	$ 37,136	$ 2,491	$ 34,645	

Amortization expense relating to intangible assets for the three months ended March 31, 2021 and 2020, was $82. Estimated amortization expense relating to intangible assets for each of the next five years ending December 31, is as follows:

Remainder of 2021	$ 245
2022	327
2023	166
2024	22
Thereafter	—
	$ 760

There were no impairment charges related to goodwill and intangible assets for the three months ended March 31, 2021 and 2020.

7. Medical Expenses Payable

The following table is a detail of medical expenses payable at March 31, 2021 and December 31, 2020:

	March 31, 2021	December 31, 2020
Claims incurred but not paid	$ 81,337	$ 82,391
Capitation payable, risk-sharing payable, and other	47,336	30,214
	$ 128,673	$ 112,605

Each period, we re-examine previously established outstanding claims reserve estimates based on actual claims submissions and other changes in facts and circumstances. As more complete claim information becomes available, we adjust the amount of the estimates and include the changes in estimates in claim costs in the period in which the change is identified. Substantially, all of the total claims paid by us are known and settled within the first year from the date of service, and substantially, all remaining claim amounts are paid within a three-year period.

The following table presents components of the change in medical expenses payable as of March 31, 2021 and 2020:

	March 31, 2021	March 31, 2020
Claims incurred but not paid - beginning balance	$ 82,391	$ 83,939
Incurred related to:		
Current year	83,223	70,693
Prior years	(3,745)	(7,078)
Total incurred, net of reinsurance	79,478	63,615
Payments related to:		
Current year	22,746	25,825
Prior years	57,786	49,547
Total payments, net of reinsurance	80,532	75,372
Claims incurred but not paid - ending balance	81,337	72,182
Other medical expenses payable	47,336	28,447
Total medical expenses payable	$ 128,673	$ 100,629

In March 2020, the COVID-19 outbreak was declared a pandemic. The COVID-19 virus disproportionately impacts older adults, especially those with chronic illnesses, which describes many of the seniors we serve. For the three months ended March 31, 2021, we experienced higher claims costs due to COVID-19 related inpatient admissions in the first half of the quarter. The ultimate impact of COVID-19 to us and our financial condition is presently unknown and we continue to monitor the impact of COVID-19 on our claims reserve estimate.

We re-examine previously established outstanding claims reserve estimates based on actual claims submissions and other changes in facts and circumstances. We recognized an unfavorable prior year development, excluding provision for adverse deviation, of $400 in the three months ended March 31, 2021.

8. Long-Term Debt

Long-term debt is recorded at carrying value in the consolidated balance sheets. The carrying value of long-term debt outstanding, net of unamortized debt issuance costs, consisted of the following at March 31, 2021 and December 31, 2020:

	March 31, 2021	December 31, 2020
Long-term debt	$ 150,931	$ 149,915
Less unamortized debt issuance costs	(5,197)	(5,747)
Long-term debt-net of amortization	145,734	144,168
Less current portion of long-term debt	—	—
Long-term debt - net of current portion	$ 145,734	$ 144,168

As of March 31, 2021, the total long-term debt balance of $150,931 included the principal balance of $135,000, the initial commitment fee of $6,750, and the payment-in-kind interest on the principal balance of $9,035. The payment-in-kind interest on the principal balance is also subject to the commitment fee which was $146 as of March 31, 2021. This amount was also included in the long-term debt balance.

The term loan matures in June 2023, at which time the full balance of the term loan, including the commitment fee and the payment-in-kind balance, will be due.

In addition, the term loan includes financial covenants regarding the maintenance of minimum liquidity of $6,000 of operating cash, as defined, on a consolidated basis, at least $10,000 in its cash accounts on a daily basis and minimum consolidated revenue amounts. The term loan also contains certain nonfinancial covenants. As of March 31, 2021 and December 31, 2020, we were in compliance with all financial and nonfinancial covenants.

The term loan was entered into by our wholly owned subsidiary and is also guaranteed by certain of our wholly owned subsidiaries and collateralized by all unrestricted assets of our subsidiaries.

9. Income Taxes

There was no income tax expense for the three months ended March 31, 2021 and 2020.

We have cumulative NOLs as of March 31, 2021 and December 31, 2020. Given the history of losses, and after consideration for the risk associated with estimates of future taxable income, we established a full valuation allowance against net deferred tax assets at March 31, 2021 and December 31, 2020. As a result of the Tax Cuts and Jobs Act ("TCJA"), the federal NOLs generated in 2018 through 2020 will be carried forward indefinitely and are limited to an 80% deduction of taxable income. The 80% limitation is not applicable to NOLs generated before 2018. An exception to the TCJA federal NOL modification applies to nonlife insurance companies (e.g., Alignment Health Plan Inc.). Alignment Health Plan Inc.'s NOL treatment is the same as those NOLs generated in tax years 2017 and prior.

Additionally, an "ownership change" as defined under Section 382 of the Internal Revenue Code, could potentially limit the ability to utilize certain tax attributes including the Company's substantial NOLs. Ownership change is generally defined as any significant change in ownership of more than 50% of its stock over a three-year testing period. If, as a result of current or future transactions involving our common stock, we undergo cumulative ownership changes which exceed 50% over the testing period, our ability to utilize our NOL carryforwards would be subject to additional limitations under IRC Section 382. We continue to monitor changes in ownership with respect to these income tax provisions.

10. Equity-Based Compensation

2021 Equity Incentive Plan

In connection with the IPO, on March 25, 2021, our Board of Directors adopted the 2021 Equity Incentive Plan (the "2021 Plan"). Under the 2021 Plan, employees, consultants and directors of our company and our affiliates that perform services for us are eligible to receive awards. The 2021 Plan provides for the grant of incentive stock options ("ISOs"), non-statutory stock options ("NSOs"), stock appreciation rights, restricted shares, performance awards, other share-based awards (including restricted stock units) and other cash-based awards. ISOs may be granted only to employees, including officers. All other awards may be granted to employees, including officers, non-employee directors and consultants. The maximum number of shares available for issuance under the 2021 Plan may not exceed 20,744,444 shares (subject to a discretionary annual increase of up to 4% effective as of January 1 of each year for 10 years).

IPO-Equity Awards

Stock options

Stock options generally vest 25% annually over four years and generally expire 10 years from the date of the grant. The 2021 Plan provides that stock option grants will be made at no less than the estimated fair value of common stock at the date of the grant.

The following is a summary of the stock option transactions as of and for the period ended March 31, 2021:

(amounts in thousands, except shares and per share amount)	Stock Options Outstanding			
	Shares Subject to Options Outstanding	Weighted- Average Exercise Price per Option	Weighted- Average Remaining Contractual Terms (in years)	Aggregate Intrinsic Value
Balances as of December 31, 2020	—	$ —	—	$ —
Options granted	11,123,391	18.00	—	—
Options exercised	—	—	—	—
Options forfeited / expired	—	—	—	—
Balances as of March 31, 2021	11,123,391	$ 18.00	9.99	$ 43,715
Vested	—	$ —	—	$ —
Exercisable as of March 31, 2021	—	$ —	—	$ —

Aggregate intrinsic value represents the difference between the exercise price of the option and the closing price of our common stock. The aggregate intrinsic value of options exercised for three months ended March 31, 2021 and 2020 were both $0. The fair value of options granted during three months ended March 31, 2021 and 2020 was $83,982 and $0, respectively.

The weighted-average assumptions used to determine the fair value of stock options granted during the periods presented were as follows:

	Three Months Ended March 31,	
	2021	2020
Expected term (in years)[(1)]	6.25 years	N/A
Expected volatility[(2)]	41.7%	N/A
Risk-free interest rate[(3)]	1.1%	N/A
Dividend yield[(4)]	0.0%	N/A

(1) An estimated expected life of 6.25 years before exercise was used for new options granted post-IPO, based on the midpoint of the vesting date and the full contractual term (known as the simplified method), as these were newly granted options. We do not have sufficient history of exercise for similar awards.

(2) The expected volatility for new options granted post-IPO was estimated based on the historical daily price changes of our peer companies' common stock over the most recent period equal to the expected term of the option, adjusted for debt-equity leverage.

(3) The risk-free interest rate for period equal to the expected term of the option was based on the rate of treasury securities with the same term as the option as of the grant date.

(4) An expected dividend yield of 0% was used because we have not historically paid dividends.

Restricted Stock Awards

New restricted stock awards ("RSAs") granted generally vest 25% annually over four years. RSAs converted from Pre-IPO awards generally vest on the later of the fourth anniversary of the original vesting commencement date or 50% annually on the first and second anniversary of the IPO (see "Pre-IPO Equity" and "Modifications" sections below for details).

The following is a summary of RSA transactions for the three months ended March 31, 2021:

	Restricted Shares	Weighted-Average Grant Date Fair Value
Unvested and outstanding as of December 31, 2020	—	$ —
Converted	10,348,789	7.85
Granted	214,669	18.00
Vested	—	—
Unvested and outstanding as of March 31, 2021	10,563,458	$ 8.05

Restricted Stock Units

Restricted stock units ("RSU") generally vest 25% annually over four years.

The following is a summary of RSU transactions for the three months ended March 31, 2021:

	Restricted Stock Units	Weighted-Average Grant Date Fair Value
Unvested and outstanding as of December 31, 2020	—	$ —
Granted	1,517,000	18.00
Vested	—	—
Unvested and outstanding as of March 31, 2021	1,517,000	$ 18.00

Non-Employee Awards

During the quarter ended March 31, 2021, total payment of $10,328 under the Company's Stock Payment arrangement, as discussed in Note 2, was settled upon our successful IPO in 573,782 shares of our common stock at $18 per share with 214,669 of such common stock restricted and vesting over of a performance period of four years. The unrecognized stock compensation related to these RSAs of $3,848 will be recognized on a straight line basis over the performance period of the award.

Pre-IPO equity

Our Parent issued Incentive Units to certain employees, board members, and advisors, which were profits interests issued in Class B and Class C units. As of the IPO, only the time-vesting portion of Class B Incentive Units were fully vested.

In 2014, Alignment Healthcare Holdings, LLC's Board of Directors adopted a Stock Appreciation Rights Plan ("SARs Plan"), under which Alignment Healthcare Holdings, LLC had granted awards in the form of SARs to employees, officers, directors, consultants, and other service providers of the Company.

Stock Appreciation Rights

80% of each SAR award vests 25% annually over four years and only becomes payable to the extent vested upon a qualified change in control ("Time-vesting SARs"), while the remaining 20% vests concurrent to the change in control ("Performance-vesting SARs"). The IPO was not considered a change in control under the original terms of the SARs. We have the option to settle SARs in either cash or equity upon an IPO.

In conjunction with the IPO, on March 24, 2021, the Company modified the Performance-vesting SARs to be converted into RSAs which vest 50% annually on each of the first and second anniversaries of the IPO. Vested Time-vesting SARs were settled approximately 50% in cash and 50% in common stock. The conversion of SARs resulted in the issuance of 300,489 RSAs.

The following table is a summary of SARs transactions for the three months ended March 31, 2021:

	SARs
Balance as of December 31, 2020	179,925
Granted	—
Canceled	(11,800)
Cash settlement or converted into common stock	(168,125)
Unvested and outstanding as of March 31, 2021	—

Incentive Units

A portion of Incentive Units vest annually over four years ("Time-vesting Incentive Units") and the remaining Incentive Units vest upon a change in control ("Performance-vesting Incentives Units"). The IPO was not considered a change in control under the original terms of the Incentive Units.

The following table summarizes the equity-based awards activity as if the Series B and C Incentive Units were converted to RSA and common stock at the earliest period presented:

	Equivalent Shares of RSA and Common Stock
Balance as of December 31, 2019	22,185,514
Granted	—
Canceled	(324,330)
Redeemed	—
Balance as of March 31, 2020	21,861,184

	Equivalent Shares of RSA and Common Stock
Balance as of December 31, 2020	23,882,595
Granted	—
Canceled	—
Redeemed	(231,313)
Converted into common stock	(13,602,982)
Converted into unvested RSAs	(10,048,300)
Balance as of March 31, 2021	—

The following table summarizes unvested equity-based awards activity as if the Series B and C Incentive Units were converted to restricted common stock at the earliest period presented:

	Equivalent Shares of Restricted Common Stock
Balance as of December 31, 2019	12,856,273
Granted	—
Vested	(1,988,819)
Balance as of March 31, 2020	10,867,454

	Equivalent Shares of Restricted Common Stock
Balance as of December 31, 2020	11,805,828
Granted	—
Vested	(1,757,528)
Converted into unvested RSAs	(10,048,300)
Balance as of March 31, 2021	—

Modifications

In conjunction with the Reorganization, the conversion of the Incentive Units into our RSAs was made pursuant to antidilution provisions of the original awards which required the award holders to be kept whole. As a result, there was no incremental compensation cost associated with the conversion.

In conjunction with the IPO, the Company modified the Time-vesting Incentive Units to be converted into RSAs and subject to the same time-vesting conditions upon the IPO, and modified the Performance-vesting SARs and Performance-vesting Incentive Units to be converted into RSAs which vest upon the later of the fourth anniversary of the original vesting commencement date or 50% annually on the first and second anniversary of the IPO.

Historically, no equity-based compensation expense was recognized for the SARs or Performance-vesting Incentive Units as the change in control was not probable.

As a result of the conversion and modification, we determined that the RSAs converted from the Performance-vesting SARs and the Performance-vesting Incentive Units should be remeasured as of the date of the modification (March 25, 2021).

The RSAs converted from the SARs were previously classified as liabilities and subject to remeasurement at fair value each reporting period. After the modification the converted RSAs were classified as equity, and were measured using the IPO stock price which will be recognized over the remaining modified vesting periods.

Equity-Based Compensation Expense

We recognized equity-based compensation expense as follows:

	Three Months Ended March 31,	
(amounts in thousands)	2021	2020
Cash settlement of SARs	$ 11,399	$ —
Modification charge from performance-based Incentive Units and SARs	921	—
Other	19,467	326
Total equity-based compensation expense	$ 31,787	$ 326

Total equity-based compensation was presented on the statement of operations as follows:

	Three Months Ended March 31,	
(amounts in thousands)	2021	2020
Selling, general and administrative expenses	$ 25,221	$ 326
Medical expenses	6,566	—
Total equity-based compensation expense	$ 31,787	$ 326

As of March 31, 2021, there was $198,304 in unrecognized compensation expense related to all non-vested awards (RSAs, options and RSUs) that will be recognized over the weighted-average period of 3.17 years.

11. Regulatory Requirements and Restricted Funds

Our health plans or risk-bearing entities are required to maintain minimum capital requirements prescribed by various regulatory authorities in each of the states in which it operates.

Risk-Based Capital Regulatory

The National Association of Insurance Commissioners has adopted rules, which, if implemented by the states, set minimum capitalization requirements for insurance companies, HMOs, and other entities bearing risk for health care coverage. The requirements take the form of risk-based capital ("RBC") rules, which may vary from state to state. Certain states in which our health plans or risk bearing entities operate in have adopted the RBC rules. Our health plans or risk-bearing entities were in compliance with the minimum capital requirements for all periods presented.

Tangible Net Equity

Our health plan in California is required to comply with the tangible net equity ("TNE") requirements. The required amount is the larger of: (1) $1,000; (2) 2% of the first $150,000 of annualized premium revenue, plus 1% of annualized premium revenue in excess of $150,000; or (3) 8% of the first $150,000 of annualized health care expenditures, except for those paid on a capitated or managed hospital payment basis, plus 4% of the annualized health care expenditures in excess of $150,000, except those paid on a capitated or managed hospital payment basis, plus 4% of annualized hospital expenditures paid on a managed hospital payment basis. We were in compliance with the TNE requirement at for all periods presented.

We have the ability to provide additional capital to each of our health plans or risk-bearing entities when necessary to ensure that the RBC and TNE requirements are met.

Certain states regulate the payment of dividends, loans, or other cash transfers from our regulated subsidiaries to our non-regulated subsidiaries and parent company. Such payments may require approval by state regulatory authorities and are limited based on certain financial criteria, such as the entity's level of statutory income and statutory capital and surplus, or the entity's level of tangible net equity or net worth, amongst other measures. These regulations vary by state. We were in compliance with the RBC and TNE requirements as of March 31, 2021 and December 31, 2020.

Restricted Assets

Pursuant to the regulations governing our subsidiaries, we maintain certain deposits required by the government authorities in the form of certificate of deposits and Treasury bills as protection in the event of insolvency. The use of funds from these investments is limited as required by regulation in the various states in which we operate, or as needed in the event of insolvency. Therefore, these deposits are reported within restricted and other assets on the consolidated balance sheet.

We hold these assets until maturity, at which time these assets will renew or are invested in a similar type of investment instrument. As a result, we do not expect the value of these investments to decline significantly due to a sudden change in market interest rates. These investments are carried at amortized cost, which approximates fair value.

12. Commitments and Contingencies

Legal Proceedings

We record a liability and accrue the costs for a loss when an unfavorable outcome is probable and the amount of the loss can be reasonably estimated. In some cases, no estimate of the possible loss or range of loss in excess of amounts accrued, if any, can be made because of the inherently unpredictable nature of legal and regulatory proceedings. While the liability and accrued costs reflect our best estimate, the actual amounts may materially be different.

We may be involved in various litigation matters in the ordinary course of business. In the opinion of management, the ultimate resolution of legal proceedings is not expected to have a material adverse effect on the consolidated financial statements. Amounts accrued for legal proceedings were not material as of March 31, 2021 and December 31, 2020.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is intended to help the reader understand our business, financial condition, results of operations, liquidity and capital resources. This discussion should be read in conjunction with our audited financial statement and the accompanying notes as well as "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our prospectus, dated March 25, 2021 (File No. 333-253824) (the "IPO Prospectus") as well as our unaudited consolidated financial statements and related notes presented herein in Part I, Item 1 included elsewhere in this Quarterly Report. Unless the context otherwise indicates or requires, the terms "we", "our" and the "Company" as used herein refer to Alignment Healthcare, Inc. and its consolidated subsidiaries, including Alignment Healthcare Holdings, LLC, which is Alignment Healthcare, Inc.'s predecessor for financial reporting purposes.

In addition to historical data, the discussion contains forward-looking statements about the business, operations and financial performance of the Company based on our current expectations that involves risks, uncertainties and assumptions. Actual results could differ materially from those discussed in or implied by forward-looking statements as a result of various factors, including those discussed above in "Forward-Looking Statements,," and Part II, Item 1A, "Risk Factors."

Overview

Alignment is a next generation, consumer-centric platform that is revolutionizing the healthcare experience for seniors. We deliver this experience through our Medicare Advantage plans, which are customized to meet the needs of a diverse array of seniors. Our innovative model of consumer-centric healthcare is purpose-built to provide seniors with care as it should be: high quality, low cost and accompanied by a vastly improved consumer experience. We combine a proprietary technology platform and a high-touch clinical model that enhances our members' lifestyles and health outcomes while simultaneously controlling costs, which allows us to reinvest savings back into our platform and products to directly benefit the senior consumer. We have grown Health Plan Membership, which we define as members enrolled in our HMO and PPO contracts, from approximately 13,000 at inception to over 83,000 today, representing a 32% compound annual growth rate across 22 markets and 3 states. Our ultimate goal is to bring this differentiated, advocacy-driven healthcare experience to millions of senior consumers in the United States and to become the most trusted senior healthcare brand in the country.

Our model is based on a flywheel concept, referred to as our "virtuous cycle", which is designed to delight our senior consumers. We start by listening to and engaging with our seniors in order to provide a superior experience in both their healthcare and daily living needs. Through our proprietary technology platform, Alignment's Virtual Application ("AVA"), we utilize data and predictive algorithms that are specifically designed to ensure personalized care is delivered to each member. When our information-enabled care model is combined with our member engagement, we are able to improve healthcare outcomes by, for example, reducing unnecessary hospital admissions, which in turn lowers overall costs. Our ability to manage healthcare expenditures while maintaining quality and member satisfaction is a distinct and sustainable competitive advantage. Our lower total healthcare expenditures allow us to reinvest our savings into richer coverage and benefits, which propels our growth in revenue and membership due to the enhanced consumer value proposition. As we grow, we continue to listen to and incorporate member feedback, and we are able to further enhance benefits and produce strong clinical outcomes. Our virtuous cycle, based on the principle of doing well by doing good, is highly repeatable and a core tenet of our ability to continue to expand in existing and new markets in the future.

Recent Developments

On March 25, 2021, the Company's Registration Statement on Form S-1 for the initial public offering of 27,200,000 shares of common stock was declared effective by the Securities and Exchange Commission. The Company's common stock began trading on March 26, 2021 on the Nasdaq Global Select Market ("Nasdaq") under the ticker symbol "ALHC."

The IPO closed on March 30, 2021, with the Company selling 21,700,000 shares of common stock and certain selling stockholders selling 5,500,000 shares of common stock, in each case at a price to the public of $18.00 per share. On Tuesday, April 6, 2021, pursuant to a partial exercise of the underwriters' over-allotment option, certain selling stockholders sold an additional 3,314,216 shares of common stock at the IPO price. In the aggregate, the IPO generated approximately $361.6 million in net proceeds for the Company, which amount is net of approximately $24.4 million in underwriters' discounts and commissions and offering costs of approximately $4.6 million. We expect to use the net proceeds from the IPO for working capital and general corporate purposes, including continued investments in the growth of our business, and strengthening our balance sheet by potentially repaying debt. We may also use a portion of our net proceeds to acquire or invest in complementary businesses, products, services or technologies

See further discussion related to the IPO as described in Note 1, Organization, to Alignment Healthcare, Inc.'s consolidated financial statements.

Factors Affecting Our Performance

Our historical financial performance has been, and we expect our financial performance in the future will be, driven by our ability to:

- ***Capitalize on Our Existing Market Growth Opportunity:*** Our ability to attract and retain members to grow in our existing markets depends on our ability to offer a superior value proposition. We have proven that we can compete against, and take market share from, large established players in highly competitive markets. According to CMS data, in our California markets, we were one of the top two Medicare Advantage Organizations in terms of HMO net membership growth between January 2016 and January 2021. Furthermore, there are over 2.8 million Medicare-eligible individuals enrolled in Medicare Advantage plans in our existing 22 counties, of which our ~83,000 Health Plan Members represents only 3% market share. We believe that there are still significant opportunities for future growth even in our most mature markets where we have a 10-20% market share. Additionally, we are evaluating other opportunities to leverage our historical investments in our technology platform and our comprehensive clinical model across our existing and potentially new geographies. As an example, we recently entered into CMS Innovation Center's Direct Contracting program, which allows us to partner directly with physicians to help manage their Medicare FFS patient populations and participate in the upside and downside risk associated with managing the health of such patients. As of April 1, 2021, we have ~5,800 members in our DCE arrangement with our clinician partners in North Carolina. While still early, we believe this DCE partnership is indicative of the value we can potentially deliver to a broader set of seniors in traditional Medicare over time.

- ***Drive Growth and Consistent Outcomes Through New Market Expansion:*** We enter new markets with the goal of building brand awareness across our key stakeholders to achieve meaningful market share over time. We intend to focus on markets with significant senior populations where we expect to be able to replicate our model most effectively. Our analytical framework for selecting new markets to enter evaluates a number of factors, including: the presence of aligned provider partners, our ability to compete effectively based on the richness of our products, and our ability to build and deploy local market care delivery teams efficiently. Our willingness to make growth investments is underpinned by our proven success in a diverse array of markets across our existing geographic footprint. Enabled by AVA, we have been successful in rural, urban and suburban markets, as well as markets with varying degrees of provider and health system competition and control. Our existing markets also feature a diverse array of membership profiles across ethnicities, income levels and acuity. Over the last two years, we have expanded into six to seven new markets per year.

- ***Provide Superior Service, Care and Consumer Satisfaction:*** We are highly focused on providing superior service and care to our members and on maintaining high levels of consumer satisfaction, which are key to our financial performance and growth. The CMS Five Star Quality Rating System provides economic incentives to Medicare Advantage plans that achieve higher star ratings by (i) meeting certain care criteria (such as completing particular preventative screening procedures or ensuring proper follow-up care is provided for specific conditions or episodes) and (ii) receiving high member satisfaction ratings. These incentives impact financial performance in the year following the CMS Rating Year (for example, CMS' announcement of the 2021 Ratings occurred in the second half of 2020, and will impact our financial performance in 2022). For CMS Rating Years 2018-2021, over 99% of our California members have been in a CMS contract achieving at least a 4 Star overall rating (the remaining members were in a CMS contract that had too few members to be measured). This is important to our financial performance, as (i) earning a 4 Star rating generally allows us to receive a 5% bonus to our revenue benchmark rate in our bids (subject to certain county-level adjustments), and (ii) a 4.5 Star rating allows us to retain a larger portion of the savings our model creates relative to our benchmark by increasing our rebate percentage from 65% to 70% of savings, both of which allow us to offer richer coverage and supplemental benefits. Our Medicare Advantage plans in California currently have a 4 Star rating, and our plans in Nevada and North Carolina do not yet have independent Star ratings due to our limited operating history in those markets. As a result, payments in Nevada and North Carolina are expected to be based on our Star rating in California for the next several years.

- ***Effectively Manage the Quality of Care to Improve Member Outcomes:*** Our care delivery model is based on a clinical continuum through which we have created a highly personalized experience that is unique to each member depending on their personal health and circumstances. Utilizing data and predictive analytics generated by AVA, our clinical continuum separates seniors into four categories in order to provide optimized care for every stage of a senior's life: Healthy, Healthy Utilizer, Pre-Chronic and Chronic. We partner with our broader network of community providers to service members in our non-chronic categories, and we have developed a Care Anywhere program implemented by our internal clinical teams to care for our higher risk and/or chronically ill members. By investing in our members' care proactively, our model has consistently reduced unnecessary and costly care while improving the quality of our members' lifestyle and healthcare

experience. By delivering superior care and preventing avoidable utilization of the healthcare system, we are able to reduce our claims expenditures in some of our largest medical expense categories, which translates to superior MBR financial performance and ultimately the ability to offer richer products in the market.

- ***Achieve Superior Unit Economics:*** As our senior population ages their healthcare needs become more frequent and complex. To combat the healthcare cost increases that typically result, we proactively look to (i) connect with our population early in their enrollment with Alignment to assess their care needs, (ii) develop care plans and engage those members with more chronic, complex health challenges in our clinical model, and (iii) continue to monitor and evaluate our healthier members in a preventative fashion over time. Given the Medicare Advantage payment mechanism and the retention of the vast majority of our members who continue to choose Alignment after their initial selection year, we are able to focus our efforts on driving favorable long-term health outcomes for our entire population. As a result, our clinical model efforts have demonstrated the ability to lower the MBRs of our returning members by managing the financial risk of our members as they age, which allows us to continue to deliver a richer product to the marketplace. With this dynamic in mind, our consolidated MBR may be impacted year-to-year based on our pace of new member growth and mix of members by cohort. However, we believe our ability to sustain MBR performance improvement over time positions us well to invest in new member growth to drive long-term financial performance.

- ***Investments in our Platform and Growth:*** We plan to continue to invest in our business in order to further develop our AVA platform, pursue new expansion opportunities and create innovative product offerings. In addition, in order to maintain a differentiated value proposition for our members, we continue to invest in innovative product offerings and supplementary benefits to meet the evolving needs of the senior consumer. We anticipate further investments in our business as we expand into new markets and pursue strategic acquisitions, which we expect will primarily be focused on healthcare delivery groups in key geographies, standalone and provider-sponsored Medicare Advantage plans and other complementary risk bearing assets.

- ***Seasonality to our Business:*** Our operational and financial results will experience some variability depending upon the time of year in which they are measured. We experience the largest portion of member growth during the first quarter, when plan enrollment selections made during AEP from October 15th through December 7th of the prior year take effect. As a result, we expect to see a majority of our member growth occur January 1 of a given calendar year. As the year progresses, our per-member revenue often declines as new members join us, typically with less complete or accurate documentation (and therefore lower risk-adjustment scores), and senior mortality disproportionately impacts our higher-acuity (and therefore greater revenue) members. Medical costs will vary seasonally depending on a number of factors, but most significantly the weather. Certain illnesses, such as the influenza virus, are far more prevalent during colder months of the year, which will result in an increase in medical expenses during these time periods. We therefore expect to see higher levels of per-member medical costs in the first and fourth quarters. The design of our prescription drug coverage (Medicare Part D) results in coverage that varies as a member's cumulative out-of-pocket costs pass through successive stages of a member's plan period, which begins annually on January 1 for renewals. These plan designs generally result in us sharing a greater portion of the responsibility for total prescription drug costs in the early stages of the year and less in the latter stages, which typically results in a higher MBR on our Part D program in the first half of the year relative to the second half of the year. In addition, we expect our corporate, general and administrative expenses to increase in absolute dollars for the foreseeable future to support our growth and because of additional costs of being a public company. Due to the timing of many of these investments, including our primary sales and marketing season, we typically incur a greater level of investment in the second half of the year relative to the first half of the year.

Executive Summary

The following table presents key financial statistics for the three months ended March 31, 2021 and 2020, respectively:

	Three Months Ended March 31,		
(dollars in '000's, except percentages)	**2021**	**2020**	**% Change**
Health Plan Membership	83,100	62,900	32.1%
Medical Benefits Ratio	91.5%	86.0%	6.4%
Revenues	$ 267,082	$ 224,633	18.9%
Loss from Operations	$ (52,664)	$ (5,115)	N/M
Net loss	$ (56,874)	$ (10,072)	N/M
Adjusted EBITDA[(1)]	$ (14,042)	$ (1,916)	N/M
Adjusted Gross Profit [(1)]	$ 22,605	$ 31,342	-27.9%

(1) See “Adjusted EBITDA” and "Adjusted Gross Profit" below for a reconciliation to the most directly comparable financial measure calculated in accordance with GAAP and related disclosures

Health Plan Membership

We define Health Plan Membership as the number of members enrolled in our HMO and PPO contracts as of the end of a reporting period. We believe this is an important metric to assess growth of our underlying business, which is indicative of our ability to consistently offer a superior value proposition to seniors. This metric excludes third party payor members with respect to which we are at-risk for managing their healthcare expenditures, which represented approximately 600 members and 7,400 members as of March 31, 2021 and 2020, respectively.

Adjusted Gross Profit and Medical Benefits Ratio, or MBR

Adjusted gross profit is a non-GAAP financial measure that we define as revenue less medical expenses before depreciation and amortization and equity-based compensation expense. Adjusted Gross Profit is a key measure used by our management and Board to understand and evaluate our operating performance and trends before the impact of our consolidated selling, general and administrative expenses.

Adjusted gross profit is reconciled as follows:

	Three Months Ended March 31,	
	2021	2020
(dollars in thousands)		
Revenues	$ 267,082	$ 224,633
Medical expenses	251,095	193,396
Gross profit	15,987	31,237
Gross profit %	6.0%	13.9%
Add back:		
Equity-based compensation (medical expenses)	$ 6,566	$ —
Depreciation	52	105
Total add back	6,618	105
Adjusted gross profit	$ 22,605	$ 31,342
Adjusted gross profit %	8.5%	14.0%

We calculate our MBR by dividing total medical expenses excluding depreciation and equity-based compensation by total revenues in a given period. We believe our MBR is an indicator of our gross profit for our Medicare Advantage plans and demonstrates the ability of our clinical model to produce superior outcomes by identifying and providing targeted care to our high-risk members resulting in improved member health and reduced total population medical expenses. We expect that this metric may fluctuate over time due to a variety of factors, including our pace of new member growth given that new members typically join Alignment with higher MBRs, while our model has demonstrated an ability to improve MBR for a given cohort over time.

When we determine, on an annual basis, whether we have satisfied the CMS minimum Medical Loss Ratio (“MLR”) of 85%, adjustments are made to the MBR calculation to include certain additional expenses related to improving the quality of care provided, and to exclude certain taxes and fees, in each case as permitted or required by CMS and applicable regulatory requirements.

Adjusted EBITDA

Adjusted EBITDA is a non-GAAP financial measure that we define as net income (loss) before interest expense, income taxes, depreciation and amortization expense, reorganization and transaction-related expenses and equity-based compensation expense. Adjusted EBITDA is a key measure used by our management and our Board to understand and evaluate our operating performance and trends, to prepare and approve our annual budget and to develop short and long-term operating plans. In particular, we believe that the exclusion of the amounts eliminated in calculating Adjusted EBITDA provides useful measures for period-to-period comparisons of our business. Given our intent to continue to invest in our platform and the scalability of our business in the short to medium-term, we believe Adjusted EBITDA over the long term will be an important indicator of value creation.

Adjusted EBITDA should not be considered in isolation of, or as an alternative to, measures prepared in accordance with GAAP. There are a number of limitations related to the use of Adjusted EBITDA in lieu of net income (loss), which is the most directly comparable financial measure calculated in accordance with GAAP.

Our use of the term Adjusted EBITDA may vary from the use of similar terms by other companies in our industry and accordingly may not be comparable to similarly titled measures used by other companies.

Adjusted EBITDA is reconciled as follows:

	Three Months Ended March 31,	
	2021	2020
(dollars in thousands)		
Net loss	$ (56,874)	$ (10,072)
Add back:		
Interest expense	$ 4,248	$ 4,160
Depreciation and amortization	3,789	3,670
EBITDA	(48,837)	(2,242)
Equity-based compensation[(1)]	31,787	326
Reorganization and transaction-related expenses[(2)]	3,008	—
Adjusted EBITDA	$ (14,042)	$ (1,916)

(1) 2021 represents equity-based compensation related to the timing of the IPO, including the previously issued SARs liability awards, modifications related to transaction vesting units, and new grants made in conjunction with the IPO. 2020 represents equity-based compensation related to the Incentive Units.

(2) Represents legal, professional, accounting and other advisory fees related to the Reorganization and the IPO that are considered non-recurring and non-capitalizable.

Impact of COVID-19 on Our Operations

The severity, magnitude and duration of the current COVID-19 pandemic is uncertain and rapidly changing. As of the date of this Quarterly Report, the extent to which the COVID-19 pandemic may impact our business, results of operations and financial condition remains uncertain. Furthermore, because of our business model, the full impact of the COVID-19 pandemic may not be fully reflected in our results of operations and overall financial condition until future periods.

In response to the COVID-19 pandemic, we took the following actions to ensure the safety of our employees and their families and to address the physical, mental and social health of our members:

- temporarily closed our corporate offices and enabled most of our corporate work force to work remotely, with certain employees returning on a phased-in basis in the second quarter of 2020;
- implemented travel restrictions for non-essential business;
- engaged with our members through virtual Town Hall meetings addressing topics such as the COVID-19 pandemic, fitness at home, staying connected and other social determinants of health;
- temporarily transitioned to a virtual care delivery model, leveraging our video and telehealth capabilities to facilitate virtual clinical visits for our members and conduct programs such as the Jump Start Assessments through telephone and video;
- acquired and deployed significantly greater amounts of personal protective equipment (“PPE”) to ensure the safety of our employees and members; and
- leveraged our internal and external community resources to deliver food to our at-risk members to address food supply issues or challenges; and
- assisted our members with obtaining access to COVD-19 vaccines through our member engagement channels and, in some cases, our direct clinical resources.

The ultimate impact of the COVID-19 pandemic on our business, results of operations and financial condition will depend on certain developments, including: the duration and spread of the outbreak; government responses to the pandemic; its impact on the health and welfare of our members, our employees and their families; its impact on member, industry, or employee events; delays in hiring and onboarding new employees; and effects on our partners and supply chain, some of which are uncertain, difficult to predict, and not within our control. Further, as a result of the pandemic, we have experienced increased challenges in appropriately documenting members’ underlying conditions, lower RAF scores among new members than we have historically experienced, limitations on our ability to engage in outreach to potential new members, abnormal seasonality in our medical expense and increased operational expenditures.

Results of Operations

The following table sets forth our consolidated statements of operations data for the periods indicated:

	Three Months Ended March 31,	
	2021	2020
(dollars in thousands)		
Revenues:		
Earned premiums	$ 267,000	$ 224,266
Other	82	367
Total revenues	267,082	224,633
Expenses:		
Medical expenses	251,095	193,396
Selling, general and administrative expenses	64,914	32,787
Depreciation and amortization	3,737	3,565
Total expenses	319,746	229,748
Loss from operations	(52,664)	(5,115)
Other expenses:		
Interest expense	4,248	4,160
Other (income) expenses	(38)	797
Total other expenses	4,210	4,957
Loss before income taxes	(56,874)	(10,072)
Provision for income taxes	—	—
Net loss	$ (56,874)	$ (10,072)

The following table sets forth our consolidated statements of operations data expressed as a percentage of total revenues for the periods indicated:

	Three Months Ended March 31,	
	2021	2020
(% of revenue)		
Revenues:		
Earned premiums	100%	100%
Other	—	—
Total revenues	100	100
Expenses:		
Medical expenses	94	86
Selling. general and administrative expenses	24	15
Depreciation and amortization	1	1
Total expenses	119	102
Loss from operations	(19)	(2)
Other expenses:		
Interest expense	2	2
Other (income) expenses	—	—
Total other expenses	2	2
Loss before income taxes	(21)	(4)
Provision for income taxes	—	—
Net loss	(21)%	) (4%

Comparison of the Three-Months Ended March 31, 2021 and 2020

Revenues

	Three Months Ended March 31,			
	2021	2020	$ Change	% Change
(dollars in thousands)				
Revenues:				
Earned premiums	$ 267,000	$ 224,266	$ 42,734	19.1 %
Other	82	$ 367	(285)	(77.7)%
Total revenues	$ 267,082	$ 224,633	$ 42,449	18.9 %

Revenues. Revenues were $267.1 million for the quarter ended March 31, 2021, an increase of $42.4 million, or 18.9%, compared to $224.6 million for the quarter ended March 31, 2020. The increase was driven primarily by growth in Alignment's Health Plan membership in 2021 as compared to 2020 offset by a reduction in capitation revenue from third party payors.

Expenses

	Three Months Ended March 31,			
	2021	2020	$ Change	% Change
(dollars in thousands)				
Expenses:				
Medical expenses	$ 251,095	$ 193,396	$ 57,699	29.8 %
Selling, general and administrative expenses	64,914	32,787	32,127	98.0 %
Depreciation and amortization	3,737	3,565	172	4.8 %
Total expenses	$ 319,746	$ 229,748	$ 89,998	39.2 %

Medical Expenses. Medical expenses were $251.1 million for the quarter ended March 31, 2021, an increase of $57.7 million, or 29.8%, compared to $193.4 million for the quarter ended March 31, 2020. The increase was driven primarily by growth in Alignment's Health Plan membership in 2021 as compared to 2020. In addition, the increase was partially due to $6.6 million of equity-based compensation recorded to medical expenses related to the IPO. Overall, medical expenses grew at a higher rate than total revenues due to a combination of mix shift of membership away from Alignment's third-party payor members from 2020 to 2021, and the impact of COVID-19 on utilization in 2021. For the first half of the quarter ending March 31, 2021, we experienced an increase in inpatient admissions due to COVID-related hospitalizations. The ultimate impact of COVID-19 to us and our financial condition is presently unknown and we continue to monitor the impact of COVID-19 on our claims reserve estimate.

Selling, General and Administrative Expenses. Selling, general and administrative expenses were $64.9 million for the quarter ended March 31, 2021, an increase of $32.1 million, or 98.0%, compared to $32.8 million for the quarter ended March 31, 2020. The increase was primarily due to equity-based compensation of $25.2 million related to the initial public offering ($11.4 million of which represents a cash settlement of previously issued awards). Excluding the equity-based compensation in the first quarter of 2021, our, selling, general and administrative expenses increased 21% from the quarter ended March 31, 2020. The remaining increase was driven by ongoing investments and expenditures in sales and marketing to drive the growth of Alignment's Health Plan membership, continued hiring of employees to support that growth, and investments related to the IPO.

Depreciation and Amortization. Depreciation and amortization expense was $3.7 million for the quarter ended March 31, 2021, an increase of $0.2 million, or 4.8%, compared to $3.6 million for the quarter ended March 31, 2020. The increase was primarily due to the amount and timing of our capital expenditures and the associated depreciation relative to 2020.

Other Expenses

Interest expense. Interest expense was $4.2 million for the quarter ended March 31, 2021, an increase of $0.1 million, or 2.1%, compared to $4.2 million for the quarter ended March 31, 2020.

Other expenses. Other expenses were $0.0 million for the quarter ended March 31, 2021, a decrease of $0.8 million, compared to $0.8 million for the quarter ended March 31, 2020. The decrease was primarily due to losses on the disposal of assets in 2020 that did not recur in 2021.

Liquidity and Capital Resources

General

On March 25, 2021, the Company's Registration Statement on Form S-1 for the initial public offering of 27,200,000 shares of common stock was declared effective by the Securities and Exchange Commission. The IPO closed on March 30, 2021, with the Company selling 21,700,000 shares of common stock and certain selling stockholders selling 5,500,000 shares of common stock, in each case at a price to the public of $18.00 per share. In the aggregate, the IPO generated approximately $361.6 million in net proceeds for the Company, which amount is net of approximately $24.4 million in underwriters' discounts and commissions and offering costs of approximately $4.6 million. We expect to use the net proceeds from the IPO for working capital and general corporate purposes, including continued investments in the growth of our business, and strengthening our balance sheet by potentially repaying debt. We may also use a portion of our net proceeds to acquire or invest in complementary businesses, products, services or technologies. See further discussion related to the IPO as described in Note 1, Organization, to Alignment Healthcare, Inc.'s consolidated financial statements.

Prior to the IPO, we have financed our operations principally through private placements of our equity securities, revenues, and a loan agreement with CR Group ("CRG"). As of March 31, 2021 we had $528.4 million in cash. We may incur operating losses in the future due to the investments we intend to continue to make in expanding our operations and sales and marketing and due to additional general and administrative costs we expect to incur in connection with operating as a public company. As a result, we may require additional capital resources to execute strategic initiatives to grow our business.

We believe that our liquid assets, together with anticipated revenues from our operations, will be sufficient to fund our operating and capital needs for at least the next 12 months. Our assessment of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties. Our actual results could vary because of, and our future capital requirements will depend on, many factors, including our growth rate, the timing and extent of spending to expand our presence in existing markets, expand into new markets and increase our sales and marketing activities. We may in the future enter into arrangements to acquire or invest in complementary businesses, services and technologies, including intellectual property rights. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. 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. If we are unable to raise additional capital when desired, or if we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, results of operations, and financial condition would be adversely affected.

Certain states in which we operate as a CMS licensed Medicare Advantage company may require us to meet certain capital adequacy performance standards and tests. The National Association of Insurance Commissioners has adopted rules which, if implemented by the states, set minimum capitalization requirements for insurance companies, HMOs, and other entities bearing risk for healthcare coverage. The requirements take the form of risk-based capital ("RBC") rules, which may vary from state to state. Certain states in which our health plans or risk bearing entities operate have adopted the RBC rules. Other states in which our health plans or risk bearing entities operate have chosen not to adopt the RBC rules, but instead have designed and implemented their own rules regarding capital adequacy. Our health plans or risk-bearing entities were in compliance with the minimum capital requirements for all periods presented.

Term Loan

On August 21, 2018, we entered into a term loan with CRG for $80 million, with an option to borrow up to an additional $20 million (as amended, the "Term Loan"). In April 2019, we amended the Term Loan to increase its borrowing capacity by $75 million and drew down $35 million in May 2019. The Term Loan was subject to a commitment fee of $6.8 million and we incurred debt issuance costs of $3.6 million. The Term Loan matures in June 2023, at which time the full balance of the Term Loan, including the commitment fee and the payment-in-kind balance, will be due.

The commitment fees are deferred as part of debt issuance costs and are amortized to interest expense over the term using the effective interest method. The debt issuance costs are being amortized to interest expense over the term using the effective interest method.

The Term Loan bears interest at a rate of 10.25% payable on a quarterly basis. We have the option to pay a portion of the interest in cash with the remaining portion of the interest added to the principal balance as a payment-in-kind. The payment-in-kind is also subject to a commitment fee of 5%. The cash and payment-in-kind interest rates were 7.75% and 2.50%, respectively, through April 2019, and then converted to 7.50% and 2.75%, respectively. In 2019 and 2020, we utilized our option to pay the quarterly interest payments in both cash and payment-in-kind. As of March 31, 2021, the payment-in-kind balance was $9.0 million.

Our total long-term debt balance of $150.9 million as of March 31, 2021 included the principal balance of $135.0 million, the initial commitment fee of $6.8 million, and the payment-in-kind interest on the principal balance of $9.0 million. The payment-in-kind interest on the principal balance is also subject to the commitment fee which was 0.1 million as of March 31, 2021. The amount was included in the long-term debt balance.

In addition, the Term Loan includes financial covenants regarding the maintenance of minimum liquidity of $6 million of operating cash, as defined, on a consolidated basis, at least $10 million in its cash accounts on a daily basis and minimum consolidated revenue amounts in the calendar years through 2022. As of March 31, 2021, we were in compliance with the financial covenants. The Term Loan is guaranteed by certain of our wholly owned subsidiaries and collateralized by all unrestricted assets.

Cash Flows

The following table presents a summary of our consolidated cash flows from operating, investing and financing activities for the periods indicated.

	Three Months Ended March 31,	
(dollars in thousands)	**2021**	**2020**
Net cash used in operating activities	$ (38,107)	$ (21,819)
Net cash used in investing activities	(4,446)	(3,735)
Net cash provided by financing activities	363,659	131,484
Net change in cash	321,106	105,930
Cash and restricted cash at beginning of period	207,811	86,484
Cash and restricted cash at end of period	$ 528,917	$ 192,414

Operating Activities

For the quarter ended March 31, 2021, net cash used in operating activities was $38.1 million, an increase of $16.3 million compared to net cash used in operating activities of $21.8 million for the quarter ended March 31, 2020. Significant changes impacting net cash provided by operating activities for the quarter ended March 31, 2021 as compared to the quarter ended March 31, 2020 were as follows: Increase in net loss offset by changes in working capital related to the timing of claims payment activities and the timing of accrued payments.

Investing Activities

For the quarter ended March 31, 2021, net cash used in investing activities was $4.4 million, an increase of $0.7 million compared to net cash used in investing activities of $3.7 million for the quarter ended March 31, 2020. The increase primarily relates to incremental capital expenditures related to information technology and infrastructure projects.

Financing Activities

Cash provided by financing activities was $363.7 million and $131.5 million during the quarters ended March 31, 2021 and 2020, respectively, an increase of $232.2 million. The increase primarily relates to proceeds from the IPO in the first quarter of 2021 which was higher than the funding received in the first quarter of 2020.

Contractual Obligations and Commitments

There have been no material changes to our contractual obligations disclosed in our IPO Prospectus.

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of March 31, 2021.

JOBS Act

We qualify as an “emerging growth company” pursuant to the provisions of the JOBS Act. For as long as we are an “emerging growth company,” we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies,” including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive

compensation in our periodic reports and proxy statements, exemptions from the requirements of holding advisory “say-on-pay” votes on executive compensation and shareholder advisory votes on golden parachute compensation.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We intend to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

As described under Note 2 to our consolidated financial statements “Summary of Significant Accounting Policies – Recent Accounting Pronouncements Adopted” and “Recent Accounting Pronouncements Not Yet Adopted”, we early adopted certain accounting standards, as the JOBS Act does not preclude an emerging growth company from adopting a new or revised accounting standard earlier than the time that such standard applies to private companies. We expect to use the extended transition period for any other new or revised accounting standards during the period in which we remain an emerging growth company.

Critical Accounting Policies

The discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles and include the accounts of our wholly-owned subsidiaries and two variable interest entities (“VIEs”) in California and North Carolina that meet the consolidation requirements for accounting purposes. All intercompany transactions have been eliminated in consolidation.

There have been no significant changes in our critical accounting estimate policies or methodologies to our condensed consolidated financial statements. For a description of our policies regarding our critical accounting policies, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies"* in the IPO Prospectus.

Recent Accounting Pronouncements

See Note 2 to our consolidated financial statements “*Summary of Significant Accounting Policies—Recent Accounting Pronouncements Adopted*” for more information.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of exposure due to potential changes in inflation. We do not hold financial instruments for trading purposes.

Inflation Risk

Based on our analysis of the periods presented, we believe that inflation has not had a material effect on our operating results. There can be no assurance that future inflation will not have an adverse impact on our operating results and financial condition.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures:

Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have 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 (the "Exchange Act"), as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures were effective as of March 31, 2021.

Changes to our Internal Controls over Financial Reporting:

There were no material changes in our internal control over financial reporting during the three months ended March 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. As a result of the COVID-19 pandemic, certain employees began working remotely in March 2020. We have not identified any material changes in our internal control over financial reporting as a result of these changes to the working environment, in part because our internal control over financial reporting was designed to operate in a remote working environment. We are continually monitoring and assessing the COVID-19 situation to determine any potential impact on the design and operating effectiveness of our internal controls over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

See Note 14, Commitments and Contingencies – Legal Proceedings, to Alignment Healthcare Holdings, LLC's Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report.

Item 1A. Risk Factors.

There have been no material changes to the risk factors disclosed in the IPO Prospectus.

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

Unregistered Sales of Equity Securities

There were no unregistered sales of equity securities during the three-months ended March 31, 2021.

Use of Proceeds

On March 25, 2021, the Company's Registration Statement on Form S-1 for the initial public offering of 27,200,000 shares of common stock was declared effective by the Securities and Exchange Commission. The Company's common stock began trading on March 26, 2021 on Nasdaq under the ticker symbol "ALHC." The IPO closed on March 30, 2021, with the Company selling 21,700,000 shares of common stock and certain selling stockholders selling 5,500,000 shares of common stock, in each case at a price to the public of $18.00 per share. On Tuesday, April 6, 2021, pursuant to a partial exercise of the underwriters' over-allotment option, certain selling stockholders sold an additional 3,314,216 shares of common stock at the IPO price. In the aggregate, the IPO generated approximately $361.6 million in net proceeds for the Company, which amount is net of approximately $24.4 million in underwriters' discounts and commissions and offering costs of approximately $4.6 million. The IPO commenced on March 25, 2021 and terminated upon the partial exercise of the underwriters' over-allotment options as described above. The representatives of the several underwriters of the IPO were Goldman Sachs & Co. LLC and Morgan Stanley & Co. LLC.

There has been no material change in the use of proceeds described in the IPO Prospectus. We may also use a portion of our net proceeds to acquire or invest in complementary businesses, products, services or technologies.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of Alignment Healthcare, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on March 30, 2021).
3.2	Amended and Restated Bylaws of Alignment Healthcare, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Form 8-K filed on March 30, 2021).
4.1	Registration Rights Agreement, dated as of March 30, 2021, among Alignment Healthcare, Inc. and the other signatories party thereto (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed on March 30, 2021).
10.1	Term Loan Agreement, dated as of August 21, 2018, among Alignment Healthcare Holdco 2, LLC, Alignment Healthcare USA, LLC as borrower, certain subsidiaries of Alignment Healthcare Holdco 2, LLC as guarantors, the parties named therein as guarantors and lenders, and CRG Servicing LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Form S-1 filed on March 3, 2021).
10.2	Security Agreement dated as of August 21, 2018 among, among Alignment Healthcare Holdco 2, LLC, Alignment Healthcare USA, LLC as borrower, certain subsidiaries of Alignment Healthcare Holdco 2, LLC as grantors, and CRG Servicing LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.2 to the Company's Form S-1 filed on March 3, 2021).
10.3	Amendment No. 1 to Loan Agreement and Amendment to Fee Letter, dated as of April 25, 2019, among Alignment Healthcare Holdco 2, LLC, Alignment Healthcare USA, LLC as borrower, certain subsidiaries of Alignment Healthcare Holdco 2, LLC as guarantors, the parties named therein as guarantors and lenders and CRG Servicing LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.3 to the Company's Form S-1 filed on March 3, 2021).
10.4	Amendment No. 2 to Loan Agreement and Amendment to Fee Letter, dated as of May 26, 2020, among Alignment Healthcare Holdco 2, LLC, Alignment Healthcare USA, LLC as borrower, certain subsidiaries of Alignment Healthcare Holdco 2, LLC as guarantors, the parties named therein as guarantors and lenders and CRG Servicing LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.4 to the Company's Form S-1 filed on March 3, 2021).
10.5	Amendment No. 3 to Loan Agreement and Amendment to Fee Letter, dated as of September 8, 2020, among Alignment Healthcare Holdco 2, LLC, Alignment Healthcare USA, LLC as borrower, certain subsidiaries of Alignment Healthcare Holdco 2, LLC as guarantors, the parties named therein as guarantors and lenders and CRG Servicing LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.5 to the Company's Form S-1 filed on March 3, 2021).
10.6	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.6 to the Company's Form S-1 filed on March 23, 2021).
10.7+	Alignment Healthcare Holdings, LLC Stock Appreciation Rights Plan (incorporated by reference to Exhibit 10.7 to the Company's Form S-1 filed on March 3, 2021).
10.8+	Alignment Healthcare, Inc. 2021 Equity Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed on March 30, 2021).
10.9*+	Employment Agreement of John E. Kao
10.10*+	Employment Agreement of Dawn Maroney
10.11*+	Employment Agreement of Thomas Freeman
10.12	Form of CMS Agreement (incorporated by reference to Exhibit 10.14 to the Company's Form S-1 filed on March 3, 2021).
10.13	Stockholders Agreement, dated as of March 30, 2021, among Alignment Healthcare, Inc. and the other signatories party thereto (incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed on March 30, 2021).
10.14+	Form of Option Award Agreement (incorporated by reference to Exhibit 10.16 to the Company's Form S-1 filed on March 23, 2021).
10.15+	Form of Restricted Shares Award Agreement (incorporated by reference to Exhibit 10.17 to the Company's Form S-1 filed on March 23, 2021).
10.16+	Form of RSU Award Agreement (incorporated by reference to Exhibit 10.18 to the Company's Form S-1 filed on March 23, 2021).
10.17+	Form of Option Award Agreement (Senior Executives) (incorporated by reference to Exhibit 10.19 to the Company's Form S-1 filed on March 23, 2021).
10.18+	Form of RSU Award Agreement (Senior Executives) (incorporated by reference to Exhibit 10.20 to the Company's Form S-1 filed on March 23, 2021).

31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

** Furnished herewith

+ Indicates management contract or compensatory plan.

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.

Company Name

Date: May 17, 2021

By: /s/ John Kao

John Kao
Chief Executive Officer

Date: May 17, 2021

By: /s/ Thomas Freeman

Thomas Freeman
Chief Financial Officer

Exhibit 10.9

AMENDED & RESTATED EMPLOYMENT AGREEMENT BETWEEN ALIGNMENT HEALTHCARE USA, LLC AND JOHN E. KAO MARCH 26, 2021

AMENDED & RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED & RESTATED EMPLOYMENT AGREEMENT is made and entered into as of March 26, 2021, by and between Alignment Healthcare USA, LLC, a California corporation (the "Employer"), and John E. Kao (the "Employee").

WHEREAS, the Employer desires to continue to employ the Employee, and the Employee desires to accept such employment, on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. Definitions. Generally, defined terms used in this Agreement are defined in the first instance in which they appear herein. In addition, the following terms and phrases have the following meanings:

"Affiliate" means, when used with reference to a specified Person, (a) any Person who directly or indirectly controls, is controlled by or is under common control with the specified Person, (b) any Person who is an officer, director, partner, member, manager or trustee of, or serves in a similar capacity with respect to, the specified Person, or for which the specified Person is an officer, director, partner, member or manager or trustee or serves in a similar capacity, (c) any Person who, directly or indirectly, is the beneficial owner of 10% or more of any class of equity securities of the specified Person, or of which the specified Person, directly or indirectly, is the owner of 10% or more of any class of equity securities and (d) any member of such specified Person's immediate family.

"Board" means the board of directors of Alignment Healthcare, Inc. or any other Person the Board has appointed or delegated authority.

"Cause" means the Employee's:

(i) failure to devote substantially all his working time to the business of the Employer and its Affiliates;

(ii) willful disregard of his duties, or his intentional failure to act where the taking of such action would be in the ordinary course of the Employee's duties hereunder, provided that the Employee is first given 30 days prior written notice of such conduct in order for the Employee to cure such alleged conduct during such period of time;

(iii) violation or breach of the provisions, representations or covenants of Sections 10, 11, 15 or 16(a);

(iv) gross negligence or willful misconduct in the performance of his duties hereunder;

(v) commission of any act of fraud, theft or financial dishonesty, or any felony or criminal act involving moral turpitude; or

(vi) unlawful use (including being under the influence) of alcohol or drugs or possession of illegal drugs while on the premises of the Employer or any of its Affiliates or while performing duties and responsibilities to the Employer and its Affiliates.

"Confidential Information" means all proprietary and other information relating to the business and operations of the Employer and its Affiliates, which has not been specifically designated for release to the public by an authorized representative of the Employer or one of its Affiliates, including, but not limited to the following: (i) information, observations, procedures and data concerning the business or affairs of the Employer or any of its Affiliates; (ii) products or services; (iii) costs and pricing structures; (iv) analyses; (v) drawings, photographs and reports; (vi) computer software, including operating systems, applications and program listings; (vii) flow charts, manuals and documentation; (viii) data bases; (ix) accounting and business methods; (x) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice; (xi) customers, vendors, suppliers and customer, vendor and supplier lists; (xii) business goals, plans, techniques and strategies; (xiii) other copyrightable works; (xiv) all production methods, processes, technology and trade secrets; and (xv) all similar and related information in whatever form. Confidential Information also includes any information that the Employer or any of its Affiliates have received, or may receive hereafter, belonging to customers or other third parties with any understanding, express or implied, that the information would not be disclosed. Confidential Information will not include any information that has been published in a form generally available to the public prior to the date the Employee proposes to disclose or use such information (through no wrongful act of the Employee). Confidential Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

"Disability" means the Employee's inability, due to physical or mental illness or disability, to perform the essential functions of his employment with the Employer, even with reasonable accommodation that does not impose an undue hardship on the Employer, for more than 60 consecutive days, or for any 90 days within any one year period, unless a longer period is required by federal or state law, in which case such longer period will be applicable. The Employer reserves the right, in good faith, to make the determination of Disability under this Agreement based on information supplied by the Employee and/or his medical personnel, as well as information from medical personnel selected by the Employer or its insurers.

"Employer" has the meaning set forth in the preamble; provided that, for purposes of Sections 8 through 15, "Employer" includes Alignment Healthcare, Inc. and all of its Subsidiaries and Affiliates. All references in this Agreement to Alignment Healthcare, Inc. shall refer to Alignment Healthcare Holdings, LLC prior to its conversion into Alignment Healthcare, Inc. unless the context indicates otherwise.

"Good Reason" means:

(i) a material reduction during any 24 consecutive month period in Base Salary (as that term is defined in Section 4(a)) or in the Employee's annual total cash compensation opportunity (*i.e.*, Base Salary and Target Bonus Percentage (as that term is defined in Section 4(b))), but excluding any reduction applicable to management employees generally; or

(ii) a material breach of this Agreement by the Employer. Notwithstanding the

foregoing provisions of this definition, Good Reason shall not exist

(A) if the Employee has in his sole discretion agreed in writing that such event shall not be Good Reason or (B) unless, (I) within 60 days of the occurrence of the events claimed to be Good Reason the Employee notifies the Employer in writing of the reasons why he believes that Good Reason exists, (II) the Employer has failed to correct the circumstance that would otherwise be Good Reason within 30 days of receipt of such notice, and (III) the Employee terminates his employment within 60 days of such 30-day period (the date of such resignation, the "Early Resignation Date").

"Person" shall be construed broadly and shall include, without limitation, an individual, a partnership, an investment fund, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Subsidiary" or "Subsidiaries" of any Person means any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other Person), owns, directly or indirectly, 50% or more of the stock or other equity interests which are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal entity.

"Termination Date" means the effective date of the termination of the Employee's employment hereunder, which (i) in the case of termination due to resignation by the Employee without Good Reason, shall mean the date that is 90 days following the date of the Employee's written notice to the Employer of his resignation, or in the case of resignation by the Employee with Good Reason, shall mean the Early Resignation Date, provided, however, that in each case the Employer may accelerate the Termination Date;
(ii) in the case of termination by reason of the Employee's death, shall mean the date of death; (iii) in the case of termination by reason of Disability, shall mean the date specified in the notice of such termination delivered to the Employee by the Employer; (iv) in the case of a termination by the Employer for Cause or without Cause, shall mean the date specified in the written notice of such termination delivered to the Employee by the Employer; (iv) in the case of termination by mutual agreement, shall mean the date mutually agreed to by the parties hereto, (v) in the case of termination due to either party's delivery to the other party of a Notice of Nonrenewal pursuant to Section 2, shall mean the next scheduled Renewal Date to which the Notice of Nonrenewal relates.

8. Employment. The Employer shall employ the Employee, and the Employee accepts employment with the Employer, upon the terms and conditions set forth in this Agreement. The initial term of this Agreement (the "Initial Term") shall commence on the date hereof and end on the first annual anniversary of the date hereof; provided, however, that on the first annual anniversary of the date hereof and each annual anniversary thereafter (each, a "Renewal Date"), the term of this Agreement shall be extended by one additional year (each, an "Extension Term," and collectively with the Initial Term, the "Employment Period") unless either party gives written notice to the other within 90 days in advance of the next scheduled Renewal Date that it does not wish to extend the Employment Period (such notice, a "Notice of Nonrenewal"); and provided, further, that the Employment Period may be sooner terminated as provided herein.

9. Position and Duties. During the Employment Period, the Employee shall serve as President and Chief Executive Officer of the Employer and as President and Chief Executive Officer of Alignment Healthcare, Inc., reporting to the Board, and shall have the usual and customary duties, responsibilities and authority of such position, and, if elected or appointed thereto, shall serve as an officer and/or member of the board or any Subsidiary or Affiliate of the Employer as reasonably requested by the Employer and its Affiliates, in each case, without additional compensation hereunder. The Employee hereby accepts such employment and positions and agrees to diligently and conscientiously devote his full and exclusive business time, attention, and best efforts in discharging and fulfilling his duties and responsibilities hereunder. The Employee shall comply with the Employer's policies and procedures and the direction and instruction of the Board and the Employee shall not engage in any business activity which, in the reasonable judgment of the Board, conflicts with the duties of the Employee hereunder, whether or not such activity is pursued for gain, profit or other pecuniary advantage.

10. Compensation.

(a) Salary. During the Employment Period, the Employer shall pay the Employee the Base Salary, less applicable deductions and withholdings. "Base Salary" shall mean the Employee's base salary, as may be increased from time to time at the discretion of the Employer. The initial rate of the Employee's Base Salary shall equal $675,000 per annum.

(b) Performance Bonus. In addition to the Base Salary, during the Employment Period, the Employee shall be eligible to receive a cash bonus (the "Bonus") with respect to each calendar year as of the last day of which the Employee is employed by the Employer. The amount of the Bonus, if any, payable in respect of any calendar year will be determined based on the achievement of performance goals established for the Employee by the Board or compensation committee of the Board (the "Compensation Committee") within the first 90 days of such year (or with respect to the first calendar year hereunder, within the first 30 days of the commencement of the Employment Period) (the "Performance Targets"). The target Bonus (the "Target Bonus Percentage") and the maximum Bonus (the "Maximum Bonus Percentage") in respect of each calendar year will equal 100% and 200%, respectively, of the Base Salary payable to the Employee for such year. Performance Targets may be based on quantitative performance objectives for the

Employer or one or more of its Affiliates or Subsidiaries or business units or divisions thereof, and/or may be based on individual quantitative or qualitative performance objectives or any combination of the foregoing. The calculation of the achievement of Performance Targets for each year shall be determined by the Board or Compensation Committee thereof in its good faith discretion. For the avoidance of doubt, the Bonus in respect of calendar year 2021 shall be prorated such that the Bonus for the period of (i) January 1, 2021 through March 25, 2021 shall be based on a Base Salary equal to $675,000 per annum and a Target Bonus Percentage and Maximum Bonus Percentage equal to 50% and 100%, respectively, and (ii) March 26, 2021 through December 31, 2021 shall be based on a Base Salary equal to $675,000 per annum and a Target Bonus Percentage and Maximum Bonus Percentage equal to 100% and 200%, respectively. The Bonus, if any, payable with respect to a calendar year shall be paid within 30 days following the rendering of the Employer's audited financial statements for the relevant calendar year, but not later than June 1st of the year immediately following such relevant calendar year, provided that (except as set forth in Section 6) the Employee remains employed with the Employer or one of its Affiliates through the applicable payment date.

(c) Employee Benefits. During the Employment Period, retirement, health and welfare benefits shall be subject to the Employer's policies and practices and the terms of the applicable benefit plans and arrangements as in effect from time to time. The Employee shall accrue paid-time off at the rate of five (5) weeks per twelve (12) months of employment.

(d) Reimbursements. The Employer shall reimburse the Employee for all reasonable and necessary business-related expenses incurred by him in the course of performing his duties under this Agreement which are consistent the Employer's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Employer's requirements with respect to reporting and documentation of such expenses.

(e) Deductions and Withholding. The Employer shall deduct from any payments to be made by it to or on behalf of the Employee under this Agreement any amounts required to be withheld in respect of any federal, state or local income or other taxes.

(f) Annual Review of Base Salary and Bonus Percentages. The Board (or the Compensation Committee) shall undertake a review of rate of Base Salary and the Target Bonus Percentage and Maximum Bonus Percentage (the "Bonus Percentages") not less frequently than annually during the Employment Period and may increase, but not decrease, the rate of Base Salary and the Bonus Percentages from those then in effect.

11. Termination of Employment. The Employee's employment under this Agreement shall be terminated upon the earliest to occur of the following events:

(a) Termination for Cause. The Employer may in its sole discretion terminate this Agreement and the Employee's employment hereunder for Cause at any time and with or without advance notice to the Employee.

(b) Termination without Cause. The Employer may terminate this Agreement and the Employee's employment hereunder without Cause at any time, with or without notice, for any reason or no reason (and no reason need be given).

(c) Mutual Agreement. This Agreement and the Employee's employment hereunder may be terminated by the mutual written agreement of the Employer and the Employee.

(d) Termination by Death or Disability. This Agreement and the Employee's employment hereunder shall automatically terminate upon the Employee's death or Disability.

(e) Resignation. The Employee may terminate this Agreement and his employment hereunder without Good Reason upon 90 days advance written notice to the Employer. In addition, the Employee may terminate this Agreement and his employment hereunder with Good Reason as of the Early Resignation Date.

(f) Nonrenewal. If either party delivers to the other a Notice of Nonrenewal, this Agreement and the Employee's employment hereunder shall automatically terminate as of the next scheduled Renewal Date to which the Notice of Nonrenewal relates.

12. Compensation upon Termination.

(a) General. In the event of the Employee's termination of employment for any reason, the Employee or his estate or beneficiaries shall have the right to receive the following:

(i) the unpaid portion of the Base Salary and paid time off accrued and payable through the Termination Date;

(ii) reimbursement for any expenses for which the Employee shall not have been previously reimbursed, as provided in Section 4(d); and

(iii) continuation of health insurance coverage rights, if any, as required under applicable law.

(b) Termination for Cause; Resignation without Good Reason; Mutual Agreement; Nonrenewal by the Employee; Death or Disability.

(i) In the event of the Employee's termination of employment by reason of (A) a termination by the Employer for Cause, (B) resignation by the Employee without Good Reason or (C) mutual agreement, the Employer shall have no current or further obligations (including Base Salary) to the Employee under this Agreement other than as set forth in Section 6(a).

(ii) In the event of the Employee's termination of employment by reason of (A) the Employee's death, (B) the Employee's Disability or (C) delivery by the

Employee of a Notice of Nonrenewal, the Employer shall have no current or further obligations (including Base Salary) to the Employee under this Agreement other than as set forth in Section 6(a) and payment of any Bonus for any calendar year preceding the calendar year in which termination occurs which has not yet been paid, payable at the time bonuses for such calendar year are otherwise payable to senior executives of the Employer ("Prior Year Bonus").

(c) Termination without Cause, Resignation with Good Reason or Nonrenewal by the Employer. In the event of the Employee's termination of employment hereunder by reason of (i) a termination by the Employer without Cause, (ii) resignation by the Employee with Good Reason or (iii) delivery by the Employer of a Notice of Nonrenewal, the Employer shall pay or provide to the Employee the payments and benefits set forth in Section 6(a) and payment of any Prior Year Bonus. In addition, subject to the Employee's execution and non-revocation of a customary general waiver and release of claims in such form as provided by the Employer (a "Release") in accordance with Section 6(d) and the Employee's continued full performance of obligations under Sections 10 and 11, and in lieu of any severance benefits that may be payable to the Employee under a separate severance agreement or an executive severance plan as a result of such termination, the Employer shall pay or provide to the Employee the following (the "Severance Benefits"):

(i) severance pay in an aggregate amount equal to two (2.0) times the sum of (1) Base Salary plus (2) the Target Bonus Percentage, paid in substantially equal installments over the 24-month period following the Termination Date in accordance with the Employer's normal payroll practices;

(ii) the amount of the Bonus, if any, which would have been payable to the Employee for the calendar year in which the Termination Date occurs, determined after the end of the calendar year in which such Termination Date occurs and equal to the amount which would have been payable to the Employee if his employment had not been terminated during such calendar year (*i.e.*, not prorated for the year of termination); it being understood that any Bonus payable under this clause (ii) shall be paid in a lump sum at the time bonuses for such calendar year are otherwise payable to senior executives of the Employer; and

(iii) if the Employee elects COBRA benefits, the Employer shall pay or reimburse the Employee's share of the premium for such COBRA benefits until the earlier of (A) the first annual anniversary of Termination Date; or (B) the date that the Employee is eligible to receive health benefits through new employment; it being understood that (x) the Employee is required to notify the Employer immediately if he begins new employment during such period and to repay promptly any excess benefits contributions made by the Employer; and (y) after the Employer's payment or reimbursement obligation ends, the Employee may continue benefits coverage for the remainder of the COBRA period, if any, by paying the full premium cost of such benefits.

(d) Release Condition. Notwithstanding anything to the contrary in this Agreement, to the extent that any payments due under this Agreement as a result of the

termination of the Employee's employment are subject to the Employee's execution and delivery of a Release, (i) no such payments shall be made prior to the first normal payroll date of the Employer occurring on or after the Release Effective Date, (ii) the Employer shall deliver the Release to the Employee within ten business days following the Termination Date, (iii) if the Employee fails to execute the Release on or prior to the Release Expiration Date (as defined below) or the Employee timely revokes his acceptance of the Release within the seven day period following the Release Expiration Date, the Employee shall not be entitled to the Severance Benefits otherwise conditioned on the Release, and (iv) if the Employee executes the Release on or prior to the Release Expiration Date and does not timely revoke his acceptance of the Release within the seven day period following the Release Expiration Date, any Severance Benefits that would otherwise have been paid to the Employee prior to the first normal payroll date of the Employer occurring on or after the Release Effective Date but for clause (i) above shall be paid on the first normal payroll date of the Employer occurring on or after the Release Effective Date. For purposes of this Section 6(d), "Release Expiration Date" shall mean the date that is 21 days following the date upon which the Employer timely delivers the Release to the Employee, or, in the event that termination of the Employee's employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is 45 days following such delivery date, and "Release Effective Date" shall mean the eighth day following the Release Expiration Date, provided that the Employee executes the Release on or prior to the Release Expiration Date and does not timely revoke his acceptance of the Release within the seven day period following the Release Expiration Date.

(e) Exclusive Remedy. The rights of the Employee set forth in this Section 6 are intended to be the Employee's exclusive remedy for termination and any severance benefits related thereto and, to the greatest extent permitted by applicable law, the Employee waives all other remedies.

13. Insurance. The Employer or one of its Affiliates may, for its own benefit, maintain "key man" life and disability insurance policies covering the Employee. The Employee will cooperate with the Employer or its Affiliates and provide such information or other assistance as they may reasonably request in connection with obtaining and maintaining such policies.

14. The Employee's Termination Obligations. The Employee hereby acknowledges and agrees that all personal property and equipment furnished to or prepared by the Employee in the course of or incident to his employment hereunder belongs to the Employer and shall be promptly returned to the Employer upon termination of the Employee's employment or, at any event, at the Employer's request. The term "personal property" includes, without limitation, all office equipment, laptop computers, cell phones, books, manuals, records, reports, notes, contracts, requests for proposals, bids, lists, blueprints, and other documents, or materials, or copies thereof (including computer files), and all other proprietary and non-proprietary information relating to the business of the Employer. Following termination of his employment hereunder, the Employee will not retain any written or other tangible material containing any proprietary or non-proprietary information of the Employer.

15. Acknowledgment of Protectable Interests. The Employee acknowledges and agrees that his employment with the Employer involves building and maintaining business relationships and good will on behalf of the Employer with customers, patients, physicians and other professional contractors, employees and staff, and various providers and users of health care services; that he is entrusted with proprietary, strategic and other confidential information which is of special value to the Employer; and that the foregoing matters are significant interests that the Employer is entitled to protect.

16. Confidential Information. All Confidential Information that comes or has come into the Employee's possession by reason of his employment hereunder is the property of the Employer and shall not be used except in the course of employment by the Employer and for the Employer's exclusive benefit. Further, the Employee shall not, during his employment or thereafter, disclose or acknowledge the content of any Confidential Information to any person who is not an employee of the Employer authorized to possess such Confidential Information. Upon termination of employment, the Employee shall deliver to the Employer all documents, writings, electronic storage devices, and other tangible things containing any Confidential Information and the Employee shall not make or retain copies, excerpts, or notes of such information.

17. Restrictive Covenants.

(a) During the Employment Period, the Employee shall not, directly or indirectly, without written approval by the Board, accept or perform any work, consulting, or other services for any other business entity or for remuneration of any kind. Without limiting the foregoing, during the Employment Period, the Employee shall not, directly or indirectly, without written approval by the Board, engage in activities or businesses (including, without limitation, owning any interest in, managing, controlling, participating in, consulting with, advising, rendering services for, or in any manner engaging in the business of owning, operating or managing any business) that are principally or primarily involved in holding, managing or acquiring investments in the healthcare industry or other similar business in which the Employer is engaged (or so engage with, for or on behalf of any customer of the Employer), provided, however, that neither (i) the passive ownership by the Employee of not more than 2.0% of the outstanding equity securities of a publicly traded company nor (ii) the Employee's ownership of the securities or interests described on Schedule 1 shall constitute a violation of this Section 11(a). If the Employee acquires knowledge of a business venture which may be a business venture or prospective business venture ("Corporate Opportunity") in which the Employer could have an interest or expectancy, or otherwise is exploiting any Corporate Opportunity, the Employee shall promptly bring such opportunity to the Employer. The Employee shall not have the right to hold any such Corporate Opportunity for his own account or benefit (or for the account or benefit of his agents', partners' or Affiliates'), or to recommend, assign or otherwise transfer or deal in such Corporate Opportunity with Persons other than the Employer.

(b) During the Employment Period and for a period of one year thereafter, the Employee shall not, directly or indirectly, solicit, induce or encourage any employee of the Employer to terminate his or her employment with the Employer or hire or attempt to hire any employee of the Employer.

(c) During the Employment Period and for a period of one year thereafter, the Employee shall not, directly or indirectly, use the Employer's Confidential Information to induce, attempt to induce or knowingly encourage any Customer (as defined below) of the Employer to divert any business or income from the Employer, or to stop or alter the manner in which it is then doing business with the Employer. The term "Customer" with respect to the Employer shall mean any individual or business firm that is, or within the prior 24 months was, a customer or client of the Employer, or whose business was actively solicited by the Employer at any time, regardless of whether such customer or client was generated, in whole or in part, by the Employee's efforts.

(d) During the Employment Period and thereafter, the Employee shall not make any disparaging statement concerning the Employer or its Affiliates, or their respective predecessors and successors, or any of the current or former directors, employees, officers, managers, shareholders, partners, members, agents or representatives of any of the foregoing (the "Protected Persons") to the extent such statement could be reasonably likely to damage the reputation and/or financial position of any of the Protected Persons. Notwithstanding the foregoing, nothing herein shall or shall be deemed to prevent or impair the Employee from (i) testifying truthfully in any legal or administrative proceeding if such testimony is compelled or requested, (ii) making competitive-type statements that are normal and customary for the industry in the context of product or service comparisons and the like, or (iii) making good faith statements in the good faith performance of the Employee's duties for the Employer or its Affiliates.

(e) The Employee acknowledges that the provisions of Sections 10 and 11 are reasonable and necessary to protect the continuing interests of the Employer, and any violation of Sections 10 and 11 will result in irreparable injury to the Employer, the exact amount of which will be difficult to ascertain, and that the remedies at law for any such violation would not reasonably or adequately compensate the Employer for such violation. Accordingly, the Employee agrees that if the Employee violates any of the provision of Sections 10 and 11, in addition to any other remedy that may be available at law or in equity, the Employer shall be entitled to specific performance and injunctive relief, without the necessity of proving actual damages or posting of a bond or other security.

18. Damages For Improper Termination With Cause. If the Employer terminates this Agreement and the Employee's employment hereunder for Cause, but it subsequently is determined by a court of competent jurisdiction, as the case may be, that the Employer did not have Cause for the termination, then for purposes of this Agreement, the Employer's decision to terminate shall be deemed to have been a termination without Cause, and the Employer shall be obligated to pay the Severance Benefits specified under Section 6(c), and, subject to Section 24 hereof, only that amount.

19. Arbitration.

(a) Except as provided in Section 13(b) below, any controversy or dispute arising out of, based upon, or relating to this Agreement, its enforcement or interpretation, or because of an alleged breach, default, or misrepresentation in connection

with any of its provisions, or arising out of, based upon, or relating in any way to the Employee's employment or association with the Employer, or termination of the same, including, without limiting the generality of the foregoing, any questions regarding whether a particular dispute is arbitrable, and any alleged violation of statute, common law or public policy, including, but not limited to, any state or federal statutory claims, shall be submitted to final and binding arbitration in Orange County, California, in accordance with the JAMS Employment Arbitration Rules and Procedures, before a single neutral arbitrator selected from the JAMS panel, or if JAMS is no longer able to supply the arbitrator, such arbitrator shall be selected from the American Arbitration Association, in accordance with its National Rules for the Resolution of Employment Disputes (the arbitrator selected hereunder, the "Arbitrator"). Provisional injunctive relief may, but need not, be sought by either party to this Agreement in a court of law while arbitration proceedings are pending, pursuant to California Code of Civil Procedure section 1281.8, and any provisional injunctive relief granted by such court shall remain effective until the matter is finally determined by the Arbitrator. Final resolution of any dispute through arbitration may include any remedy or relief which the Arbitrator deems just and equitable, including any and all remedies provided by applicable state or federal statutes. At the conclusion of the arbitration, the Arbitrator shall issue a written decision that sets forth the essential findings and conclusions upon which the Arbitrator's award or decision is based. Any award or relief granted by the Arbitrator hereunder shall be final and binding on the parties hereto and may be enforced by any court of competent jurisdiction. To the extent permitted by law, the arbitrator's fees and arbitration expenses and any other costs associated with the arbitration or arbitration hearing that are unique to arbitration will be borne equally by each party. The parties shall each pay their own deposition, witness, expert and attorneys' fees and other expenses as and to the same extent as if the matter were being heard in court, provided that the arbitrator may in its discretion award costs to the prevailing party if it determines that to be appropriate.

(b) Notwithstanding the foregoing, the Employee agrees that it would be difficult to measure any damages caused to the Employer which might result from any breach by the Employee of the covenants set forth in Sections 10, 11, 14 or 15, and that in any event, money damages would be an inadequate remedy for any such breach. Accordingly, if the Employee has breached, breaches, or proposes to breach Sections 10, 11, 14 or 15, the Employer shall be entitled, in addition to all other remedies such party may have, to a temporary, preliminary or permanent injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the non-breaching party from any court having competent jurisdiction over either party.

(c) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL, INCLUDING ANY RIGHTS TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES AGAINST THE OTHER IN CONNECTION WITH ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR THE PROVISION OF SERVICES UNDER THIS AGREEMENT.

20. Cooperation. Upon the receipt of reasonable notice from the Employer (including from outside counsel to the Employer), the Employee agrees that while

employed by the Employer and after the termination of the Employee's employment for any reason, the Employee will respond and provide information with regard to matters in which the Employee has knowledge as a result of the Employee's employment with the Employer, and will provide reasonable assistance to the Employer, its Affiliates and their respective representatives in defense of any claims that may be made against the Employer or its Affiliates, and will assist the Employer and its Affiliates in the prosecution of any claims that may be made by the Employer or its Affiliates, to the extent that such claims may relate to the period of the Employee's employment with the Employer, provided, that with respect to periods after the termination of the Employee's employment, the Employer shall reimburse the Employee for any reasonable out-of-pocket expenses incurred in providing such assistance and, with respect to any period in which the Employee is required to provide more than ten hours of assistance per week after his termination of employment but is not receiving severance payments from the Employer or its Affiliates, and is not testifying, the Employer shall pay the Employee a reasonable amount of money for his services at a reasonable rate agreed to between the Employer and the Employee; and provided further that after the Employee's termination of employment with the Employer, such assistance shall not unreasonably interfere with the Employee's business or personal obligations. The Employee agrees to promptly inform the Employer if the Employee becomes aware of any lawsuits involving such claims that may be filed or threatened against the Employer or its Affiliates. The Employee also agrees to promptly inform the Employer (to the extent the Employee is legally permitted to do so) if the Employee is asked to assist in any investigation of the Employer or its Affiliates (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Employer or its Affiliates with respect to such investigation, and shall not do so unless legally required.

21. Disclosure and Assignment of Inventions and Improvements. Without prejudice to any other duties express or implied imposed on the Employee hereunder it shall be part of the Employee's normal duties at all times to consider in what manner and by what methods or devices the products, services, processes, equipment or systems of the Employer and any customer or vendor of the Employer might be improved and promptly to give to the Chief Executive Officer of the Employer or his or her designee full details of any improvement, invention, research, development, discovery, design, code, model, suggestion or innovation (collectively called "Work Product"), which the Employee (alone or with others) may make, discover, create or conceive in the course of the Employee's employment. The Employee acknowledges that the Work Product is the property of the Employer. To the extent that any of the Work Product is capable of protection by copyright, the Employee acknowledges that it is created within the scope of the Employee's employment and is a work made for hire. To the extent that any such material may not be a work made for hire, the Employee hereby assigns to the Employer all rights in such material. To the extent that any of the Work Product is an invention, discovery, process or other potentially patentable subject matter (the "Inventions"), the Employee hereby assigns to the Employer all right, title, and interest in and to all Inventions. The Employer acknowledges that the assignment in the preceding sentence does not apply to an Invention that the Employee develops entirely on his own time without using the Employer's equipment, supplies, facilities or trade secret information, except for those Inventions that either:

(i) relate at the time of conception or reduction to practice of the Invention to the Employer's business, or actual or demonstrably anticipated research or development of the Employer, or

(ii) result from any work performed by the Employee for the Employer.

Execution of this Agreement constitutes the Employee's acknowledgment of receipt of written notification of this Section 15 and of notice of the general exception to assignments of Inventions provided under the Uniform Employee Patents Act, in the form adopted by the state having jurisdiction over this Agreement or provision, or any comparable applicable law.

22. Representations and Warranties; Advice of Counsel.

(a) The Employee represents and warrants that (i) he is under no contractual or other obligation that would prevent him from accepting the Employer's offer of employment as set forth herein, (ii) he has the full right, authority and capacity to enter into this Agreement and to perform his obligations hereunder, (iii) the execution of this Agreement and the performance of his obligations hereunder will not breach or be in conflict with any other agreement to which the Employee is a party or is bound, and (iv) the Employee is not now subject to, and has not previously violated, any covenants against competition, solicitation, hire or similar covenants, any court order or other legal obligation, or other agreement that would affect the performance of his obligations hereunder or would otherwise conflict with, prevent or restrict the full performance of his duties and obligations to the Employer or any of its Affiliates before, during or after the Employment Period. The Employee covenants that he will not disclose or use on behalf of the Employer or its Affiliates any proprietary information of a third party without such party's consent.

(b) Prior to execution of this Agreement, the Employee was advised by the Employer of the Employee's right to seek independent advice from an attorney of the Employee's own selection regarding this Agreement. The Employee acknowledges that the Employee has entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after being given the opportunity to consult with counsel. The Employee further represents that in entering into this Agreement, the Employee is not relying on any statements or representations made by any of the directors, officers, employees or agents of the Employer or any of its Affiliates which are not expressly set forth herein, and that the Employee is relying only upon the Employee's own judgment and any advice provided by the Employee's attorney.

23. Entire Agreement. This Agreement is intended by the parties to be the final expression of their agreement with respect to the employment of the Employee by the Employer and may not be contradicted by evidence of any prior or contemporaneous agreement (including, without limitation any term sheet or similar agreement entered into between the Employer or any Affiliate and the Employee), and shall supersede in its entirety the prior Employment Agreement entered into by and between the Employee and the Employer, dated as of April 18, 2014, as amended from time to time (provided that the

Employee's obligations under the prior agreement shall continue to apply). The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

24. No Other Representations. Except as expressly provided in this Agreement, (i) no person or entity has made or has the authority to make any representations or promises on behalf of any of the parties which are inconsistent with the representations or promises contained in this Agreement, and (ii) this Agreement has not been executed in reliance on any representations or promises not set forth herein. Specifically, no promises, warranties or representations have been made by anyone on any topic or subject matter related to the Employee's relationship with the Employer or any of its Affiliates or any of their executives or employees, including but not limited to any promises, warranties or representations regarding future employment, compensation, benefits, any entitlement to equity interests in the Employer or any of its Affiliates or regarding the termination of the Employee's employment. In this regard, the Employee agrees that no promises, warranties or representations shall be deemed to be made in the future unless they are set forth in writing and signed by an authorized representative of the Employer.

25. Amendments. This Agreement may be modified only by agreement of the parties by a written instrument executed by the parties that is designated as an amendment to this Agreement.

26. Severability and Non-Waiver/Survival. Any provision of this Agreement (or portion thereof) which is deemed invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction and subject to this Section 20, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions thereof in such jurisdiction or rendering such provision or any other provision of this Agreement invalid, illegal, or unenforceable in any other jurisdiction. If any covenant should be deemed invalid, illegal or unenforceable because its scope is considered excessive, such covenant shall be modified so that the scope of the covenant is reduced only to the minimum extent necessary to render the modified covenant valid, legal and enforceable. No waiver of any provision or violation of this Agreement by the Employer shall be implied by the Employer's forbearance or failure to take action. The expiration or termination of the Employment Period and this Agreement shall not impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such expiration or termination.

27. Successor/Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, executors, administrators, successors, and assigns, provided, however, that the Employee may not assign any or all of his rights or duties hereunder. The Employee shall be entitled, to the extent permitted under applicable law, to select and change a beneficiary or beneficiaries to receive any compensation or benefit hereunder following the Employee's death by giving written notice thereof. In the event of the Employee's death or a judicial determination of his incompetence, references in this Agreement to the Employee shall be deemed, where appropriate, to refer to his beneficiary, estate or other legal representative.

28. Voluntary and Knowledgeable Act. The Employee represents and warrants that the Employee has read and understands each and every provision of this Agreement and has freely and voluntarily entered into this Agreement.

29. Choice of Law. This Agreement shall be construed and enforced under and be governed as to its validity and effect by the laws of the State of California without regard to the conflict of laws principles thereof.

30. Attorneys' Fees. If any dispute between the parties should result in litigation, the prevailing party in such dispute shall be entitled to recover from the other party all reasonable out-of-pocket fees, costs and expenses of enforcing any right of the prevailing party, including without limitation, reasonable attorneys' fees and expenses, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment and an award of prejudgment interest from the date of the breach at the maximum rate of interest allowed by law. For the purposes of this Section 24: (a) attorneys' fees include, without limitation, fees incurred in the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor and third party examinations; (iv) discovery and (v) bankruptcy litigation, and (b) "prevailing party" means the party who is determined in the proceeding to have prevailed or who prevails by dismissal, default or otherwise.

31. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

32. Notices. Except as otherwise provided for herein, all notices and other communications provided for hereunder shall be in writing (including facsimile communication and electronic mail) and mailed (via registered or certified mail), telecopied or delivered to the party for whom it is intended at the address, telecopier number or e-mail address set forth below or, as to each party, at such other address as designated by that party in a written notice to the other parties. All notices and communications shall be deemed to have been validly served, given or delivered (i) if personally delivered, upon receipt or refusal to accept delivery, (ii) if sent via facsimile, upon mechanical confirmation of successful transmission thereof generated by the sending facsimile machine, (iii) if sent by a commercial overnight courier for delivery on the next business day, on the first business day after deposit with such courier service (or the second business day if sent to an address not in the United States), (iv) if sent by registered or certified mail, three days after deposit thereof in the United States mail, or (v) if sent by electronic mail, one business day after transmission when directed to the appropriate e- mail address (provided that the party giving notice must verify the e-mail address of the recipient prior to transmission):

(a) if to the Employee, to him at his most recent address in the Employer's records,

(b) If to the Employer, to:

Alignment Healthcare USA, LLC 4 Park Plaza Drive, #500
Irvine, CA 92614
Facsimile: (949) 679-0005
E-mail: mfoster@alignmenthealthcare.com Attention: Corporate Secretary

with a copy to: Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas New York, New York 10019-6064 Fax: (212) 757-3990
Email: lwitdorchic@paulweiss.com Attention: Lawrence I. Witdorchic

or to such other address as the recipient party to whom notice is to be given may have furnished to the other party in writing in accordance herewith.

35. Descriptive Headings; Nouns and Pronouns. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice-versa.

36. Non-Qualified Deferred Compensation. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof. For purposes of Section 409A of the Code, each of the payments that may be made hereunder is designated as a separate payment and, for the avoidance of doubt and without limiting the foregoing, the Employee's right to receive installment payments pursuant to Section 6(c) shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of expenses or in-kind benefits constitutes "deferred compensation" under Section 409A of the Code, such reimbursement or benefit shall be provided no later than December 31 of the year following the year in which the expense was incurred. The reimbursements under this Agreement are not subject to liquidation or exchange for another benefit, and the amount of expenses reimbursed in one taxable year shall not affect the amount eligible for reimbursement in any other taxable year. Notwithstanding any provision of this Agreement to the contrary, in the event that the Employer determines that any amounts payable hereunder will be immediately taxable to the Employee under Section 409A of the Code and related Department of Treasury guidance, the Employer reserves the right (without any obligation to do so or to indemnify the Employee for failure to do so) to (a) adopt such amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Employer determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by

this Agreement, to preserve the economic benefits of this Agreement and to avoid less favorable accounting or tax consequences for the Employer and/or (b) take such other actions as the Employer determines necessary or appropriate to exempt the amounts payable hereunder from Section 409A of the Code and related Department of Treasury guidance, or to comply with the requirements of Section 409A of the Code and related Department of Treasury guidance, including such Department of Treasury guidance and other interpretive materials as may be issued after the date hereof, and avoid the applicable of penalty taxes thereunder. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A of the Code from the Employee or any other individual to the Employer or any of its Affiliates, employees or agents. To the extent any amounts under this Agreement are payable by reference to Employee's "termination of employment," such term and similar terms shall be deemed to refer to Employee's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, to the extent any payments hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A of the Code, then if the Employee is a specified employee (within the meaning of Section 409A of the Code) as of the date of Employee's separation from service, each such payment that is payable upon the Employee's separation from service and would have been paid prior to the six-month anniversary of Employee's separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following the Employee's separation from service or (ii) the date of the Employee's death.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date first written above.

ALIGNMENT HEALTHCARE USA, LLC

By: /s/ Supriya Sood

Name: Supriya Sood

Title: Chief People Officer

/s/ John Kao
John E. Kao, individually

SCHEDULE l

LIST OF SECURITIES AND INTERESTS OWNED

NA

Exhibit 10.10

AMENDED & RESTATED EMPLOYMENT AGREEMENT BETWEEN ALIGNMENT HEALTHCARE USA, LLC AND DAWN MARONEY MARCH 26, 2021

AMENDED & RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED & RESTATED EMPLOYMENT AGREEMENT is made and entered into as of March 26, 2021, by and between Alignment Healthcare USA, LLC, a California corporation (the "Employer"), and Dawn Maroney (the "Employee").

WHEREAS, the Employer desires to continue to employ the Employee, and the Employee desires to accept such employment, on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. Definitions. Generally, defined terms used in this Agreement are defined in the first instance in which they appear herein. In addition, the following terms and phrases have the following meanings:

"Affiliate" means, when used with reference to a specified Person, (a) any Person who directly or indirectly controls, is controlled by or is under common control with the specified Person, (b) any Person who is an officer, director, partner, member, manager or trustee of, or serves in a similar capacity with respect to, the specified Person, or for which the specified Person is an officer, director, partner, member or manager or trustee or serves in a similar capacity, (c) any Person who, directly or indirectly, is the beneficial owner of 10% or more of any class of equity securities of the specified Person, or of which the specified Person, directly or indirectly, is the owner of 10% or more of any class of equity securities and (d) any member of such specified Person's immediate family.

"Board" means the board of directors of Alignment Healthcare, Inc. or any other Person the Board has appointed or delegated authority.

"Cause" means the Employee's:

(i) failure to devote substantially all her working time to the business of the Employer and its Affiliates;

(ii) willful disregard of her duties, or her intentional failure to act where the taking of such action would be in the ordinary course of the Employee's duties hereunder, provided that the Employee is first given 30 days prior written notice of such conduct in order for the Employee to cure such alleged conduct during such period of time;

(iii) violation or breach of the provisions, representations or covenants of Sections 10, 11, 15 or 16(a);

(iv) gross negligence or willful misconduct in the performance of her duties hereunder;

(v) commission of any act of fraud, theft or financial dishonesty, or any felony or criminal act involving moral turpitude; or

(vi) unlawful use (including being under the influence) of alcohol or drugs or possession of illegal drugs while on the premises of the Employer or any of its Affiliates or while performing duties and responsibilities to the Employer and its Affiliates.

"Confidential Information" means all proprietary and other information relating to the business and operations of the Employer and its Affiliates, which has not been specifically designated for release to the public by an authorized representative of the Employer or one of its Affiliates, including, but not limited to the following: (i) information, observations, procedures and data concerning the business or affairs of the Employer or any of its Affiliates; (ii) products or services; (iii) costs and pricing structures; (iv) analyses; (v) drawings, photographs and reports; (vi) computer software, including operating systems, applications and program listings; (vii) flow charts, manuals and documentation; (viii) data bases; (ix) accounting and business methods; (x) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice; (xi) customers, vendors, suppliers and customer, vendor and supplier lists; (xii) business goals, plans, techniques and strategies; (xiii) other copyrightable works; (xiv) all production methods, processes, technology and trade secrets; and (xv) all similar and related information in whatever form. Confidential Information also includes any information that the Employer or any of its Affiliates have received, or may receive hereafter, belonging to customers or other third parties with any understanding, express or implied, that the information would not be disclosed. Confidential Information will not include any information that has been published in a form generally available to the public prior to the date the Employee proposes to disclose or use such information (through no wrongful act of the Employee). Confidential Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

"Disability" means the Employee's inability, due to physical or mental illness or disability, to perform the essential functions of her employment with the Employer, even with reasonable accommodation that does not impose an undue hardship on the Employer, for more than 60 consecutive days, or for any 90 days within any one year period, unless a longer period is required by federal or state law, in which case such longer period will be applicable. The Employer reserves the right, in good faith, to make the determination of Disability under this Agreement based on information supplied by the Employee and/or her medical personnel, as well as information from medical personnel selected by the Employer or its insurers.

"Effective Date" means March 26, 2021.

"Employer" has the meaning set forth in the preamble; provided that, for purposes of Sections 8 through 15, "Employer" includes Alignment Healthcare, Inc. and all of its Subsidiaries and Affiliates. All references in this Agreement to Alignment

Healthcare, Inc. shall refer to Alignment Healthcare Holdings, LLC prior to its conversion into Alignment Healthcare, Inc. unless the context indicates otherwise.

"Good Reason" means:

(i) a material reduction during any 24 consecutive month period in Base Salary (as that term is defined in Section 4(a)) or in the Employee's annual total cash compensation opportunity (*i.e.*, Base Salary and Bonus Rate (as that term is defined in Section 4(b))), but excluding any reduction applicable to management employees generally;

(ii) a material breach of this Agreement by the Employer; or

(iii) a change in the Employee's principal work location to a location more than 50 miles from the Employee's prior work location and more than 50 miles from the Employee's principal residence as of the date of such change in work location.

Notwithstanding the foregoing provisions of this definition, Good Reason shall not exist (A) if the Employee has in her sole discretion agreed in writing that such event shall not be Good Reason or (B) unless, (I) within 60 days of the occurrence of the events claimed to be Good Reason the Employee notifies the Employer in writing of the reasons why he believes that Good Reason exists, (II) the Employer has failed to correct the circumstance that would otherwise be Good Reason within 30 days of receipt of such notice, and (III) the Employee terminates her employment within 60 days of such 30-day period (the date of such resignation, the "Early Resignation Date").

"Person" shall be construed broadly and shall include, without limitation, an individual, a partnership, an investment fund, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Subsidiary" or "Subsidiaries" of any Person means any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other Person), owns, directly or indirectly, 50% or more of the stock or other equity interests which are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal entity.

"Termination Date" means the effective date of the termination of the Employee's employment hereunder, which (i) in the case of termination due to resignation by the Employee without Good Reason, shall mean the date that is 90 days following the date of the Employee's written notice to the Employer of her resignation, or in the case of resignation by the Employee with Good Reason, shall mean the Early Resignation Date, provided, however, that in each case the Employer may accelerate the Termination Date;
(ii) in the case of termination by reason of the Employee's death, shall mean the date of death; (iii) in the case of termination by reason of Disability, shall mean the date specified in the notice of such termination delivered to the Employee by the Employer; (iv) in the

case of a termination by the Employer for Cause or without Cause, shall mean the date specified in the written notice of such termination delivered to the Employee by the Employer; (iv) in the case of termination by mutual agreement, shall mean the date mutually agreed to by the parties hereto, (v) in the case of termination due to either party's delivery to the other party of a Notice of Nonrenewal pursuant to Section 2, shall mean the next scheduled Renewal Date to which the Notice of Nonrenewal relates.

8. Employment. The Employer shall continue to employ the Employee, and the Employee accepts continued employment with the Employer, upon the terms and conditions set forth in this Agreement. The initial term of this Agreement (the "Initial Term") shall commence on the Effective Date and end on the first annual anniversary of the Effective Date; provided, however, that on the first annual anniversary of the Effective Date and each annual anniversary thereafter (each, a "Renewal Date"), the term of this Agreement shall be extended by one additional year (each, an "Extension Term," and collectively with the Initial Term, the "Employment Period") unless either party gives written notice to the other within 90 days in advance of the next scheduled Renewal Date that it does not wish to extend the Employment Period (such notice, a "Notice of Nonrenewal"); and provided, further, that the Employment Period may be sooner terminated as provided herein.

9. Position and Duties. During the Employment Period, the Employee shall serve as President, Markets (CA/NV/NC) and CEO, Alignment Healthplan CA of the Employer and as President, Markets (CA/NV/NC) and CEO, Alignment Healthplan CA of Alignment Healthcare, Inc., reporting to the Board and the Chief Executive Officer of Employer, and shall have the usual and customary duties, responsibilities and authority of such position, and, if elected or appointed thereto, shall serve as an officer and/or member of the board or any Subsidiary or Affiliate of the Employer as reasonably requested by the Employer and its Affiliates, in each case, without additional compensation hereunder. The Employee hereby accepts such employment and positions and agrees to diligently and conscientiously devote her full and exclusive business time, attention, and best efforts in discharging and fulfilling her duties and responsibilities hereunder. The Employee shall comply with the Employer's policies and procedures and the direction and instruction of the Board and the Employee shall not engage in any business activity which, in the reasonable judgment of the Board, conflicts with the duties of the Employee hereunder, whether or not such activity is pursued for gain, profit or other pecuniary advantage.

10. Compensation.

(a) Salary. During the Employment Period, the Employer shall pay the Employee the Base Salary, less applicable deductions and withholdings. "Base Salary" shall mean the Employee's base salary, as may be increased from time to time at the discretion of the Employer. The initial rate of the Employee's Base Salary shall equal $550,000 per annum.

(b) Performance Bonus. In addition to the Base Salary, during the Employment Period, the Employee shall be eligible to receive a cash bonus (the "Bonus") with respect to each calendar year as of the last day of which the Employee is employed

by the Employer. The amount of the Bonus, if any, payable in respect of any calendar year will be determined based on the achievement of performance goals established for the Employee by the Board or compensation committee of the Board (the "Compensation Committee") within the first 90 days of such year (or with respect to the first calendar year hereunder, within the first 30 days of the commencement of the Employment Period) (the "Performance Targets"). The target Bonus (the "Target Bonus Percentage") and the maximum Bonus (the "Maximum Bonus Percentage") in respect of each calendar year will equal 85% and 170%, respectively, of the Base Salary payable to the Employee for such year. Performance Targets may be based on quantitative performance objectives for the Employer or one or more of its Affiliates or Subsidiaries or business units or divisions thereof, and/or may be based on individual quantitative or qualitative performance objectives or any combination of the foregoing. The calculation of the achievement of Performance Targets for each year shall be determined by the Board or Compensation Committee thereof in its good faith discretion. For the avoidance of doubt, the Bonus in respect of calendar year 2021 shall be prorated such that the Bonus for the period of (i) January 1, 2021 through March 25, 2021 shall be based on a Base Salary equal to $500,000 per annum and a Target Bonus Percentage and Maximum Bonus Percentage equal to 35% and 70%, respectively, and (ii) March 26, 2021 through December 31, 2021 shall be based on a Base Salary equal to $550,000 per annum and a Target Bonus Percentage and Maximum Bonus Percentage equal to 85% and 170%, respectively. The Bonus, if any, payable with respect to a calendar year shall be paid within 30 days following the rendering of the Employer's audited financial statements for the relevant calendar year, but not later than June 1st of the year immediately following such relevant calendar year, provided that (except as set forth in Section 6) the Employee remains employed with the Employer or one of its Affiliates through the applicable payment date.

(c) Employee Benefits. During the Employment Period, retirement, health and welfare benefits shall be subject to the Employer's policies and practices and the terms of the applicable benefit plans and arrangements as in effect from time to time. The Employee shall accrue paid-time off at the rate of five (5) weeks per twelve (12) months of employment.

(d) Reimbursements. The Employer shall reimburse the Employee for all reasonable and necessary business-related expenses incurred by her in the course of performing her duties under this Agreement which are consistent the Employer's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Employer's requirements with respect to reporting and documentation of such expenses.

(e) Deductions and Withholding. The Employer shall deduct from any payments to be made by it to or on behalf of the Employee under this Agreement any amounts required to be withheld in respect of any federal, state or local income or other taxes.

(f) Annual Review of Base Salary and Bonus Percentages. The Board (or the Compensation Committee) shall undertake a review of rate of Base Salary and the Target Bonus Percentage and Maximum Bonus Percentage (the "Bonus Percentages") not

less frequently than annually during the Employment Period and may increase, but not decrease, the rate of Base Salary and the Bonus Percentages from those then in effect.

11. Termination of Employment. The Employee's employment under this Agreement shall be terminated upon the earliest to occur of the following events:

(a) Termination for Cause. The Employer may in its sole discretion terminate this Agreement and the Employee's employment hereunder for Cause at any time and with or without advance notice to the Employee.

(b) Termination without Cause. The Employer may terminate this Agreement and the Employee's employment hereunder without Cause at any time, with or without notice, for any reason or no reason (and no reason need be given).

(c) Mutual Agreement. This Agreement and the Employee's employment hereunder may be terminated by the mutual written agreement of the Employer and the Employee.

(d) Termination by Death or Disability. This Agreement and the Employee's employment hereunder shall automatically terminate upon the Employee's death or Disability.

(e) Resignation. The Employee may terminate this Agreement and her employment hereunder without Good Reason upon 90 days advance written notice to the Employer. In addition, the Employee may terminate this Agreement and her employment hereunder with Good Reason as of the Early Resignation Date.

(f) Nonrenewal. If either party delivers to the other a Notice of Nonrenewal, this Agreement and the Employee's employment hereunder shall automatically terminate as of the next scheduled Renewal Date to which the Notice of Nonrenewal relates.

12. Compensation upon Termination.

(a) General. In the event of the Employee's termination of employment for any reason, the Employee or her estate or beneficiaries shall have the right to receive the following:

(i) the unpaid portion of the Base Salary and paid time off accrued and payable through the Termination Date;

(ii) reimbursement for any expenses for which the Employee shall not have been previously reimbursed, as provided in Section 4(d); and

(iii) continuation of health insurance coverage rights, if any, as required under applicable law.

(b) Termination for Cause; Resignation without Good Reason; Mutual Agreement; Nonrenewal by the Employee; Death or Disability.

(i) In the event of the Employee's termination of employment by reason of (A) a termination by the Employer for Cause, (B) resignation by the Employee without Good Reason or (C) mutual agreement, the Employer shall have no current or further obligations (including Base Salary) to the Employee under this Agreement other than as set forth in Section 6(a).

(ii) In the event of the Employee's termination of employment by reason of (A) the Employee's death, (B) the Employee's Disability or (C) delivery by the Employee of a Notice of Nonrenewal, the Employer shall have no current or further obligations (including Base Salary) to the Employee under this Agreement other than as set forth in Section 6(a) and payment of any Bonus for any calendar year preceding the calendar year in which termination occurs which has not yet been paid, payable at the time bonuses for such calendar year are otherwise payable to senior executives of the Employer ("Prior Year Bonus").

(c) Termination without Cause, Resignation with Good Reason or Nonrenewal by the Employer. In the event of the Employee's termination of employment hereunder by reason of (i) a termination by the Employer without Cause, (ii) resignation by the Employee with Good Reason or (iii) delivery by the Employer of a Notice of Nonrenewal, the Employer shall pay or provide to the Employee the payments and benefits set forth in Section 6(a) and payment of any Prior Year Bonus. In addition, subject to the Employee's execution and non-revocation of a customary general waiver and release of claims in such form as provided by the Employer (a "Release") in accordance with Section 6(d) and the Employee's continued full performance of obligations under Sections 10 and 11, and in lieu of any severance benefits that may be payable to the Employee under a separate severance agreement or an executive severance plan as a result of such termination, the Employer shall pay or provide to the Employee the following (the "Severance Benefits"):

(i) severance pay in an aggregate amount equal to one (1.0) times the sum of (1) Base Salary plus (2) the Target Bonus Percentage, paid in substantially equal installments over the 12-month period following the Termination Date in accordance with the Employer's normal payroll practices;

(ii) a *pro rata* amount of the Bonus, if any, which would have been payable to the Employee for the calendar year in which the Termination Date occurs, determined after the end of the calendar year in which such Termination Date occurs and equal to the amount which would have been payable to the Employee if Employee's employment had not been terminated during such calendar year multiplied by the fraction, the numerator of which is the number of whole months the Employee was employed by the Employer during such calendar year and the denominator of which is 12; it being understood that any *pro rata* bonus payable under this clause (ii) shall be paid in a lump sum at the time bonuses for such calendar year are otherwise payable to senior executives of the Employer; and

(iii) if the Employee elects COBRA benefits, the Employer shall pay or reimburse the Employee's share of the premium for such COBRA benefits until the earlier of (A) the first annual anniversary of Termination Date; or (B) the date that the Employee is eligible to receive health benefits through new employment; it being understood that (x) the Employee is required to notify the Employer immediately if she begins new employment during such period and to repay promptly any excess benefits contributions made by the Employer; and (y) after the Employer's payment or reimbursement obligation ends, the Employee may continue benefits coverage for the remainder of the COBRA period, if any, by paying the full premium cost of such benefits.

(d) Release Condition. Notwithstanding anything to the contrary in this Agreement, to the extent that any payments due under this Agreement as a result of the termination of the Employee's employment are subject to the Employee's execution and delivery of a Release, (i) no such payments shall be made prior to the first normal payroll date of the Employer occurring on or after the Release Effective Date, (ii) the Employer shall deliver the Release to the Employee within ten business days following the Termination Date, (iii) if the Employee fails to execute the Release on or prior to the Release Expiration Date (as defined below) or the Employee timely revokes her acceptance of the Release within the seven day period following the Release Expiration Date, the Employee shall not be entitled to the Severance Benefits otherwise conditioned on the Release, and (iv) if the Employee executes the Release on or prior to the Release Expiration Date and does not timely revoke her acceptance of the Release within the seven day period following the Release Expiration Date, any Severance Benefits that would otherwise have been paid to the Employee prior to the first normal payroll date of the Employer occurring on or after the Release Effective Date but for clause (i) above shall be paid on the first normal payroll date of the Employer occurring on or after the Release Effective Date. For purposes of this Section 6(d), "Release Expiration Date" shall mean the date that is 21 days following the date upon which the Employer timely delivers the Release to the Employee, or, in the event that termination of the Employee's employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is 45 days following such delivery date, and "Release Effective Date" shall mean the eighth day following the Release Expiration Date, provided that the Employee executes the Release on or prior to the Release Expiration Date and does not timely revoke her acceptance of the Release within the seven day period following the Release Expiration Date.

(e) Exclusive Remedy. The rights of the Employee set forth in this Section 6 are intended to be the Employee's exclusive remedy for termination and any severance benefits related thereto and, to the greatest extent permitted by applicable law, the Employee waives all other remedies.

13. Insurance. The Employer or one of its Affiliates may, for its own benefit, maintain "key man" life and disability insurance policies covering the Employee. The Employee will cooperate with the Employer or its Affiliates and provide such information or other assistance as they may reasonably request in connection with obtaining and maintaining such policies.

14. The Employee's Termination Obligations. The Employee hereby acknowledges and agrees that all personal property and equipment furnished to or prepared by the Employee in the course of or incident to her employment hereunder belongs to the Employer and shall be promptly returned to the Employer upon termination of the Employee's employment or, at any event, at the Employer's request. The term "personal property" includes, without limitation, all office equipment, laptop computers, cell phones, books, manuals, records, reports, notes, contracts, requests for proposals, bids, lists, blueprints, and other documents, or materials, or copies thereof (including computer files), and all other proprietary and non-proprietary information relating to the business of the Employer. Following termination of her employment hereunder, the Employee will not retain any written or other tangible material containing any proprietary or non-proprietary information of the Employer.

15. Acknowledgment of Protectable Interests. The Employee acknowledges and agrees that her employment with the Employer involves building and maintaining business relationships and good will on behalf of the Employer with customers, patients, physicians and other professional contractors, employees and staff, and various providers and users of health care services; that she is entrusted with proprietary, strategic and other confidential information which is of special value to the Employer; and that the foregoing matters are significant interests that the Employer is entitled to protect.

16. Confidential Information. All Confidential Information that comes or has come into the Employee's possession by reason of her employment hereunder is the property of the Employer and shall not be used except in the course of employment by the Employer and for the Employer's exclusive benefit. Further, the Employee shall not, during her employment or thereafter, disclose or acknowledge the content of any Confidential Information to any person who is not an employee of the Employer authorized to possess such Confidential Information. Upon termination of employment, the Employee shall deliver to the Employer all documents, writings, electronic storage devices, and other tangible things containing any Confidential Information and the Employee shall not make or retain copies, excerpts, or notes of such information.

17. Restrictive Covenants.

(a) During the Employment Period, the Employee shall not, directly or indirectly, without written approval by the Board, accept or perform any work, consulting, or other services for any other business entity or for remuneration of any kind. Without limiting the foregoing, during the Employment Period, the Employee shall not, directly or indirectly, without written approval by the Board, engage in activities or businesses (including, without limitation, owning any interest in, managing, controlling, participating in, consulting with, advising, rendering services for, or in any manner engaging in the business of owning, operating or managing any business) that are principally or primarily involved in holding, managing or acquiring investments in the healthcare industry or other similar business in which the Employer is engaged (or so engage with, for or on behalf of any customer of the Employer), provided, however, that neither (i) the passive ownership by the Employee of not more than 2.0% of the outstanding equity securities of a publicly traded company nor (ii) the Employee's ownership of the securities or interests described

on Schedule 1 shall constitute a violation of this Section 11(a). If the Employee acquires knowledge of a business venture which may be a business venture or prospective business venture ("Corporate Opportunity") in which the Employer could have an interest or expectancy, or otherwise is exploiting any Corporate Opportunity, the Employee shall promptly bring such opportunity to the Employer. The Employee shall not have the right to hold any such Corporate Opportunity for her own account or benefit (or for the account or benefit of her agents', partners' or Affiliates'), or to recommend, assign or otherwise transfer or deal in such Corporate Opportunity with Persons other than the Employer.

(b) During the Employment Period and for a period of one year thereafter, the Employee shall not, directly or indirectly, solicit, induce or encourage any employee of the Employer to terminate his or her employment with the Employer or hire or attempt to hire any employee of the Employer.

(c) During the Employment Period and for a period of one year thereafter, the Employee shall not, directly or indirectly, use the Employer's Confidential Information to induce, attempt to induce or knowingly encourage any Customer (as defined below) of the Employer to divert any business or income from the Employer, or to stop or alter the manner in which it is then doing business with the Employer. The term "Customer" with respect to the Employer shall mean any individual or business firm that is, or within the prior 24 months was, a customer or client of the Employer, or whose business was actively solicited by the Employer at any time, regardless of whether such customer or client was generated, in whole or in part, by the Employee's efforts.

(d) During the Employment Period and thereafter, the Employee shall not make any disparaging statement concerning the Employer or its Affiliates, or their respective predecessors and successors, or any of the current or former directors, employees, officers, managers, shareholders, partners, members, agents or representatives of any of the foregoing (the "Protected Persons") to the extent such statement could be reasonably likely to damage the reputation and/or financial position of any of the Protected Persons. Notwithstanding the foregoing, nothing herein shall or shall be deemed to prevent or impair the Employee from (i) testifying truthfully in any legal or administrative proceeding if such testimony is compelled or requested, (ii) making competitive-type statements that are normal and customary for the industry in the context of product or service comparisons and the like, or (iii) making good faith statements in the good faith performance of the Employee's duties for the Employer or its Affiliates.

(e) The Employee acknowledges that the provisions of Sections 10 and 11 are reasonable and necessary to protect the continuing interests of the Employer, and any violation of Sections 10 and 11 will result in irreparable injury to the Employer, the exact amount of which will be difficult to ascertain, and that the remedies at law for any such violation would not reasonably or adequately compensate the Employer for such violation. Accordingly, the Employee agrees that if the Employee violates any of the provision of Sections 10 and 11, in addition to any other remedy that may be available at law or in equity, the Employer shall be entitled to specific performance and injunctive relief, without the necessity of proving actual damages or posting of a bond or other security.

18. Damages For Improper Termination With Cause. If the Employer terminates this Agreement and the Employee's employment hereunder for Cause, but it subsequently is determined by a court of competent jurisdiction, as the case may be, that the Employer did not have Cause for the termination, then for purposes of this Agreement, the Employer's decision to terminate shall be deemed to have been a termination without Cause, and the Employer shall be obligated to pay the Severance Benefits specified under Section 6(c), and, subject to Section 24 hereof, only that amount.

19. Arbitration.

(a) Except as provided in Section 13(b) below, any controversy or dispute arising out of, based upon, or relating to this Agreement, its enforcement or interpretation, or because of an alleged breach, default, or misrepresentation in connection with any of its provisions, or arising out of, based upon, or relating in any way to the Employee's employment or association with the Employer, or termination of the same, including, without limiting the generality of the foregoing, any questions regarding whether a particular dispute is arbitrable, and any alleged violation of statute, common law or public policy, including, but not limited to, any state or federal statutory claims, shall be submitted to final and binding arbitration in Orange County, California, in accordance with the JAMS Employment Arbitration Rules and Procedures, before a single neutral arbitrator selected from the JAMS panel, or if JAMS is no longer able to supply the arbitrator, such arbitrator shall be selected from the American Arbitration Association, in accordance with its National Rules for the Resolution of Employment Disputes (the arbitrator selected hereunder, the "Arbitrator"). Provisional injunctive relief may, but need not, be sought by either party to this Agreement in a court of law while arbitration proceedings are pending, pursuant to California Code of Civil Procedure section 1281.8, and any provisional injunctive relief granted by such court shall remain effective until the matter is finally determined by the Arbitrator. Final resolution of any dispute through arbitration may include any remedy or relief which the Arbitrator deems just and equitable, including any and all remedies provided by applicable state or federal statutes. At the conclusion of the arbitration, the Arbitrator shall issue a written decision that sets forth the essential findings and conclusions upon which the Arbitrator's award or decision is based. Any award or relief granted by the Arbitrator hereunder shall be final and binding on the parties hereto and may be enforced by any court of competent jurisdiction. To the extent permitted by law, the arbitrator's fees and arbitration expenses and any other costs associated with the arbitration or arbitration hearing that are unique to arbitration will be borne equally by each party. The parties shall each pay their own deposition, witness, expert and attorneys' fees and other expenses as and to the same extent as if the matter were being heard in court, provided that the arbitrator may in its discretion award costs to the prevailing party if it determines that to be appropriate.

(b) Notwithstanding the foregoing, the Employee agrees that it would be difficult to measure any damages caused to the Employer which might result from any breach by the Employee of the covenants set forth in Sections 10, 11, 14 or 15, and that in any event, money damages would be an inadequate remedy for any such breach. Accordingly, if the Employee has breached, breaches, or proposes to breach Sections 10, 11, 14 or 15, the Employer shall be entitled, in addition to all other remedies such party

may have, to a temporary, preliminary or permanent injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the non-breaching party from any court having competent jurisdiction over either party.

(c) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL, INCLUDING ANY RIGHTS TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES AGAINST THE OTHER IN CONNECTION WITH ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR THE PROVISION OF SERVICES UNDER THIS AGREEMENT.

20. Cooperation. Upon the receipt of reasonable notice from the Employer (including from outside counsel to the Employer), the Employee agrees that while employed by the Employer and after the termination of the Employee's employment for any reason, the Employee will respond and provide information with regard to matters in which the Employee has knowledge as a result of the Employee's employment with the Employer, and will provide reasonable assistance to the Employer, its Affiliates and their respective representatives in defense of any claims that may be made against the Employer or its Affiliates, and will assist the Employer and its Affiliates in the prosecution of any claims that may be made by the Employer or its Affiliates, to the extent that such claims may relate to the period of the Employee's employment with the Employer, provided, that with respect to periods after the termination of the Employee's employment, the Employer shall reimburse the Employee for any reasonable out-of-pocket expenses incurred in providing such assistance and, with respect to any period in which the Employee is required to provide more than ten hours of assistance per week after her termination of employment but is not receiving severance payments from the Employer or its Affiliates, and is not testifying, the Employer shall pay the Employee a reasonable amount of money for her services at a reasonable rate agreed to between the Employer and the Employee; and provided further that after the Employee's termination of employment with the Employer, such assistance shall not unreasonably interfere with the Employee's business or personal obligations. The Employee agrees to promptly inform the Employer if the Employee becomes aware of any lawsuits involving such claims that may be filed or threatened against the Employer or its Affiliates. The Employee also agrees to promptly inform the Employer (to the extent the Employee is legally permitted to do so) if the Employee is asked to assist in any investigation of the Employer or its Affiliates (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Employer or its Affiliates with respect to such investigation, and shall not do so unless legally required.

21. Disclosure and Assignment of Inventions and Improvements. Without prejudice to any other duties express or implied imposed on the Employee hereunder it shall be part of the Employee's normal duties at all times to consider in what manner and by what methods or devices the products, services, processes, equipment or systems of the Employer and any customer or vendor of the Employer might be improved and promptly to give to the Chief Executive Officer of the Employer or his or her designee full details of any improvement, invention, research, development, discovery, design, code, model, suggestion or innovation (collectively called "Work Product"), which the Employee (alone

or with others) may make, discover, create or conceive in the course of the Employee's employment. The Employee acknowledges that the Work Product is the property of the Employer. To the extent that any of the Work Product is capable of protection by copyright, the Employee acknowledges that it is created within the scope of the Employee's employment and is a work made for hire. To the extent that any such material may not be a work made for hire, the Employee hereby assigns to the Employer all rights in such material. To the extent that any of the Work Product is an invention, discovery, process or other potentially patentable subject matter (the "Inventions"), the Employee hereby assigns to the Employer all right, title, and interest in and to all Inventions. The Employer acknowledges that the assignment in the preceding sentence does not apply to an Invention that the Employee develops entirely on her own time without using the Employer's equipment, supplies, facilities or trade secret information, except for those Inventions that either:

(i) relate at the time of conception or reduction to practice of the Invention to the Employer's business, or actual or demonstrably anticipated research or development of the Employer, or

(ii) result from any work performed by the Employee for the Employer.

Execution of this Agreement constitutes the Employee's acknowledgment of receipt of written notification of this Section 15 and of notice of the general exception to assignments of Inventions provided under the Uniform Employee Patents Act, in the form adopted by the state having jurisdiction over this Agreement or provision, or any comparable applicable law.

22. Representations and Warranties; Advice of Counsel.

(a) The Employee represents and warrants that (i) she is under no contractual or other obligation that would prevent her from accepting the Employer's offer of employment as set forth herein, (ii) she has the full right, authority and capacity to enter into this Agreement and to perform her obligations hereunder, (iii) the execution of this Agreement and the performance of her obligations hereunder will not breach or be in conflict with any other agreement to which the Employee is a party or is bound, and (iv) the Employee is not now subject to, and has not previously violated, any covenants against competition, solicitation, hire or similar covenants, any court order or other legal obligation, or other agreement that would affect the performance of her obligations hereunder or would otherwise conflict with, prevent or restrict the full performance of her duties and obligations to the Employer or any of its Affiliates before, during or after the Employment Period. The Employee covenants that she will not disclose or use on behalf of the Employer or its Affiliates any proprietary information of a third party without such party's consent.

(b) Prior to execution of this Agreement, the Employee was advised by the Employer of the Employee's right to seek independent advice from an attorney of the Employee's own selection regarding this Agreement. The Employee acknowledges that

the Employee has entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after being given the opportunity to consult with counsel. The Employee further represents that in entering into this Agreement, the Employee is not relying on any statements or representations made by any of the directors, officers, employees or agents of the Employer or any of its Affiliates which are not expressly set forth herein, and that the Employee is relying only upon the Employee's own judgment and any advice provided by the Employee's attorney.

25. Entire Agreement. This Agreement is intended by the parties to be the final expression of their agreement with respect to the employment of the Employee by the Employer and may not be contradicted by evidence of any prior or contemporaneous agreement (including, without limitation any term sheet or similar agreement entered into between the Employer or any Affiliate and the Employee), and shall supersede in its entirety the prior Employment Agreement entered into by and between the Employee and the Employer, dated as of May 9, 2014, as amended from time to time (provided that the Employee's obligations under the prior agreement shall continue to apply). The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

26. No Other Representations. Except as expressly provided in this Agreement, (i) no person or entity has made or has the authority to make any representations or promises on behalf of any of the parties which are inconsistent with the representations or promises contained in this Agreement, and (ii) this Agreement has not been executed in reliance on any representations or promises not set forth herein. Specifically, no promises, warranties or representations have been made by anyone on any topic or subject matter related to the Employee's relationship with the Employer or any of its Affiliates or any of their executives or employees, including but not limited to any promises, warranties or representations regarding future employment, compensation, benefits, any entitlement to equity interests in the Employer or any of its Affiliates or regarding the termination of the Employee's employment. In this regard, the Employee agrees that no promises, warranties or representations shall be deemed to be made in the future unless they are set forth in writing and signed by an authorized representative of the Employer.

27. Amendments. This Agreement may be modified only by agreement of the parties by a written instrument executed by the parties that is designated as an amendment to this Agreement.

28. Severability and Non-Waiver/Survival. Any provision of this Agreement (or portion thereof) which is deemed invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction and subject to this Section 20, be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions thereof in such jurisdiction or rendering such provision or any other provision of this Agreement invalid, illegal, or unenforceable in any other jurisdiction. If any covenant should be deemed invalid, illegal or unenforceable because its scope is considered excessive, such covenant shall be modified so that the scope of the covenant is reduced only to the minimum extent necessary to render the modified covenant valid, legal and

enforceable. No waiver of any provision or violation of this Agreement by the Employer shall be implied by the Employer's forbearance or failure to take action. The expiration or termination of the Employment Period and this Agreement shall not impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such expiration or termination.

29. Successor/Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, executors, administrators, successors, and assigns, provided, however, that the Employee may not assign any or all of her rights or duties hereunder. The Employee shall be entitled, to the extent permitted under applicable law, to select and change a beneficiary or beneficiaries to receive any compensation or benefit hereunder following the Employee's death by giving written notice thereof. In the event of the Employee's death or a judicial determination of her incompetence, references in this Agreement to the Employee shall be deemed, where appropriate, to refer to her beneficiary, estate or other legal representative.

30. Voluntary and Knowledgeable Act. The Employee represents and warrants that the Employee has read and understands each and every provision of this Agreement and has freely and voluntarily entered into this Agreement.

31. Choice of Law. This Agreement shall be construed and enforced under and be governed as to its validity and effect by the laws of the State of California without regard to the conflict of laws principles thereof.

32. Attorneys' Fees. If any dispute between the parties should result in litigation, the prevailing party in such dispute shall be entitled to recover from the other party all reasonable out-of-pocket fees, costs and expenses of enforcing any right of the prevailing party, including without limitation, reasonable attorneys' fees and expenses, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment and an award of prejudgment interest from the date of the breach at the maximum rate of interest allowed by law. For the purposes of this Section 24: (a) attorneys' fees include, without limitation, fees incurred in the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor and third party examinations; (iv) discovery and (v) bankruptcy litigation, and (b) "prevailing party" means the party who is determined in the proceeding to have prevailed or who prevails by dismissal, default or otherwise.

33. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

34. Notices. Except as otherwise provided for herein, all notices and other communications provided for hereunder shall be in writing (including facsimile communication and electronic mail) and mailed (via registered or certified mail), telecopied or delivered to the party for whom it is intended at the address, telecopier

number or e-mail address set forth below or, as to each party, at such other address as designated by that party in a written notice to the other parties. All notices and communications shall be deemed to have been validly served, given or delivered (i) if personally delivered, upon receipt or refusal to accept delivery, (ii) if sent via facsimile, upon mechanical confirmation of successful transmission thereof generated by the sending facsimile machine, (iii) if sent by a commercial overnight courier for delivery on the next business day, on the first business day after deposit with such courier service (or the second business day if sent to an address not in the United States), (iv) if sent by registered or certified mail, three days after deposit thereof in the United States mail, or (v) if sent by electronic mail, one business day after transmission when directed to the appropriate e-mail address (provided that the party giving notice must verify the e-mail address of the recipient prior to transmission):

(a) if to the Employee, to her at her most recent address in the Employer's records,

(b) If to the Employer, to:

Alignment Healthcare USA, LLC 1100 Town & Country Road Suite 1600
Orange, CA 92868
Facsimile: (949) 679-0005
E-mail: mfoster@alignmenthealthcare.com Attention: Corporate Secretary

with a copy to: Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas New York, New York 10019-6064 Fax: (212) 757-3990
Email: lwitdorchic@paulweiss.com Attention: Lawrence I. Witdorchic

or to such other address as the recipient party to whom notice is to be given may have furnished to the other party in writing in accordance herewith.

35. Descriptive Headings; Nouns and Pronouns. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice-versa.

36. Non-Qualified Deferred Compensation. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the date hereof. For purposes of

Section 409A of the Code, each of the payments that may be made hereunder is designated as a separate payment and, for the avoidance of doubt and without limiting the foregoing, the Employee's right to receive installment payments pursuant to Section 6(c) shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of expenses or in-kind benefits constitutes "deferred compensation" under Section 409A of the Code, such reimbursement or benefit shall be provided no later than December 31 of the year following the year in which the expense was incurred. The reimbursements under this Agreement are not subject to liquidation or exchange for another benefit, and the amount of expenses reimbursed in one taxable year shall not affect the amount eligible for reimbursement in any other taxable year. Notwithstanding any provision of this Agreement to the contrary, in the event that the Employer determines that any amounts payable hereunder will be immediately taxable to the Employee under Section 409A of the Code and related Department of Treasury guidance, the Employer reserves the right (without any obligation to do so or to indemnify the Employee for failure to do so) to

(a) adopt such amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Employer determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by this Agreement, to preserve the economic benefits of this Agreement and to avoid less favorable accounting or tax consequences for the Employer and/or (b) take such other actions as the Employer determines necessary or appropriate to exempt the amounts payable hereunder from Section 409A of the Code and related Department of Treasury guidance, or to comply with the requirements of Section 409A of the Code and related Department of Treasury guidance, including such Department of Treasury guidance and other interpretive materials as may be issued after the date hereof, and avoid the applicable of penalty taxes thereunder. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A of the Code from the Employee or any other individual to the Employer or any of its Affiliates, employees or agents. To the extent any amounts under this Agreement are payable by reference to Employee's "termination of employment," such term and similar terms shall be deemed to refer to Employee's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, to the extent any payments hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A of the Code, then if the Employee is a specified employee (within the meaning of Section 409A of the Code) as of the date of Employee's separation from service, each such payment that is payable upon the Employee's separation from service and would have been paid prior to the six-month anniversary of Employee's separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following the Employee's separation from service or (ii) the date of the Employee's death.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date first written above.

ALIGNMENT HEALTHCARE USA, LLC

By: /s/ John Kao

Name: John Kao

Title: Chief Executive Officer

/s/ Dawn Maroney
Dawn Maroney, individually

SCHEDULE 1

LIST OF SECURITIES AND INTERESTS OWNED

Exhibit 10.11

AMENDED & RESTATED EMPLOYMENT AGREEMENT BETWEEN ALIGNMENT HEALTHCARE USA, LLC AND THOMAS FREEMAN MARCH 26, 2021

AMENDED & RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED & RESTATED EMPLOYMENT AGREEMENT is made and entered into effective as of March 26, 2021 (the "Effective Date"), by and between Alignment Healthcare USA, LLC, a California corporation (the "Employer"), and Thomas Freeman (the "Employee").

WHEREAS, the Employer desires to continue to employ the Employee, and the Employee desires to accept such continued employment, on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. Definitions. Generally, defined terms used in this Agreement are defined in the first instance in which they appear herein. In addition, the following terms and phrases have the following meanings:

"Affiliate" means, when used with reference to a specified Person, (a) any Person who directly or indirectly controls, is controlled by or is under common control with the specified Person, (b) any Person who is an officer, director, partner, member, manager or trustee of, or serves in a similar capacity with respect to, the specified Person, or for which the specified Person is an officer, director, partner, member or manager or trustee or serves in a similar capacity, (c) any Person who, directly or indirectly, is the beneficial owner of 10% or more of any *class* of equity securities of the specified Person, or of which the specified Person, directly or indirectly, is the owner of 10% or more of any class of equity securities and (d) any member of such specified Person's immediate family.

"Board" means the board of directors of Alignment Healthcare, Inc. or any other Person the Board has appointed or delegated authority.

"Cause" means the Employee's:

(i) failure to devote substantially all Employee's working time to the business of the Employer and its Affiliates;

(ii) willful disregard of Employee's duties, or Employee's intentional failure to act where the taking of such action would be in the ordinary course of the Employee's duties hereunder, provided that the Employee is first given 30 days prior written notice of such conduct in order for the Employee to *cure* such alleged conduct during such period of time;

(iii) violation or breach of the provisions, representations or covenants of Sections 10, 11, 15 or 16(a);

(iv) gross negligence or willful misconduct in the performance of Employee's duties hereunder;

(v) commission of any act of fraud, theft or financial dishonesty, or any felony or criminal act involving moral turpitude; or

(vi) unlawful use (including being under the influence) of alcohol or drugs or possession of illegal drugs while on the premises of the Employer or any of its Affiliates or while performing duties and responsibilities to the Employer and its Affiliates.

"Confidential Information" means all proprietary and other information relating to the business and operations of the Employer and its Affiliates, which has not been specifically designated for release to the public by an authorized representative of the Employer or one of its Affiliates, including, but not limited to the following: (i) information, observations, procedures and data concerning the business or affairs of the Employer or any of its Affiliates; (ii) products or services; (iii) costs and pricing structures;
(iv) analyses; (v) drawings, photographs and reports; (vi) computer software, including operating systems, applications and program listings; (vii) flow charts, manuals and documentation; (viii) data bases; (ix) accounting and business methods; (x) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice; (xi) customers, vendors, suppliers and customer, vendor and supplier lists; (xii) business goals, plans, techniques and strategies; (xiii) other copyrightable works; (xiv) all production methods, processes, technology and trade secrets; and (xv) all similar and related information in whatever form. Confidential Information also includes any information that the Employer or any of its Affiliates have received, or may receive hereafter, belonging to customers or other third parties with any understanding, express or implied, that the information would not be disclosed. Confidential Information will not include any information that has been published in a form generally available to the public prior to the date the Employee proposes to disclose or use such information (through no wrongful act of the Employee). Confidential Information will not be deemed to have been published merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

"Disability" means the Employee's inability, due to physical or mental illness or disability, to perform the essential functions of Employee's employment with the Employer, even with reasonable accommodation that does not impose an undue hardship on the Employer, for more than 60 consecutive days, or for any 90 days within any one year period, unless a longer period is required by federal or state law, in which case such longer period will be applicable. The Employer reserves the right, in good faith, to make the determination of Disability under this Agreement based on information supplied by the Employee and/or Employee's medical personnel, as well as information from medical personnel selected by the Employer or its insurers.

"Employer" has the meaning set forth in the preamble; provided that, for purposes of Sections 8 through 15, "Employer" includes Alignment Healthcare, Inc. and all of its Subsidiaries and Affiliates. All references in this Agreement to Alignment Healthcare, Inc. shall refer to Alignment Healthcare Holdings, LLC prior to its conversion into Alignment Healthcare, Inc. unless the context indicates otherwise.

"Good Reason" means:

(i) a material reduction during any 24 consecutive month period in Base Salary (as that term is defined in Section 4(a)) or in the Employee's annual total cash compensation opportunity *(i.e.,* Base Salary and Target Bonus Percentage (as that term is defined in Section 4(b))), but excluding any reduction applicable to management employees generally;

(ii) a material breach of this Agreement by the Employer; or

(iii) a change in the Employee's principal work location to a location more than 50 miles from the Employee's prior work location and more than 50 miles from the Employee's principal residence as of the date of such change in work location.

Notwithstanding the foregoing provisions of this definition, Good Reason shall not exist (A)if the Employee has in Employee's sole discretion agreed in writing that such event shall not be Good Reason or (B) unless, (I) within 60 days of the occurrence of the events claimed to be Good Reason the Employee notifies the Employer in writing of the reasons why Employee believes that Good Reason exists, (II) the Employer has failed to correct the circumstance that would otherwise be Good Reason within 30 days of receipt of such notice, and (III) the Employee terminates Employee's employment within 60 days of such 30-day period (the date of such resignation, the "Early Resignation Date").

"Person" shall be construed broadly and shall include, without limitation, an individual, a partnership, an investment fund, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Subsidiary" or "Subsidiaries" of any Person means any corporation, partnership, joint venture or other legal entity of which such Person (either alone or through or together with any other Person), owns, directly or indirectly, 50% or more of the stock or other equity interests which are generally entitled to vote for the election of the board of directors or other governing body of such corporation or other legal entity.

"Termination Date" means the effective date of the termination of the Employee's employment hereunder, which (i) in the case of termination due to resignation by the Employee without Good Reason, shall mean the date that is 90 days following the date of the Employee's written notice to the Employer of Employee's resignation, or in the case of resignation by the Employee with Good Reason, shall mean the Early Resignation Date, provided, however, that in each case the Employer may accelerate the Termination Date; (ii) in the case of termination by reason of the Employee's death, shall mean the date of death; (iii) in the case of termination by reason of Disability, shall mean the date specified in the notice of such termination delivered to the Employee by the Employer; (iv) in the case of a termination by the Employer for Cause or without Cause, shall mean the date specified in the written notice of such termination delivered to the Employee by the Employer; (iv) in the case of termination by mutual agreement, shall mean the date

mutually agreed to by the parties hereto, (v) in the case of termination due to either party's delivery to the other party of a Notice of Nonrenewal pursuant to Section 2, shall mean the next scheduled Renewal Date to which the Notice of Nonrenewal relates.

8. Employment. The Employer shall continue to employ the Employee, and the Employee accepts continued employment with the Employer, upon the terms and conditions set forth in this Agreement. The initial term of this Agreement (the "Initial Term") shall commence on the Effective Date and end on the first annual anniversary of the Effective Date; provided, however, that on the first annual anniversary of the date hereof and each annual anniversary thereafter (each, a "Renewal Date"), the term of this Agreement shall be extended by one additional year (each, an "Extension Term," and collectively with the Initial Term, the "Employment Period") unless either party gives written notice to the other within 90 days in advance of the next scheduled Renewal Date that it does not wish to extend the Employment Period (such notice, a "Notice of Nonrenewal"); and provided, further, that the Employment Period may be sooner terminated as provided herein.

9. Position and Duties. During the Employment Period, the Employee shall serve as the Chief Financial Officer of the Employer and as the Chief Financial Officer of Alignment Healthcare, Inc., reporting to the Board and the Chief Executive Officer of Employer, and shall have the usual and customary duties, responsibilities and authority of such position, and, if elected or appointed thereto, shall serve as an officer and/or member of the board or any Subsidiary or Affiliate of the Employer as reasonably requested by the Employer and its Affiliates, in each case, without additional compensation hereunder. The Employee hereby accepts such employment and positions and agrees to diligently and conscientiously devote Employee's full and exclusive business time, attention, and best efforts in discharging and fulfilling Employee's duties and responsibilities hereunder. The Employee shall comply with the Employer's policies and procedures and the direction and instruction of the Board and the Employee shall not engage in any business activity which, in the reasonable judgment of the Board, conflicts with the duties of the Employee hereunder, whether or not such activity is pursued for gain, profit or other pecuniary advantage.

10. Compensation.

(a) Salary. During the Employment Period, the Employer shall pay the Employee the Base Salary, less applicable deductions and withholdings. "Base Salary" shall mean the Employee's base salary, as may be increased from time to time at the discretion of the Employer. The initial rate of the Employee's Base Salary shall equal $450,000 per annum.

(b) Performance Bonus. In addition to the Base Salary, during the Employment Period, the Employee shall be eligible to receive a cash bonus (the "Bonus") with respect to each calendar year as of the last day of which the Employee is employed by the Employer. The amount of the Bonus, if any, payable in respect of any calendar year will be determined based on the achievement of performance goals established for the Employee by the Board or compensation committee of the Board (the "Compensation

Committee") within the first 90 days of such year (or with respect to the first calendar year hereunder, within the first 30 days of the commencement of the Employment Period) (the "Performance Targets"). The target Bonus (the "Target Bonus Percentage") and the maximum Bonus (the "Maximum Bonus Percentage") in respect of each calendar year will equal 50% and 100%, respectively, of the Base Salary payable to the Employee for such year. Performance Targets may be based on quantitative performance objectives for the Employer or one or more of its Affiliates or Subsidiaries or business units or divisions thereof, and/or may be based on individual quantitative or qualitative performance objectives or any combination of the foregoing. The calculation of the achievement of Performance Targets for each year shall be determined by the Board or Compensation Committee thereof in its good faith discretion. For the avoidance of doubt, the Bonus in respect of calendar year 2021 shall be prorated such that the Bonus for the period of (i) January 1, 2021 through March 25, 2021 shall be based on a Base Salary equal to $400,000 per annum and a Target Bonus Percentage and Maximum Bonus Percentage equal to 35% and 70%, respectively, and (ii) March 26, 2021 through December 31, 2021 shall be based on a Base Salary equal to $450,000 per annum and a Target Bonus Percentage and Maximum Bonus Percentage equal to 50% and 100%, respectively. The Bonus, if any, payable with respect to a calendar year shall be paid within 30 days following the rendering of the Employer's audited financial statements for the relevant calendar year, but not later than June 1st of the year immediately following such relevant calendar year, provided that (except as set forth in Section 6) the Employee remains employed with the Employer or one of its Affiliates through the applicable payment date.

(c) Employee Benefits. During the Employment Period, retirement, health and welfare benefits shall be subject to the Employer's policies and practices and the terms of the applicable benefit plans and arrangements as in effect from time to time. The Employee shall accrue paid-time off at the rate of five (5) weeks per twelve (12) months of employment.

(d) Reimbursements. The Employer shall reimburse the Employee for all reasonable and necessary business-related expenses incurred by Employee in the course of performing Employee's duties under this Agreement which are consistent the Employer's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Employer's requirements with respect to reporting and documentation of such expenses.

(e) Deductions and Withholding. The Employer shall deduct from any payments to be made by it to or on behalf of the Employee under this Agreement any amounts required to be withheld in respect of any federal, state or local income or other taxes.

(f) Annual Review of Base Salary and Bonus Percentages. The Board (or the Compensation Committee) shall undertake a review of rate of Base Salary and the Target Bonus Percentage and Maximum Bonus Percentage (the "Bonus Percentages") not less frequently than annually during the Employment Period and may increase, but not decrease, the rate of Base Salary and the Bonus Percentages from those then in effect.

11. Termination of Employment. The Employee's employment under this Agreement shall be terminated upon the earliest to occur of the following events:

(a) Termination for Cause. The Employer may in its sole discretion terminate this Agreement and the Employee's employment hereunder for Cause at any time and with or without advance notice to the Employee.

(b) Termination without Cause. The Employer may terminate this Agreement and the Employee's employment hereunder without Cause at any time, with or without notice, for any reason or no reason (and no reason need be given).

(c) Mutual Agreement. This Agreement and the Employee's employment hereunder may be terminated by the mutual written agreement of the Employer and the Employee.

(d) Termination by Death or Disability. This Agreement and the Employee's employment hereunder shall automatically terminate upon the Employee's death or Disability.

(e) Resignation. The Employee may terminate this Agreement and Employee's employment hereunder without Good Reason upon 90 days advance written notice to the Employer. In addition, the Employee may terminate this Agreement and Employee's employment hereunder with Good Reason as of the Early Resignation Date.

(f) Nonrenewal. If either party delivers to the other a Notice of Nonrenewal, this Agreement and the Employee's employment hereunder shall automatically terminate as of the next scheduled Renewal Date to which the Notice of Nonrenewal relates.

12. Compensation upon Termination.

(a) General. In the event of the Employee's termination of employment for any reason, the Employee or Employee's estate or beneficiaries shall have the right to receive the following:

(i) the unpaid portion of the Base Salary and paid time off accrued and payable through the Termination Date;

(ii) reimbursement for any expenses for which the Employee shall not have been previously reimbursed, as provided in Section 4(d); and

(iii) continuation of health insurance coverage rights, if any, as required under applicable law.

(b) Termination for Cause; Resignation without Good Reason; Mutual Agreement; Nonrenewal by the Employee; Death or Disability.

(i) In the event of the Employee's termination of employment by reason of (A) a termination by the Employer for Cause, (B) resignation by the Employee without Good Reason or (C) mutual agreement, the Employer shall have no current or further obligations (including Base Salary) to the Employee under this Agreement other than as set forth in Section 6(a).

(ii) In the event of the Employee's termination of employment by reason of (A) the Employee's death, (B) the Employee's Disability or (C) delivery by the Employee of a Notice of Nonrenewal, the Employer shall have no current or further obligations (including Base Salary) to the Employee under this Agreement other than as set forth in Section 6(a) and payment of any Bonus for any calendar year preceding the calendar year in which termination occurs which has not yet been paid, payable at the time bonuses for such calendar year are otherwise payable to senior executives of the Employer ("Prior Year Bonus").

(c) Termination without Cause, Resignation with Good Reason or Nonrenewal by the Employer. In the event of the Employee's termination of employment hereunder by reason of (i) a termination by the Employer without Cause, (ii) resignation by the Employee with Good Reason or (iii) delivery by the Employer of a Notice of Nonrenewal, the Employer shall pay or provide to the Employee the payments and benefits set forth in Section 6(a) and payment of any Prior Year Bonus. In addition, subject to the Employee's execution and non-revocation of a customary general waiver and release of claims in such form as provided by the Employer (a "Release") in accordance with Section 6(d) and the Employee's continued full performance of obligations under Sections 10 and 11, and in lieu of any severance benefits that may be payable to the Employee under a separate severance agreement or an executive severance plan as a result of such termination, the Employer shall pay or provide to the Employee the following (the "Severance Benefits"):

(i) severance pay in an aggregate amount equal to one (1.0) times the sum of (1) Base Salary plus (2) the Target Bonus Percentage, paid in substantially equal installments over the 12-month period following the Termination Date in accordance with the Employer's normal payroll practices;

(ii) a *pro rata* amount of the Bonus, if any, which would have been payable to the Employee for the calendar year in which the Termination Date occurs, determined after the end of the calendar year in which such Termination Date occurs and equal to the amount which would have been payable to the Employee if Employee's employment had not been terminated during such calendar year multiplied by the fraction, the numerator of which is the number of whole months the Employee was employed by the Employer during such calendar year and the denominator of which is 12 (or, in the case of calendar year 2015, the number of whole months on and after the Effective Date during such year); it being understood that any *pro rata* bonus payable under this clause (ii) shall

be paid in a lump sum at the time bonuses for such calendar year are otherwise payable to senior executives of the Employer; and

(iii) if the Employee elects COBRA benefits, the Employer shall pay or reimburse the Employee's share of the premium for such COBRA benefits until the earlier of (A) the first annual anniversary of Termination Date; or (B) the date that the Employee is eligible to receive health benefits through new employment; it being understood that (x) the Employee is required to notify the Employer immediately if Employee begins new employment during such period and to repay promptly any excess benefits contributions made by the Employer; and (y) after the Employer's payment or reimbursement obligation ends, the Employee may continue benefits coverage for the remainder of the COBRA period, if any, by paying the full premium cost of such benefits.

(d) Release Condition. Notwithstanding anything to the contrary in this Agreement, to the extent that any payments due under this Agreement as a result of the termination of the Employee's employment are subject to the Employee's execution and delivery of a Release, (i) no such payments shall be made prior to the first normal payroll date of the Employer occurring on or after the Release Effective Date, (ii) the Employer shall deliver the Release to the Employee within ten business days following the Termination Date, (iii) if the Employee fails to execute the Release on or prior to the Release Expiration Date (as defined below) or the Employee timely revokes Employee's acceptance of the Release within the seven day period following the Release Expiration Date, the Employee shall not be entitled to the Severance Benefits otherwise conditioned on the Release, and (iv) if the Employee executes the Release on or prior to the Release Expiration Date and does not timely revoke Employee's acceptance of the Release within the seven day period following the Release Expiration Date, any Severance Benefits that would otherwise have been paid to the Employee prior to the first normal payroll date of the Employer occurring on or after the Release Effective Date but for clause (i) above shall be paid on the first normal payroll date of the Employer occurring on or after the Release Effective Date. For purposes of this Section 6(d), "Release Expiration Date" shall mean the date that is 21 days following the date upon which the Employer timely delivers the Release to the Employee, or, in the event that termination of the Employee's employment is "in connection with an exit incentive or other employment termination program" (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is 45 days following such delivery date, and "Release Effective Date" shall mean the eighth day following the Release Expiration Date, provided that the Employee executes the Release on or prior to the Release Expiration Date and does not timely revoke Employee's acceptance of the Release within the seven day period following the Release Expiration Date.

(e) Exclusive Remedy. The rights of the Employee set forth in this Section 6 are intended to be the Employee's exclusive remedy for termination and any severance benefits related thereto and, to the greatest extent permitted by applicable law, the Employee waives all other remedies.

13. Insurance. The Employer or one of its Affiliates may, for its own benefit, maintain "key man" life and disability insurance policies covering the Employee. The

Employee will cooperate with the Employer or its Affiliates and provide such information or other assistance as they may reasonably request in connection with obtaining and maintaining such policies.

14. The Employee's Termination Obligations. The Employee hereby acknowledges and agrees that all personal property and equipment furnished to or prepared by the Employee in the course of or incident to Employee's employment hereunder belongs to the Employer and shall be promptly returned to the Employer upon termination of the Employee's employment or, at any event, at the Employer's request. The term "personal property" includes, without limitation, all office equipment, laptop computers, cell phones, books, manuals, records, reports, notes, contracts, requests for proposals, bids, lists, blueprints, and other documents, or materials, or copies thereof (including computer files), and all other proprietary and non-proprietary information relating to the business of the Employer. Following termination of Employee's employment hereunder, the Employee will not retain any written or other tangible material containing any proprietary or non- proprietary information of the Employer.

15. Acknowledgment of Protectable Interests. The Employee acknowledges and agrees that Employee's employment with the Employer involves building and maintaining business relationships and good will on behalf of the Employer with customers, patients, physicians and other professional contractors, employees and staff, and various providers and users of health care services; that Employee is entrusted with proprietary, strategic and other confidential information which is of special value to the Employer; and that the foregoing matters are significant interests that the Employer is entitled to protect.

16. Confidential Information. All Confidential Information that comes or has come into the Employee's possession by reason of Employee's employment hereunder is the property of the Employer and shall not be used except in the course of employment by the Employer and for the Employer's exclusive benefit. Further, the Employee shall not, during Employee's employment or thereafter, disclose or acknowledge the content of any Confidential Information to any person who is not an employee of the Employer authorized to possess such Confidential Information. Upon termination of employment, the Employee shall deliver to the Employer all documents, writings, electronic storage devices, and other tangible things containing any Confidential Information and the Employee shall not make or retain copies, excerpts, or notes of such information.

17. Restrictive Covenants.

(a) During the Employment Period, the Employee shall not, directly or indirectly, without written approval by the Board, accept or perform any work, consulting, or other services for any other business entity or for remuneration of any kind. Without limiting the foregoing, during the Employment Period, the Employee shall not, directly or indirectly, without written approval by the Board, engage in activities or businesses (including, without limitation, owning any interest in, managing, controlling, participating in, consulting with, advising, rendering services for, or in any manner engaging in the business of owning, operating or managing any business) that are principally or primarily

involved in holding, managing or acquiring investments in the healthcare industry or other similar business in which the Employer is engaged (or so engage with, for or on behalf of any customer of the Employer), provided, however, that neither (i) the passive ownership by the Employee of not more than 2.0% of the outstanding equity securities of a publicly traded company nor (ii) the Employee's ownership of the securities or interests described on Schedule 1 shall constitute a violation of this Section 11(a). If the Employee acquires knowledge of a business venture which may be a business venture or prospective business venture ("Corporate Opportunity") in which the Employer could have an interest or expectancy, or otherwise is exploiting any Corporate Opportunity, the Employee shall promptly bring such opportunity to the Employer. The Employee shall not have the right to hold any such Corporate Opportunity for Employee's own account or benefit (or for the account or benefit of Employee's agents', partners' or Affiliates'), or to recommend, assign or otherwise transfer or deal in such Corporate Opportunity with Persons other than the Employer.

(b) During the Employment Period and for a period of one year thereafter, the Employee shall not, directly or indirectly, solicit, induce or encourage any employee of the Employer to terminate Employee's employment with the Employer or hire or attempt to hire any employee of the Employer.

(c) During the Employment Period and for a period of one year thereafter, the Employee shall not, directly or indirectly, use the Employer's Confidential Information to induce, attempt to induce or knowingly encourage any Customer (as defined below) of the Employer to divert any business or income from the Employer, or to stop or alter the manner in which it is then doing business with the Employer. The term "Customer" with respect to the Employer shall mean any individual or business firm that is, or within the prior 24 months was, a customer or client of the Employer, or whose business was actively solicited by the Employer at any time, regardless of whether such customer or client was generated, in whole or in part, by the Employee's efforts.

(d) During the Employment Period and thereafter, the Employee shall not make any disparaging statement concerning the Employer or its Affiliates, or their respective predecessors and successors, or any of the current or former directors, employees, officers, managers, shareholders, partners, members, agents or representatives of any of the foregoing (the "Protected Persons") to the extent such statement could be reasonably likely to damage the reputation and/or financial position of any of the Protected Persons. Notwithstanding the foregoing, nothing herein shall or shall be deemed to prevent or impair the Employee from (i) testifying truthfully in any legal or administrative proceeding if such testimony is compelled or requested, (ii) making competitive-type statements that are normal and customary for the industry in the context of product or service comparisons and the like, or (iii) making good faith statements in the good faith performance of the Employee's duties for the Employer or its Affiliates.

(e) The Employee acknowledges that the provisions of Sections 10 and 11 are reasonable and necessary to protect the continuing interests of the Employer, and any violation of Sections 10 and 11 will result in irreparable injury to the Employer, the exact amount of which will be difficult to ascertain, and that the remedies at law for any

such violation would not reasonably or adequately compensate the Employer for such violation. Accordingly, the Employee agrees that if the Employee violates any of the provision of Sections 10 and 11, in addition to any other remedy that may be available at law or in equity, the Employer shall be entitled to specific performance and injunctive relief, without the necessity of proving actual damages or posting of a bond or other security.

18. Damages For Improper Termination With Cause. If the Employer terminates this Agreement and the Employee's employment hereunder for Cause, but it subsequently is determined by a court of competent jurisdiction, as the case may be, that the Employer did not have Cause for the termination, then for purposes of this Agreement, the Employer's decision to terminate shall be deemed to have been a termination without Cause, and the Employer shall be obligated to pay the Severance Benefits specified under Section 6(c), and, subject to Section 24 hereof, only that amount.

19. Arbitration.

(a) Except as provided in Section 13(b) below, any controversy or dispute arising out of, based upon, or relating to this Agreement, its enforcement or interpretation, or because of an alleged breach, default, or misrepresentation in connection with any of its provisions, or arising out of, based upon, or relating in any way to the Employee's employment or association with the Employer, or termination of the same, including, without limiting the generality of the foregoing, any questions regarding whether a particular dispute is arbitrable, and any alleged violation of statute, common law or public policy, including, but not limited to, any state or federal statutory claims, shall be submitted to final and binding arbitration in Orange County, California, in accordance with the JAMS Employment Arbitration Rules and Procedures, before a single neutral arbitrator selected from the JAMS panel, or if JAMS is no longer able to supply the arbitrator, such arbitrator shall be selected from the American Arbitration Association, in accordance with its National Rules for the Resolution of Employment Disputes (the arbitrator selected hereunder, the "Arbitrator"). Provisional injunctive relief may, but need not, be sought by either party to this Agreement in a court of law while arbitration proceedings are pending, pursuant to California Code of Civil Procedure section 1281.8, and any provisional injunctive relief granted by such court shall remain effective until the matter is finally determined by the Arbitrator. Final resolution of any dispute through arbitration may include any remedy or relief which the Arbitrator deems just and equitable, including any and all remedies provided by applicable state or federal statutes. At the conclusion of the arbitration, the Arbitrator shall issue a written decision that sets forth the essential findings and conclusions upon which the Arbitrator's award or decision is based. Any award or relief granted by the Arbitrator hereunder shall be final and binding on the parties hereto and may be enforced by any court of competent jurisdiction. To the extent permitted by law, the arbitrator's fees and arbitration expenses and any other costs associated with the arbitration or arbitration hearing that are unique to arbitration will be borne equally by each party. The parties shall each pay their own deposition, witness, expert and attorneys' fees and other expenses as and to the same extent as if the matter were being heard in court, provided that the arbitrator may in its discretion award costs to the prevailing party if it determines that to be appropriate.

(b) Notwithstanding the foregoing, the Employee agrees that it would be difficult to measure any damages caused to the Employer which might result from any breach by the Employee of the covenants set forth in Sections 10, 11, 14 or 15, and that in any event, money damages would be an inadequate remedy for any such breach. Accordingly, if the Employee has breached, breaches, or proposes to breach Sections 10, 11, 14 or 15, the Employer shall be entitled, in addition to all other remedies such party may have, to a temporary, preliminary or permanent injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the non-breaching party from any court having competent jurisdiction over either party.

(c) THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL, INCLUDING ANY RIGHTS TO TRIAL BY JURY, IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES AGAINST THE OTHER IN CONNECTION WITH ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR THE PROVISION OF SERVICES UNDER THIS AGREEMENT.

20. Cooperation. Upon the receipt of reasonable notice from the Employer (including from outside counsel to the Employer), the Employee agrees that while employed by the Employer and after the termination of the Employee's employment for any reason, the Employee will respond and provide information with regard to matters in which the Employee has knowledge as a result of the Employee's employment with the Employer, and will provide reasonable assistance to the Employer, its Affiliates and their respective representatives in defense of any claims that may be made against the Employer or its Affiliates, and will assist the Employer and its Affiliates in the prosecution of any claims that may be made by the Employer or its Affiliates, to the extent that such claims may relate to the period of the Employee's employment with the Employer, provided, that with respect to periods after the termination of the Employee's employment, the Employer shall reimburse the Employee for any reasonable out-of-pocket expenses incurred in providing such assistance and, with respect to any period in which the Employee is required to provide more than ten hours of assistance per week after Employee's termination of employment but is not receiving severance payments from the Employer or its Affiliates, and is not testifying, the Employer shall pay the Employee a reasonable amount of money for Employee's services at a reasonable rate agreed to between the Employer and the Employee; and provided further that after the Employee's termination of employment with the Employer, such assistance shall not unreasonably interfere with the Employee's business or personal obligations. The Employee agrees to promptly inform the Employer if the Employee becomes aware of any lawsuits involving such claims that may be filed or threatened against the Employer or its Affiliates. The Employee also agrees to promptly inform the Employer (to the extent the Employee is legally permitted to do so) if the Employee is asked to assist in any investigation of the Employer or its Affiliates (or their actions), regardless of whether a lawsuit or other proceeding has then been filed against the Employer or its Affiliates with respect to such investigation, and shall not do so unless legally required.

21. Disclosure and Assignment of Inventions and Improvements. Without prejudice to any other duties express or implied imposed on the Employee hereunder it

shall be part of the Employee's normal duties at all times to consider in what manner and by what methods or devices the products, services, processes, equipment or systems of the Employer and any customer or vendor of the Employer might be improved and promptly to give to the Chief Executive Officer of the Employer or Employee's designee full details of any improvement, invention, research, development, discovery, design, code, model, suggestion or innovation (collectively called "Work Product"), which the Employee (alone or with others) may make, discover, create or conceive in the course of the Employee's employment. The Employee acknowledges that the Work Product is the property of the Employer. To the extent that any of the Work Product is capable of protection by copyright, the Employee acknowledges that it is created within the scope of the Employee's employment and is a work made for hire. To the extent that any such material may not be a work made for hire, the Employee hereby assigns to the Employer all rights in such material. To the extent that any of the Work Product is an invention, discovery, process or other potentially patentable subject matter (the "Inventions"), the Employee hereby assigns to the Employer all right, title, and interest in and to all Inventions. The Employer acknowledges that the assignment in the preceding sentence does not apply to an Invention that the Employee develops entirely on Employee's own time without using the Employer's equipment, supplies, facilities or trade secret information, except for those Inventions that either:

(i) relate at the time of conception or reduction to practice of the Invention to the Employer's business, or actual or demonstrably anticipated research or development of the Employer, or

(ii) result from any work performed by the Employee for the Employer.

Execution of this Agreement constitutes the Employee's acknowledgment of receipt of written notification of this Section 15 and of notice of the general exception to assignments of Inventions provided under the Uniform Employee Patents Act, in the form adopted by the state having jurisdiction over this Agreement or provision, or any comparable applicable law.

22. Representations and Warranties; Advice of Counsel.

(a) The Employee represents and warrants that (i) Employee is under no contractual or other obligation that would prevent Employee from accepting the Employer's offer of employment as set forth herein, (ii) Employee has the full right, authority and capacity to enter into this Agreement and to perform Employee's obligations hereunder, (iii) the execution of this Agreement and the performance of Employee's obligations hereunder will not breach or be in conflict with any other agreement to which the Employee is a party or is bound, and (iv) the Employee is not now subject to, and has not previously violated, any covenants against competition, solicitation, hire or similar covenants, any court order or other legal obligation, or other agreement that would affect the performance of Employee's obligations hereunder or would otherwise conflict with, prevent or restrict the full performance of Employee's duties and obligations to the Employer or any of its Affiliates before, during or after the Employment Period. The

Employee covenants that Employee will not disclose or use on behalf of the Employer or its Affiliates any proprietary information of a third party without such party's consent.

(b) Prior to execution of this Agreement, the Employee was advised by the Employer of the Employee's right to seek independent advice from an attorney of the Employee's own selection regarding this Agreement. The Employee acknowledges that the Employee has entered into this Agreement knowingly and voluntarily and with full knowledge and understanding of the provisions of this Agreement after being given the opportunity to consult with counsel. The Employee further represents that in entering into this Agreement, the Employee is not relying on any statements or representations made by any of the directors, officers, employees or agents of the Employer or any of its Affiliates which are not expressly set forth herein, and that the Employee is relying only upon the Employee's own judgment and any advice provided by the Employee's attorney.

25. Entire Agreement. This Agreement is intended by the parties to be the final expression of their agreement with respect to the employment of the Employee by the Employer and may not be contradicted by evidence of any prior or contemporaneous agreement (including, without limitation any term sheet or similar agreement entered into between the Employer or any Affiliate and the Employee), and shall supersede in its entirety the prior Employment Agreement entered into by and between the Employee and the Employer, dated as of August 8, 2017, as amended from time to time (provided that the Employee's obligations under the prior agreement shall continue to apply). The parties further intend that this Agreement shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement.

26. No Other Representations. Except as expressly provided in this Agreement, (i) no person or entity has made or has the authority to make any representations or promises on behalf of any of the parties which are inconsistent with the representations or promises contained in this Agreement, and (ii) this Agreement has not been executed in reliance on any representations or promises not set forth herein. Specifically, no promises, warranties or representations have been made by anyone on any topic or subject matter related to the Employee's relationship with the Employer or any of its Affiliates or any of their executives or employees, including but not limited to any promises, warranties or representations regarding future employment, compensation, benefits, any entitlement to equity interests in the Employer or any of its Affiliates or regarding the termination of the Employee's employment. In this regard, the Employee agrees that no promises, warranties or representations shall be deemed to be made in the future unless they are set forth in writing and signed by an authorized representative of the Employer.

27. Amendments. This Agreement may be modified only by agreement of the parties by a written instrument executed by the parties that is designated as an amendment to this Agreement.

28. Severability and Non-Waiver/Survival. Any provision of this Agreement (or portion thereof) which is deemed invalid, illegal or unenforceable in any jurisdiction shall, as to that jurisdiction and subject to this Section 20, be ineffective to the extent of

such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions thereof in such jurisdiction or rendering such provision or any other provision of this Agreement invalid, illegal, or unenforceable in any other jurisdiction. If any covenant should be deemed invalid, illegal or unenforceable because its scope is considered excessive, such covenant shall be modified so that the scope of the covenant is reduced only to the minimum extent necessary to render the modified covenant valid, legal and enforceable. No waiver of any provision or violation of this Agreement by the Employer shall be implied by the Employer's forbearance or failure to take action. The expiration or termination of the Employment Period and this Agreement shall not impair the rights or obligations of any party hereto which shall have accrued hereunder prior to such expiration or termination.

29. Successor/Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, representatives, executors, administrators, successors, and assigns, provided, however, that the Employee may not assign any or all of Employee's rights or duties hereunder. The Employee shall be entitled, to the extent permitted under applicable law, to select and change a beneficiary or beneficiaries to receive any compensation or benefit hereunder following the Employee's death by giving written notice thereof. In the event of the Employee's death or a judicial determination of Employee's incompetence, references in this Agreement to the Employee shall be deemed, where appropriate, to refer to Employee's beneficiary, estate or other legal representative.

30. Voluntary and Knowledgeable Act. The Employee represents and warrants that the Employee has read and understands each and every provision of this Agreement and has freely and voluntarily entered into this Agreement.

31. Choice of Law. This Agreement shall be construed and enforced under and be governed as to its validity and effect by the laws of the State of California without regard to the conflict of laws principles thereof.

32. Attorneys' Fees. If any dispute between the parties should result in litigation, the prevailing party in such dispute shall be entitled to recover from the other party all reasonable out-of-pocket fees, costs and expenses of enforcing any right of the prevailing party, including without limitation, reasonable attorneys' fees and expenses, all of which shall be deemed to have accrued upon the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. Any judgment or order entered in such action shall contain a specific provision providing for the recovery of attorneys' fees and costs incurred in enforcing such judgment and an award of prejudgment interest from the date of the breach at the maximum rate of interest allowed by law. For the purposes of this Section 24: (a) attorneys' fees include, without limitation, fees incurred in the following: (i) post-judgment motions; (ii) contempt proceedings; (iii) garnishment, levy, and debtor and third party examinations; (iv) discovery and (v) bankruptcy litigation, and (b) "prevailing party" means the party who is determined in the proceeding to have prevailed or who prevails by dismissal, default or otherwise.

33. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

34. Notices. Except as otherwise provided for herein, all notices and other communications provided for hereunder shall be in writing (including facsimile communication and electronic mail) and mailed (via registered or certified mail), telecopied or delivered to the party for whom it is intended at the address, telecopier number or e-mail address set forth below or, as to each party, at such other address as designated by that party in a written notice to the other parties. All notices and communications shall be deemed to have been validly served, given or delivered (i) if personally delivered, upon receipt or refusal to accept delivery, (ii) if sent via facsimile, upon mechanical confirmation of successful transmission thereof generated by the sending facsimile machine, (iii) if sent by a commercial overnight courier for delivery on the next business day, on the first business day after deposit with such courier service (or the second business day if sent to an address not in the United States), (iv) if sent by registered or certified mail, three days after deposit thereof in the United States mail, or (v) if sent by electronic mail, one business day after transmission when directed to the appropriate e- mail address (provided that the party giving notice must verify the e-mail address of the recipient prior to transmission):

(a) if to the Employee, to Employee at Employee's most recent address in the Employer's records,

(b) If to the Employer, to:

Alignment Healthcare USA, LLC
1100 Town & Country Road, Suite 1600 Orange, CA 92868
Facsimile: (844) 320-2247
E-mail: MFoster@ahcusa.com Attention: Corporate Secretary

with a copy to: Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas New York, New York 10019-6064 Fax: (212) 757-3990
Email: lwitdorchic@paulweiss.com Attention: Lawrence I. Witdorchic

or to such other address as the recipient party to whom notice is to be given may have furnished to the other party in writing in accordance herewith.

35. Descriptive Headings; Nouns and Pronouns. Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement. Whenever the context may require, any pronouns used herein

shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice-versa.

36. Non-Qualified Deferred Compensation. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. For purposes of Section 409A of the Code, each of the payments that may be made hereunder is designated as a separate payment and, for the avoidance of doubt and without limiting the foregoing, the Employee's right to receive installment payments pursuant to Section 6(c) shall be treated as a right to receive a series of separate and distinct payments. To the extent that any reimbursement of expenses or in-kind benefits constitutes "deferred compensation" under Section 409A of the Code, such reimbursement or benefit shall be provided no later than December 31 of the year following the year in which the expense was incurred. The reimbursements under this Agreement are not subject to liquidation or exchange for another benefit, and the amount of expenses reimbursed in one taxable year shall not affect the amount eligible for reimbursement in any other taxable year. Notwithstanding any provision of this Agreement to the contrary, in the event that the Employer determines that any amounts payable hereunder will be immediately taxable to the Employee under Section 409A of the Code and related Department of Treasury guidance, the Employer reserves the right (without any obligation to do so or to indemnify the Employee for failure to do so) to (a) adopt such amendments to this Agreement and appropriate policies and procedures, including amendments and policies with retroactive effect, that the Employer determines necessary or appropriate to preserve the intended tax treatment of the benefits provided by this Agreement, to preserve the economic benefits of this Agreement and to avoid less favorable accounting or tax consequences for the Employer and/or (b) take such other actions as the Employer determines necessary or appropriate to exempt the amounts payable hereunder from Section 409A of the Code and related Department of Treasury guidance, or to comply with the requirements of Section 409A of the Code and related Department of Treasury guidance, including such Department of Treasury guidance and other interpretive materials as may be issued after the Effective Date, and avoid the applicable of penalty taxes thereunder. No provision of this Agreement shall be interpreted or construed to transfer any liability for failure to comply with the requirements of Section 409A of the Code from the Employee or any other individual to the Employer or any of its Affiliates, employees or agents. To the extent any amounts under this Agreement are payable by reference to Employee's "termination of employment," such term and similar terms shall be deemed to refer to Employee's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, to the extent any payments hereunder constitute nonqualified deferred compensation, within the meaning of Section 409A of the Code, then if the Employee is a specified employee (within the meaning of Section 409A of the Code) as of the date of Employee's separation from service, each such payment that is payable upon the Employee's separation from service and would have been paid prior to the six-month anniversary of Employee's separation from service, shall be delayed until the earlier to occur of (i) the first day of the seventh month following the Employee's separation from service or (ii) the date of the Employee's death.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date first written above.

ALIGNMENT HEALTHCARE USA, LLC

By: /s/ John Kao

Name: John Kao

Title: Chief Executive Officer

/s/ Thomas Freeman

Thomas Freeman, individually

SCHEDULE 1

LIST OF SECURITIES AND INTERESTS OWNED

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, John Kao, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alignment Healthcare, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) 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)) 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) 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

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) 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 17, 2021

By: /s/ John Kao

John Kao
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Thomas Freeman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alignment Healthcare, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) 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)) 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) 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

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) 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 17, 2021

By: /s/ Thomas Freeman

Thomas Freeman
Chief Financial Officer

Exhibit 32.1

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

In connection with the Quarterly Report of Alignment Healthcare, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John Kao, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 17, 2021

By: /s/ John Kao
John Kao
Chief Executive Officer

Exhibit 32.2

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

In connection with the Quarterly Report of Alignment Healthcare, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2021 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Thomas Freeman, Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 17, 2021

By: /s/ Thomas Freeman
Thomas Freeman
Chief Financial Officer