

# SHAREHOLDER ALERT: Kaskela Law LLC Announces Investigation of Doximity, Inc. (NYSE: DOCS)

PHILADELPHIA, PA, USA, August 12, 2024

/EINPresswire.com/ -- Kaskela Law LLC announces that it is investigating [Doximity, Inc.](#) (NYSE: DOCS) on behalf of the company's long-term investors.

Recently a securities fraud complaint was filed against Doximity in the Northern District of California on behalf of investors who purchased shares of the company's stock between February 9, 2022, and April 1, 2024 (Case No.: 24-cv-02281). According to the complaint, during that time period Doximity and certain of the company's senior executive officers made a series of materially false and/or misleading statements, as well as failed to disclose material adverse facts, about the company's business and operations.

Specifically, defendants are alleged to have repeatedly touted Doximity's business prospects and the sustainability of the company's revenue growth and profitability, while downplaying the impact of competition and tightening macroeconomic conditions on the company and Doximity's reliance on "upselling" products and services (such as additional advertising) to existing customers to sustain the Company's performance and future growth.

As detailed in the complaint, on August 8, 2023, Doximity reported its financial results for the first quarter of fiscal year 2024 and (i) provided disappointing guidance for the second quarter of fiscal year 2024 and (ii) dramatically slashed its fiscal 2024 revenue and EBITDA guidance. Additionally, the company reported that it would reduce its workforce by approximately 10% and incur a charge of \$8 - \$10 million as a result. Following this news, shares of Doximity's stock fell \$7.49 per share, or nearly 23% in value, to close on August 9, 2023 at \$25.30 per share, on unusually heavy trading volume.

The company further detailed how "investors learned more about the unsustainability of the company's revenue growth" on April 1, 2024, when Jehoshaphat Research published a report alleging, among other things, that "Doximity's underlying sales . . . are declining at a negative -3 -6% rate, but that this decline has been masked through accelerated revenue recognition." On



this news, shares of Doximity's stock fell \$1.11 per share, to close at \$25.80 per share on April 2, 2024.

The investigation seeks to determine whether the members of Doximity's board of directors violated the securities laws and/or breached their fiduciary duties in connection with the above alleged misconduct.

Doximity shareholders who purchased or acquired their shares prior to August 8, 2023 are encouraged to contact Kaskela Law LLC (D. Seamus Kaskela, Esq. or Adrienne Bell, Esq.) at (484) 229 - 0750 or (888) 715 - 1740 for additional information about this investigation and their legal rights and options, or by clicking on the following link (or if necessary, copying and pasting the link into your browser):

<https://kaskelalaw.com/case/doximity/>

Kaskela Law LLC exclusively represents investors in securities fraud, corporate governance, and merger & acquisition litigation on a contingent basis. For additional information about Kaskela Law LLC please visit [www.kaskelalaw.com](http://www.kaskelalaw.com). This notice may constitute attorney advertising in certain jurisdictions.

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