Talkspace

2025 Third Quarter Earnings Presentation

October 30, 2025

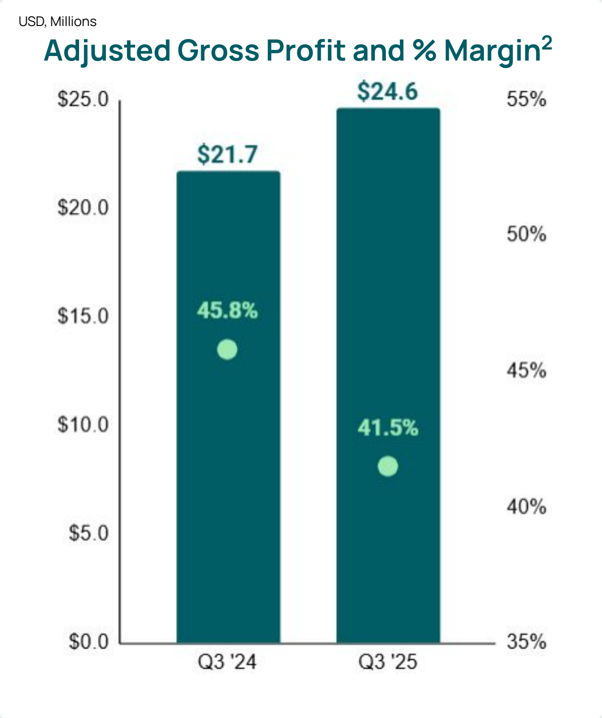
Disclaimer

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. All statements contained in this presentation that do not relate to matters of historical fact should be considered forward-looking, including statements regarding our financial condition, anticipated financial performance, achieving profitability, business strategy and plans, market opportunity and expansion and objectives of our management for future operations. These forward-looking statements generally are identified by the words “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “future,” “intend,” “may,” “might,” “opportunity,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “strategy,” “strive”, “target,” “will,” or “would,” the negative of these words or other similar terms or expressions. The absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many important factors could cause actual future events to differ materially from the forward-looking statements in this presentation, including but not limited to: (i) rapid technological change in our industry; (ii) our ability to secure clients' contract renewals; (iii) our ability to maintain and expand our network of therapists, psychiatrists and other providers; (iv) a decline in the prevalence of enterprise-sponsored healthcare or the emergence of new technologies may adversely impact our DTE (“Direct-to-Enterprise”) business; (v) if our or our vendors’ security measures fail or are breached; (vi) changes in healthcare laws, regulations or trends and our ability to operate in the heavily regulated healthcare industry; and (vii) and the other factors, risks and uncertainties described in under the caption “Risk Factors” in our Annual Report on Form 10-K for the annual period ended December 31, 2024 filed with the Securities and Exchange Commission (“SEC”) on March 12, 2025, subsequent quarterly reports on Form 10-Q and in our other documents filed from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and except as required by law, we assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. We do not give any assurance that we will achieve our expectations.

Certain information and data contained in this presentation relate to or are based on studies, publications, surveys and other data obtained from third-party sources and the Company’s own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources, and you are urged not to give undue weight to such third-party information. While the Company believes its internal research is reliable, such research has not been verified by any independent source.

This presentation may contain the measure Adjusted EBITDA, Adjusted EBITDA margin, and non-GAAP costs and expenses (including non-GAAP cost of revenue, research and development, sales and marketing, and general and administrative) which are non-GAAP financial measure. For additional information about the measure and a reconciliation to the most closely comparable GAAP measure see the Talkspace Investors Relations website at investors.talkspace.com.

3Q 2025 Revenue and Adjusted Gross Profit



(1) Revenue is presented on an as-reported basis.
(2) Adjusted Gross Profit is defined as Revenue less Cost of revenue, excluding depreciation and amortization. Certain prior year amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on the reported results of operations.

Operating Expense and Adjusted EBITDA

USD, Millions

Operating Expenses[1]

USD, Millions

Adjusted EBITDA[2]

(1) Certain prior year amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on the reported results of operations.
(2) Adjusted EBITDA is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, see the appendix to this presentation.

3Q 2025 Business Highlights

Accelerating Behavioral Health Growth & Expanding Services

- Improved member funnel and drove +29% Unique Active Payor Members; +37% Payor sessions, YoY
- Broadened coverage with new Blues plans and competitive national EAP win
- Expanded medication management with +46% sequential growth in initial psychiatry sessions
- Broadened comprehensive care platform with acquisition of Wisdo Health, a clinically-proven, AI-powered social health platform

Innovating through Meaningful Investments in Technology

- Continued integration of AI into all aspects of the business to improve both the member journey and provider experience
- Product platform enhancements drove +50% increase in number of clients attending 3rd session in 30 days[1]
- Launched three additional proprietary risk algorithms, in addition to suicide-risk
- In Alpha phase testing, proved our proprietary LLM's outperformance across key safety measures in comparison to frontier AI models

Enhancing Partnerships & Growing Brand Awareness

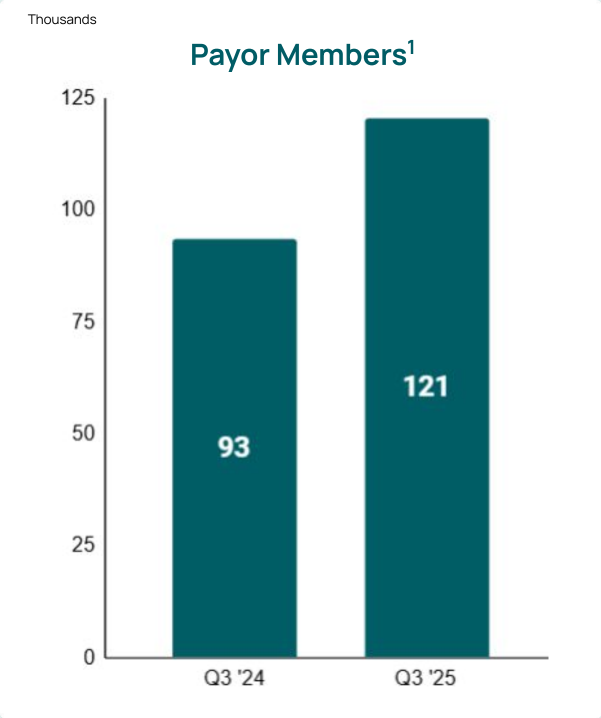
- Further embedded with payors through directory integrations of curated clinician network to facilitate finding in-network care
- Continued partnership strategy in women's health with Tia Health
- Increased brand awareness; with more than 35% of people now recognizing Talkspace[2]
- Celebrated 2-years of NYC Teenspace program with strong results and continued to grow youth/young adult business

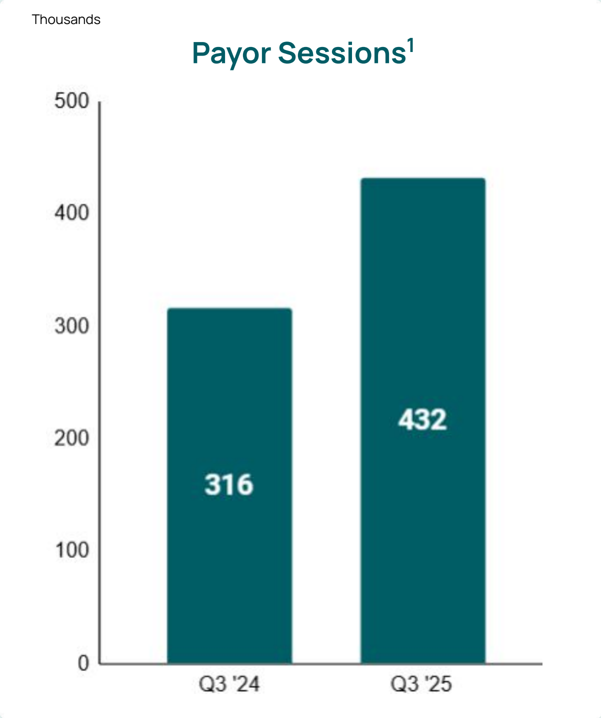
Delivering scalability, sustainability, and profitability

- +42% YoY in Payor Revenue and +25% YoY in Total Revenue
- Continued Adjusted EBITDA growth: +111% YoY in Q3; LTM Adjusted EBITDA of ~$11.9 million vs. ~$4.0 million a year ago[3]
- Strong balance sheet: $0 debt and ~$96M in cash, cash equivalents and restricted cash (incl. & Marketable Securities) for growth investments
- ~$9m of shares repurchased in Q3 under the Company's buyback plan

(1) M BH members, Compared to control period in 2024.
(2) Qualtrics survey data.
(3) Adjusted EBITDA is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, see the appendix to this presentation.

3Q 2025 Payor Performance Highlights





(1) Includes sessions from Managed Behavioral Health ("MBH") and Employee Assistance Programs ("EAP").

2025 Financial Guidance

	Revenue	Adjusted EBITDA[2]
Prior Guidance Range	$220M to $235M *+17% to +25% YoY*	$14M to $20M *+101% to +187% YoY*
Narrowed Guidance Range	**$226M to $230M** *+20% to +23% YoY*	**$14M to $16M** *+101% to +130% YoY*

(1) Guidance based on current market conditions and expectations and what we know today.
(2) Adjusted EBITDA is a non-GAAP financial measure. We do not provide a forward-looking reconciliation of our guidance for adjusted EBITDA as the amount and significance of items required to develop meaningful comparable GAAP financial measures cannot be estimated at this time without unreasonable efforts. These special items could be meaningful.

Appendix

Non-GAAP Financial Measures

In addition to our financial results determined in accordance with GAAP, we believe adjusted EBITDA, a non-GAAP measure, is useful in evaluating our operating performance, and our management uses it as a key performance measure to assess our operating performance. Because adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we use this measure for business planning purposes and in evaluating acquisition opportunities. We also use adjusted EBITDA to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that this non-GAAP financial measure, when taken together with the corresponding GAAP financial measures, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations or outlook. We believe that the use of adjusted EBITDA is helpful to our investors as it is a metric used by management in assessing the health of our business and our operating performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP.

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

A reconciliation is provided below for adjusted EBITDA to net income (loss), the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review our financial statements prepared in accordance with GAAP and the reconciliation of our non-GAAP financial measure to its most directly comparable GAAP financial measure, and not to rely on any single financial measure to evaluate our business. We do not provide a forward-looking reconciliation of adjusted EBITDA guidance as the amount and significance of the reconciling items required to develop meaningful comparable GAAP financial measures cannot be estimated at this time without unreasonable efforts. These reconciling items could be meaningful.

Reconciliation of Net Income (Loss) to Adjusted EBITDA

Adjusted EBITDA

We calculate adjusted EBITDA as net income (loss) adjusted to exclude (i) depreciation and amortization, (ii) stock-based compensation expense, (iii) financial income, net, (iv) income tax expense (benefit), and (v) certain non-recurring expenses, where applicable.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(in thousands)				
Net income (loss)	$ 3,251	$ 1,874	$ 3,028	$ (66)
Add:				
Depreciation and amortization	686	231	2,054	652
Stock-based compensation	1,841	1,931	6,529	7,290
Financial income, net	(1,078)	(1,701)	(3,929)	(5,123)
Income tax expense (benefit)	25	(74)	224	123
Non-recurring expenses (1)	243	89	1,300	1,427
Adjusted EBITDA	$ 4,968	$ 2,350	$ 9,206	$ 4,303

(1) For the three months ended September 30, 2025, non-recurring expenses primarily consisted of acquisition related expenses. For the nine months ended September 30, 2025, non-recurring expenses primarily consisted of severance costs, one-time litigation fees and acquisition related expenses. For the three and nine months ended September 30, 2024, non-recurring expenses primarily consisted of severance costs related to the departure of key executives of the Company and other related costs.