



# Investor Presentation

November 2024

# Forward Looking Statement

Forward-looking statements represent our beliefs and assumptions only as of the date of this release. These statements, and related risks, uncertainties, factors and assumptions, include, but are not limited to: our ability to regain and maintain compliance with NYSE listing standards; our ability effect any reverse stock split; our ability to successfully transition our clients to Converge without significant attrition; our ability to renew and upsell our client base; the election by the Defense Health Agency to deploy our solution across their entire enterprise; the continuation of the DHA relationship beyond July of 2025 with comparable financial terms; weak growth and increased volatility in the telehealth market; our ability to adapt to rapid technological changes; increased competition from existing and potential new participants in the healthcare industry; changes in healthcare laws, regulations or trends and our ability to operate in the heavily regulated healthcare industry; our ability to comply with federal and state privacy regulations; the significant liability that could result from a cybersecurity breach; and other factors described under 'Risk Factors' in our most recent form 10-K filed with the SEC. These risks are not exhaustive. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future. Further information on factors that could cause actual results to differ materially from the results anticipated by our forward-looking statements is included in the reports we have filed or will file with the Securities and Exchange Commission. These filings, when available, are available on the investor relations section of our website at [investors.amwell.com](https://investors.amwell.com) and on the SEC's website at [www.sec.gov](http://www.sec.gov).

# Investment Highlights



Transformation:  
Services to  
Software Platform



\$75+ Billion  
US TAM



Recurring  
high margin SaaS  
revenue model



Large market share  
with health plans  
and providers



Significant  
Operating  
Leverage

A Healthy  
Balance Sheet  
& No Debt

# Empowering digital transformation in healthcare



Software



Services



Carepoints

Our Future-Ready, Digital First, Hybrid Care Delivery Platform

# Seeing results, delivering value



Improve financial  
& clinical outcomes

Powered by  
**CONVERGE**



Retain & optimize  
workforce

Powered by  
**CONVERGE**



Ensure superior  
patient experience

Powered by  
**CONVERGE**

# Recent Momentum



**Our software platform** is validated in the market by strategic clients



**Client Migrations: over 70%** of visits on Converge platform



**Pivotal Contract Win:** to Modernize the Military Health System

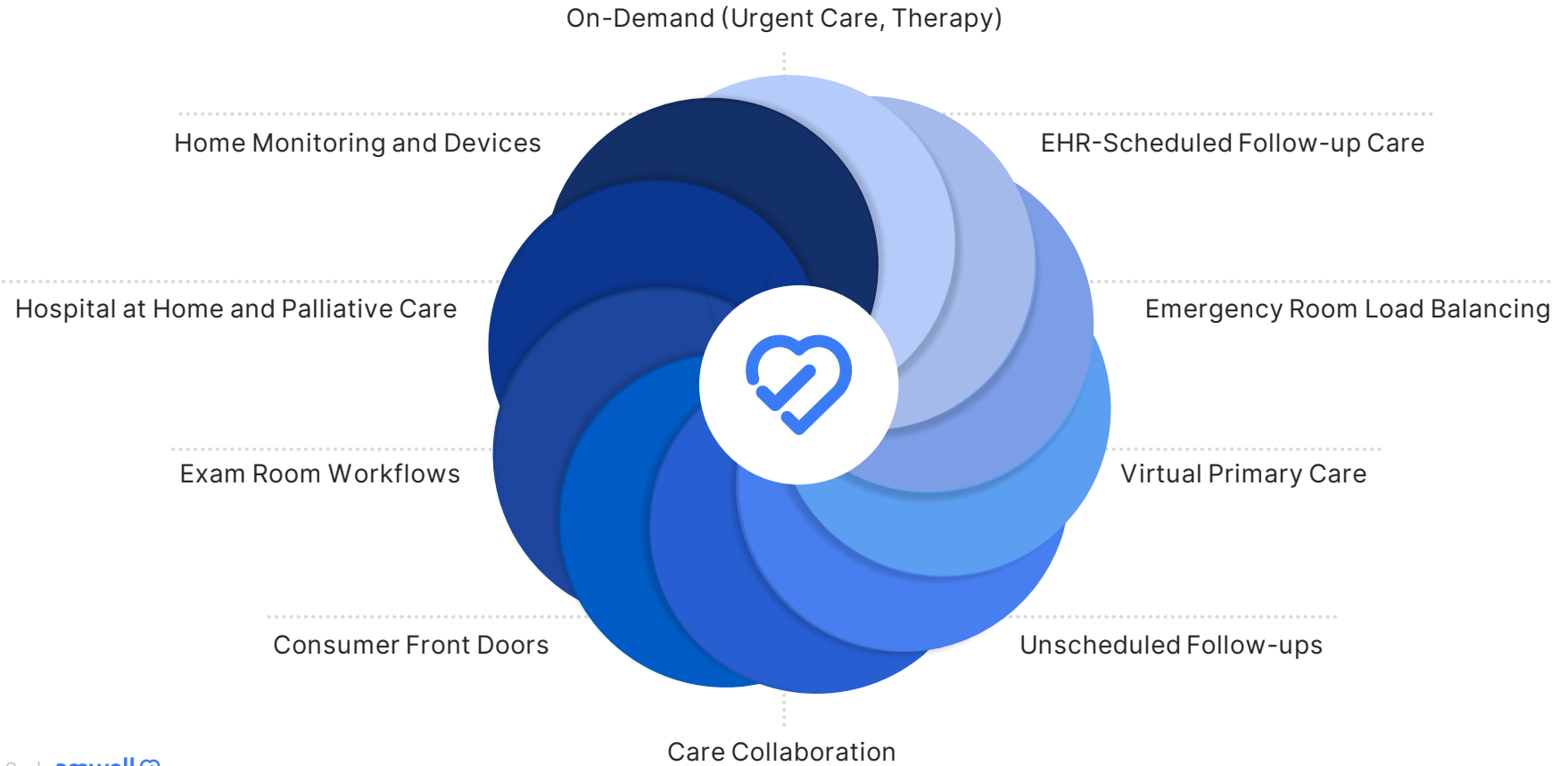


**Marquee customer go-lives:** CVS, Elevance, Highmark, Defense Health Agency, others



# Our Purpose & Value

# Dramatic Rise in Expectations – Beyond Urgent Care





# Significant Challenges to achieving digital first goals exist



## Workforce shortages & burnout

are hospital CEO's #1 Concern



## Regulations

add complexity



## Fragmentation

of many nonintegrated point solutions and portals exist



## Inefficient care

models are the status quo



## Rapid innovation

creates complexities



## Health equity

is a growing priority



Healthcare organizations seek a

# Trusted Partner

to empower & enable their own unique digital care delivery aspirations... so they can focus on the **delivery of care.**



FROST & SULLIVAN

2022

BEST  
PRACTICES  
AWARD

NORTH AMERICAN VIRTUAL CARE

CUSTOMER VALUE LEADERSHIP AWARD

amwell 

# We enable & empower

healthcare organizations to  
deliver on the promise of  
digital first care.



# Enabling & empowering a Hybrid care continuum

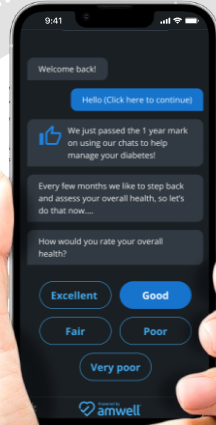
## In-person

Scheduled & urgent care appointments



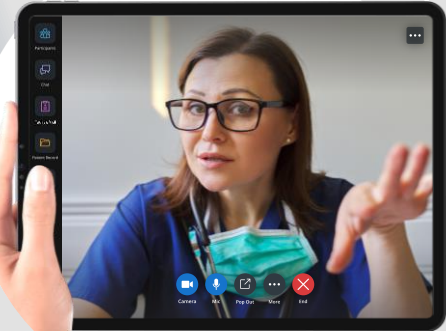
## Automated

Between visit engagement & coaching



## Virtual

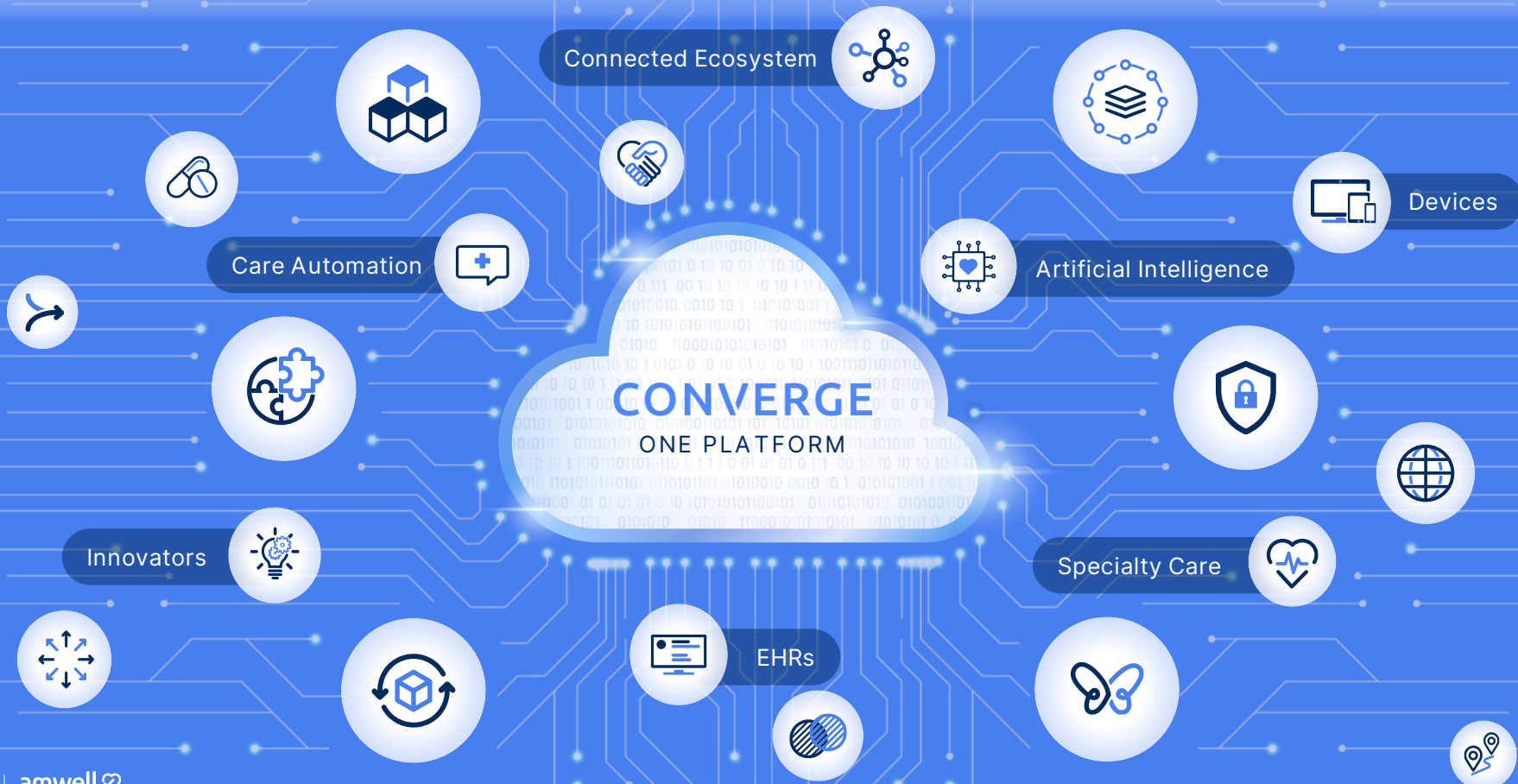
Scheduled & on-demand visits



Virtual Provider Network












# Cloud based, scalable, efficient, future ready



# Integrated and Modular: Buy for today and expand when ready



# Converge is best in class patient & provider experience

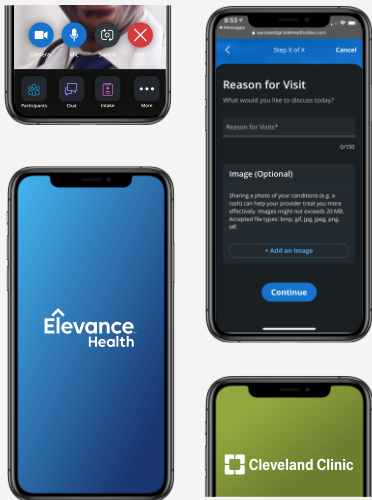
-  Simplicity
-  Speed
-  Reliability
-  Familiar Navigation
-  Digital First & Hybrid Choice
-  Always-on
-  Embedded In EHR
-  Ease Of Collaboration
-  Carepoints For The Last Mile



# Amwell is the Enabling Partner delivering more than virtual visits:

## Branded Approach

to maintain customer connection



## Trusted Provider Network

Empower & augment  
Never compete

24/7/365

Expert Clinical Staff

3,500+

Clinicians in 50 States

Urgent Care | Automated Care Programs | Therapy | Psychiatry | Nutrition | Women's Health | Sleep

## Carepoint Devices

User experience through the last mile



## Professional Services

Expertise to ensure customer success

Implementation

Workflow Mapping & Design

Engagement Campaigns



# All Parties Win



## Payers

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Manage risk

Lower cost of care

Leverage existing digital assets

Contributes to brand trust



## Providers

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Seamless, collaborative experience

Embedded in EHR

Address shortages & burnout

Cost & efficiency benefits

The last mile: home care



## Patients

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Unified digital first experience  
across care continuum

Connect with a trusted provider

Improve access & experience

Better outcomes

# Customer Base & Go to Market

# Sizeable customer footprint 15+ years experience



2,000+

Hospitals



100K+

Active Providers



~50

Health Plan Partners



100M+

Members

# Enabling DIGITAL FIRST transformation of the Military Health System

September 2023 \$180M Task Order\* to Leidos Partnership for Defense Health

Expanding our Global TAM serving:

9.6M service members, families, retirees

133 primary hospitals, inpatient facilities, +500 secondary clinics



Optimize the use of clinical resources across the global enterprise



Flexible patient/provider experience integrated into the EHR workflows



Automated engagement & escalation



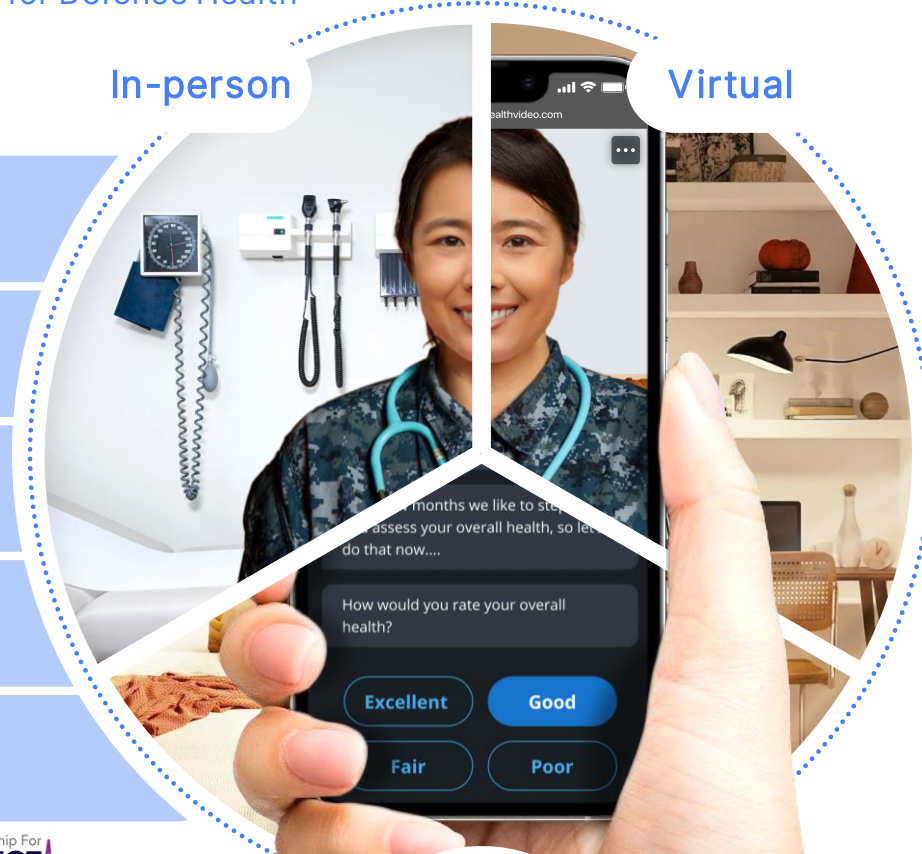
= Improving Access, Reducing Cost, Enhancing the experience of Care



= Improving mental health and wellness & delivering effective therapeutic interventions

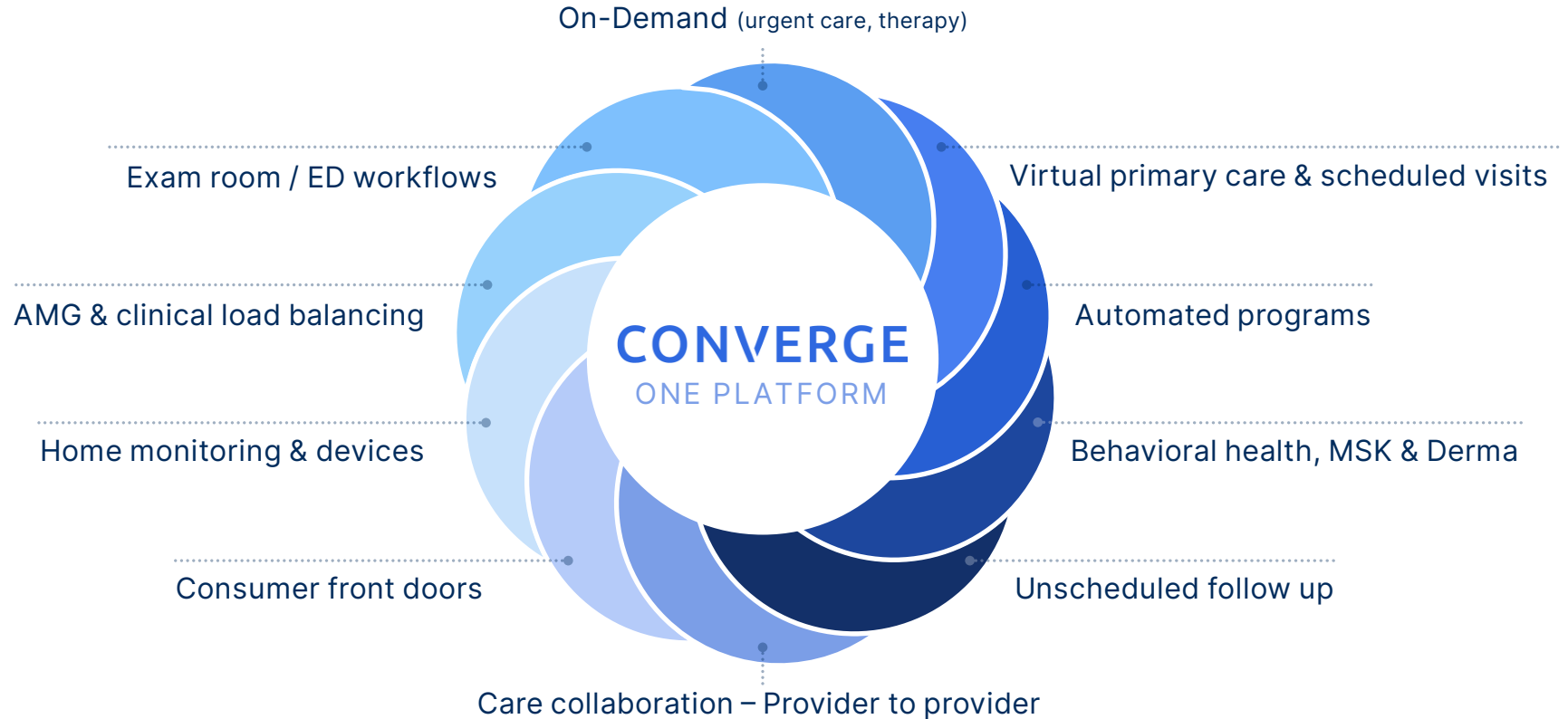
In-person

Virtual



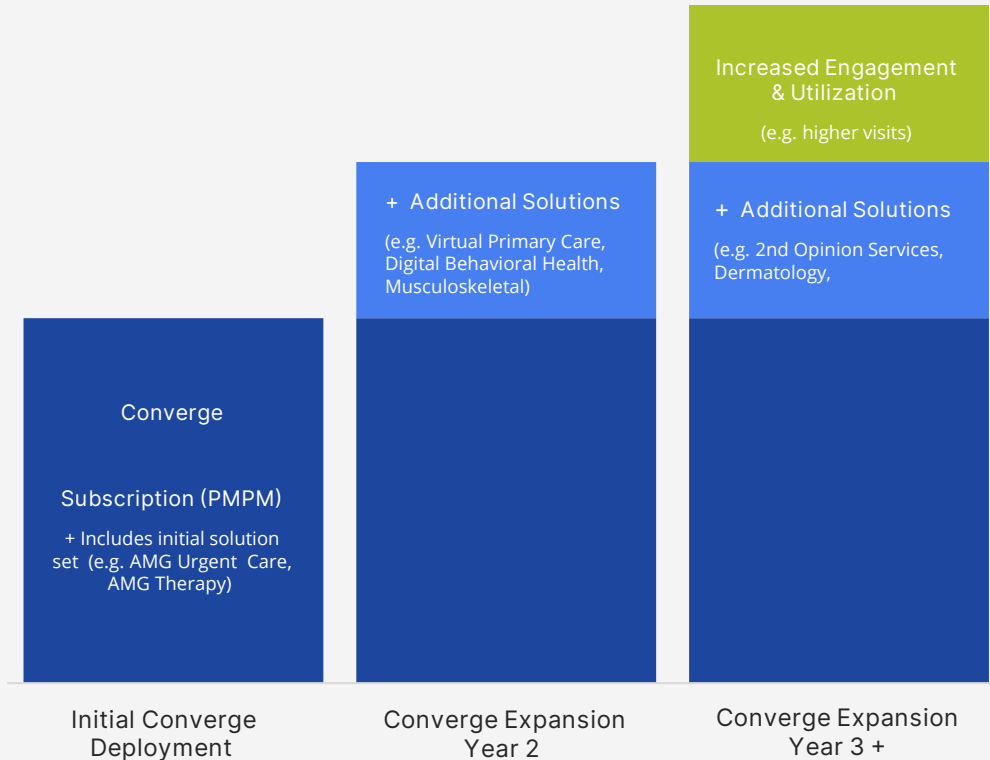
Automated

# Land & Expand: from telehealth to enabling hybrid care



# Grow ACV\*

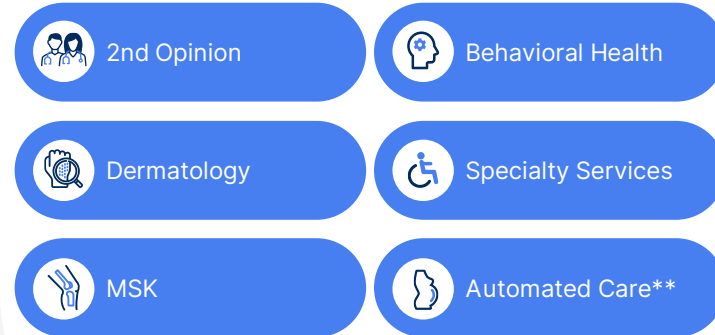
## Sample Health Plan Client



## Key Drivers Of ACV\*

Addressable Lives | Scope of Use

Add-on programs including:

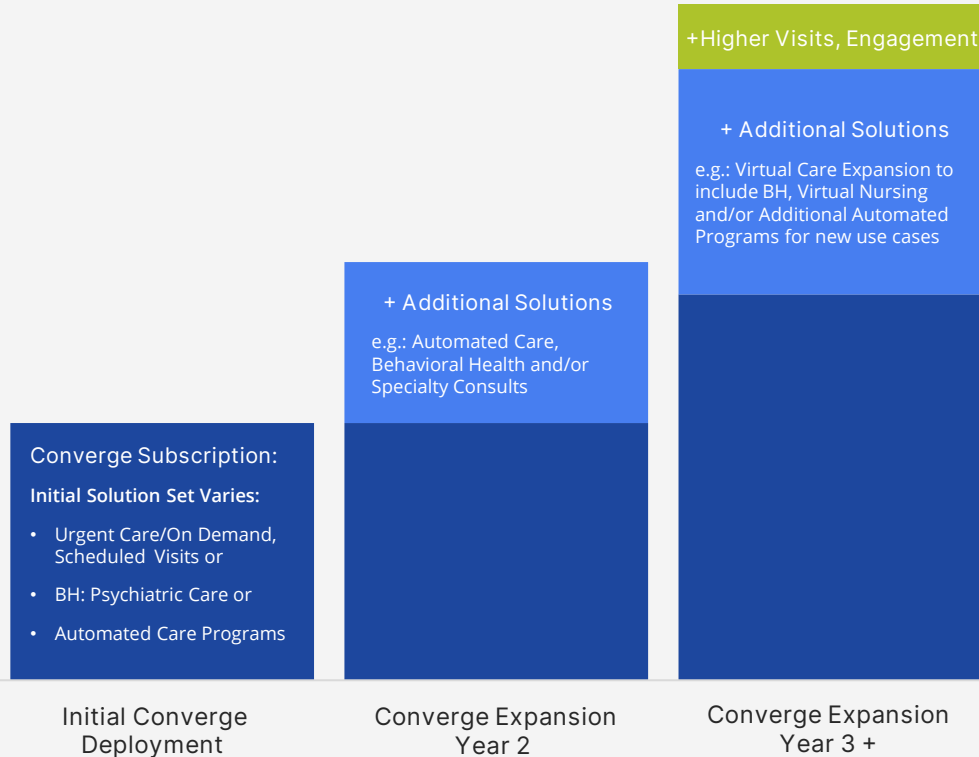


\*Average Contract Value

\*\*Automated Programs

# Grow ACV\*

## Sample Health System Client



### Key Drivers Of ACV\*



\*Average Contract Value

# ROI based selling



## Address

staffing shortages & burnout



## Improve

operational efficiency & costs



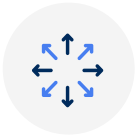
## Deliver

better patient & provider experience



## Improve

patient outcomes



## Increase access

to care





# Backed up by demonstrated outcomes

## Cost/ Efficiency

ED DISCHARGE PROGRAM



> \$1M

Total cost reductions  
per year

↓ 30

Fewer calls per  
nurse per day

## Patient Outcomes

MSK PROGRAM



↑ 32%

Increased productivity

↓ 72%

Reduction in pain

## Staff Shortages

SILVERCLOUD BEHAVIORAL HEALTH



94%

Patient satisfaction

> 1 WEEK

Reduced wait-time  
from 16 week avg.

# Seeing results, delivering value

## Cost/ Efficiency

### EXPANDED VIRTUAL CONSULTS



↓ **50%**  
reduction in transfers

↑ **35%**  
increase in net revenues

## Patient Outcomes

### IMPROVED ACCESS



**40%**  
Reduction in patient wait times (for psych care)

### AUTOMATED CARE PROGRAMS

↓ **48%**  
reduction in colonoscopy no-show

capturing 800 additional colonoscopies and \$1M in annual revenue.



## Staff Shortages

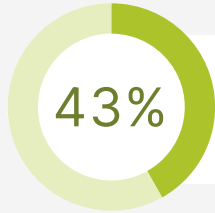
### VIRTUAL NURSING DISCHARGE PROGRAM



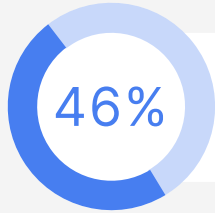
**1,300+**  
patient discharges performed virtually in first 16 mo. post-launch

**40**  
12-hour nursing shifts saved

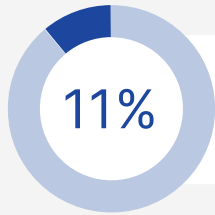
# Diversified revenue, growing software mix



**Subscription Software**  
(all recurring, higher margin)



**Visits**  
(high visibility, seasonal)



**Carepoints & Professional Services**  
(Consistent, high visibility)



Revenue Quality: Shift to higher margin, recurring software revenue

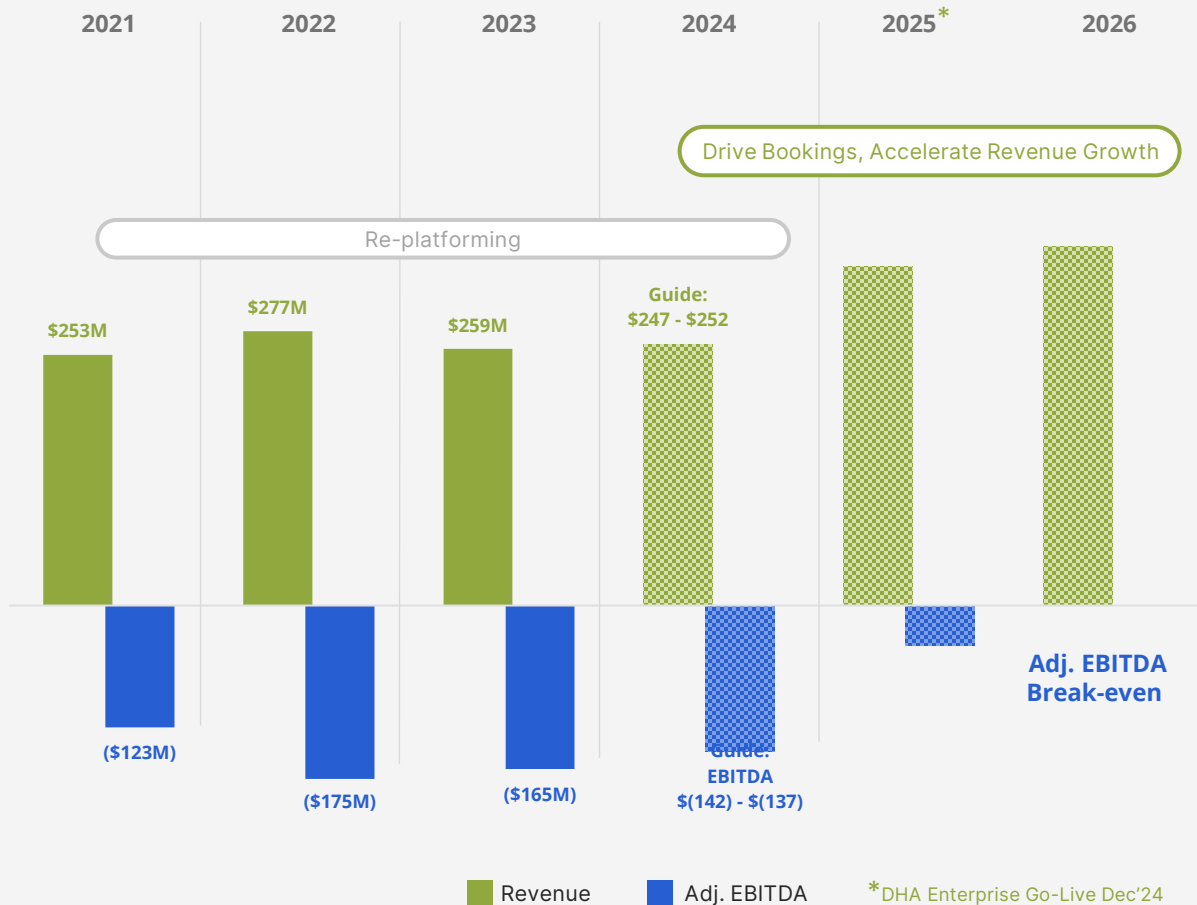






Low customer penetration



Valuable Clinical & Professional Services Component

# Path to Cash Flow Positive

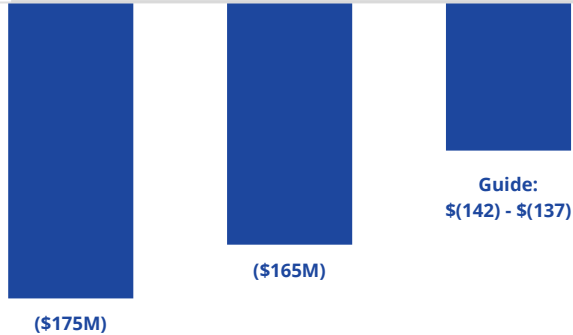


- 
 Normalize R&D investment
- 
 Mix shift to SaaS software revenue
- 
 Benefits of scale as we grow
- 
 G&A cost containment and operating leverage

\*DHA Enterprise Go-Live Dec'24  
2025 Guidance to be updated February '25

# Path to Cash Flow Positive

## Re-platforming to Converge



## Drivers to Cash Flow Positive - 2026

Mix shift to software + customer support & service efficiencies

Absolute decline in R&D spending

SG&A leverage

Breakeven A-EBITDA

Improves 20-25 margin points

Reduction to target of 25-30% of software revenue

Gross margin increase from ~38% to >50%

Revenue Growth

2022 A-EBITDA

2023 A-EBITDA

2024 A-EBITDA

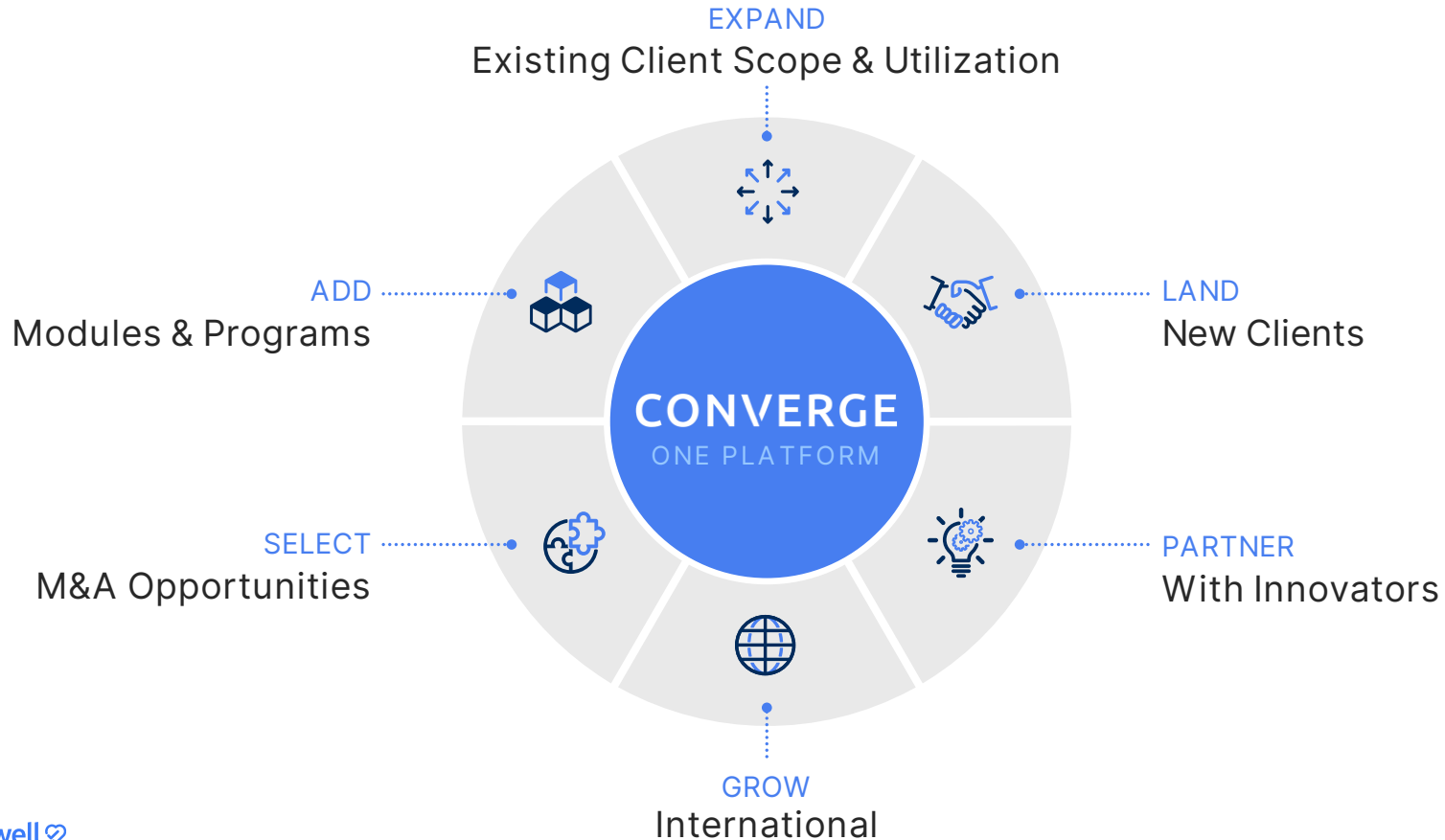
Gross Margin Expansion

R&D Normalization

Benefits of Scale

Cash Flow Breakeven

# Multiple Drivers for Long Term Growth



# Commitment to delivering with purpose

## Our ESG Framework

### Our Products

Enabling our customers to achieve their goals around:

- Operational Efficiencies & Environmental Stewardship
- Clinician Shortages and Burnout
- Patient Experience and Outcomes
- Health Equity and Access



### Our People

Strong Culture focused on:

- Talent Development & Engagement
- Mental & Physical Wellbeing
- Diversity & Inclusion
- Community Service

### Our Operations

Protecting customer & employee data with robust processes around:

- Cybersecurity & Data Privacy
- Compliance & Ethics



Corporate Governance

**22%** Board Members

Diverse by gender, race, or ethnicity

**78%** Independent Directors



# Investor Presentation

Thank you!



# GAAP to Non-GAAP Reconciliations

The following table presents a reconciliation of adjusted EBITDA from the most comparable GAAP measure, net loss, for each of the years ended December 31, 2023, 2022 and 2021:

(in thousands)	Years Ended December 31,		
	2023	2022	2021
Net loss	\$ (679,171)	\$ (272,072)	\$ (176,782)
Add:			
Depreciation and amortization	31,492	26,153	16,089
Interest and other income, net	(19,422)	(6,123)	(120)
(Expense) benefit from income taxes	3,860	64	(5,376)
Goodwill impairment	436,479	—	—
Stock-based compensation	72,040	69,144	43,809
Severance <sup>(1)</sup>	4,414	—	—
Public offering expenses <sup>(2)</sup>	—	—	1,223
Acquisition-related (income) expenses	—	—	7,289
Noncash expenses and contingent consideration adjustments <sup>(3)</sup>	—	12,153	(10,987)
Capitalized software development costs	(15,056)	(10,155)	—
Litigation expense <sup>(4)</sup>	—	5,575	2,182
Adjusted EBITDA	<u>\$ (165,364)</u>	<u>\$ (175,261)</u>	<u>\$ (122,673)</u>

- (1) Severance costs associated with the termination of employees during the year ended December 31 2023.
- (2) Public offering expenses include non-recurring expenses incurred in relation to our secondary offering for the year ended December 31, 2021.
- (3) Noncash expenses and contingent consideration adjustments include, noncash compensation costs incurred by selling shareholders and adjustments made to the contingent consideration.
- (4) Litigation expense relates to legal costs related to the Teladoc litigation which was dismissed pursuant to a confidential settlement between the parties in 2022.