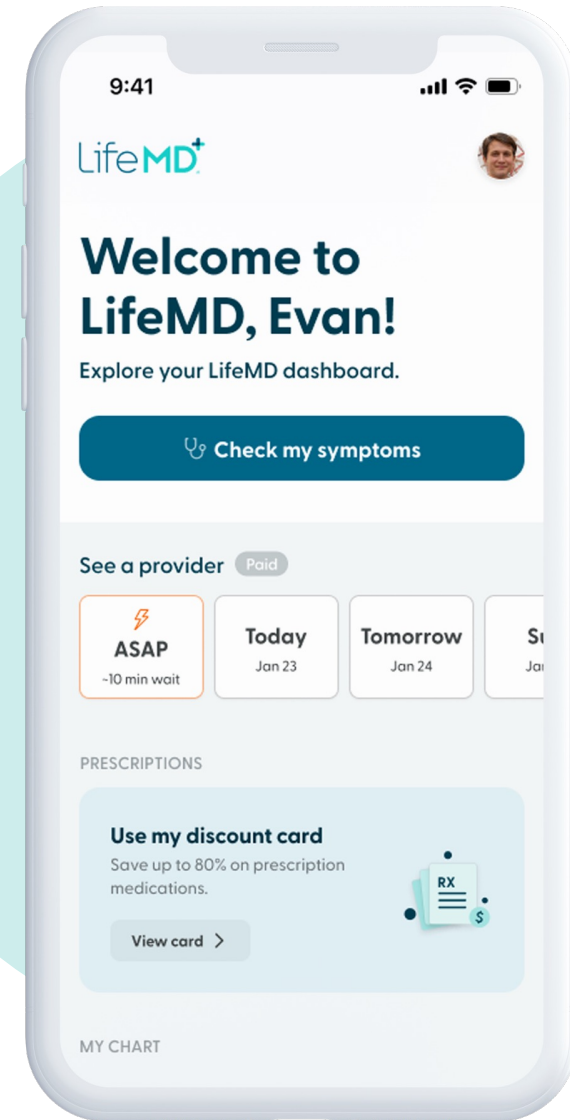




## Supplemental Q1 2023 Presentation

May 2023



# Important Cautions Regarding Forward-Looking Statements

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# Highlights: Q1 2023

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## Revenue:

- Total revenue for Q1 2023 totaled \$33.1M, up 14% from the year ago period. Up 18% from Q4'22. Telehealth revenue up 23% from Q4 '22.

## Profitability:

- \$2M of consolidated Adjusted EBITDA profitability in Q4 '23, up 126% from the year ago period.
- Record Gross margins of 87%, up from 82% in the year ago period.
- Continue to achieved meaningful leverage on G&A spend.
- Marketing spending decreased as a percentage of revenue in Q1'23 to 50% versus 75% in the year ago period.

## Liquidity:

- Debt financing with Avenue Capital totaling up to \$40M closed, \$15M drawn.
- Cash balance as of Q1'23 totaled \$11.5M.
- Q1 consolidated burn rate totaled \$4.4M, however excluding \$4M timing related to AP paydown, LifeMD cash burn was only \$678K, an 84% improvement sequentially versus the prior quarter.

## LifeMD Virtual Primary Care Brand:

- Virtual primary care (VPC) platform ends Q1 with 11,000 patients and \$565K in revenue +106% sequentially versus Q4 2022)
- Launched a GLP-1 weight loss offering in early Q2 leveraging existing VPC platform and network

## Diversification:

- Sleep offering is off to great start with sales of \$400K in Q1.
- Strong early weight loss results
- Plan to accept insurance for the VPC platform by end of year with billing/ compliance function set to be outsourced. Platform to also become Medicare eligible.

## WorkSimpli:

- Finished Q1 '23 with approximately 173,000 global subscribers, up 65% versus prior year.
- Revenue totaled \$12.9M (+101% vs. prior year)
- EBITDA totaled \$3M for Q1'23.
- Product now extends to 16 languages globally.

# Early Mover Advantage, Supported By A Patient-Centric Approach, Has Enabled Incredible Growth

**\$140M - \$150M**

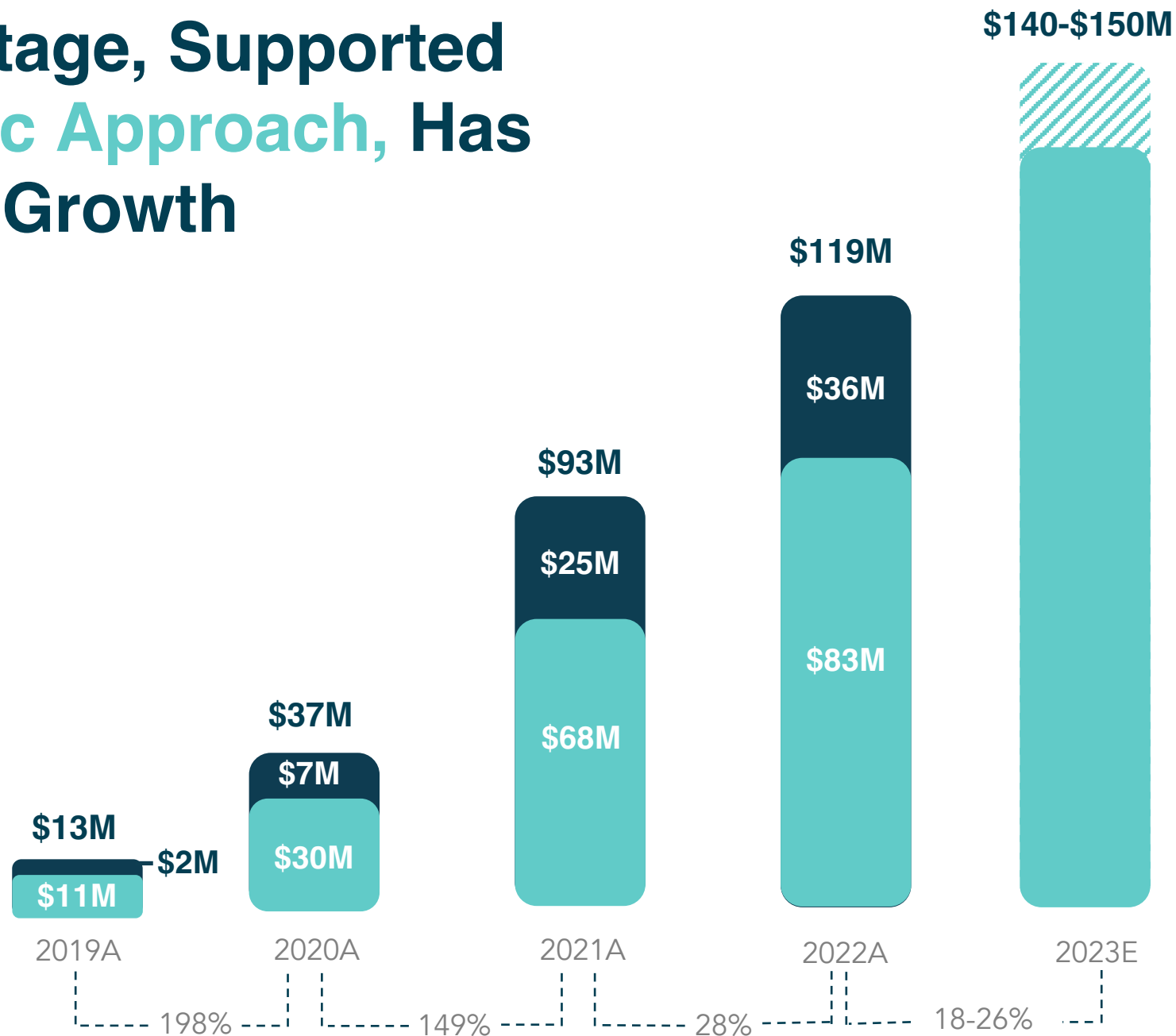
2023E Revenue Forecast

**18% - 26%**

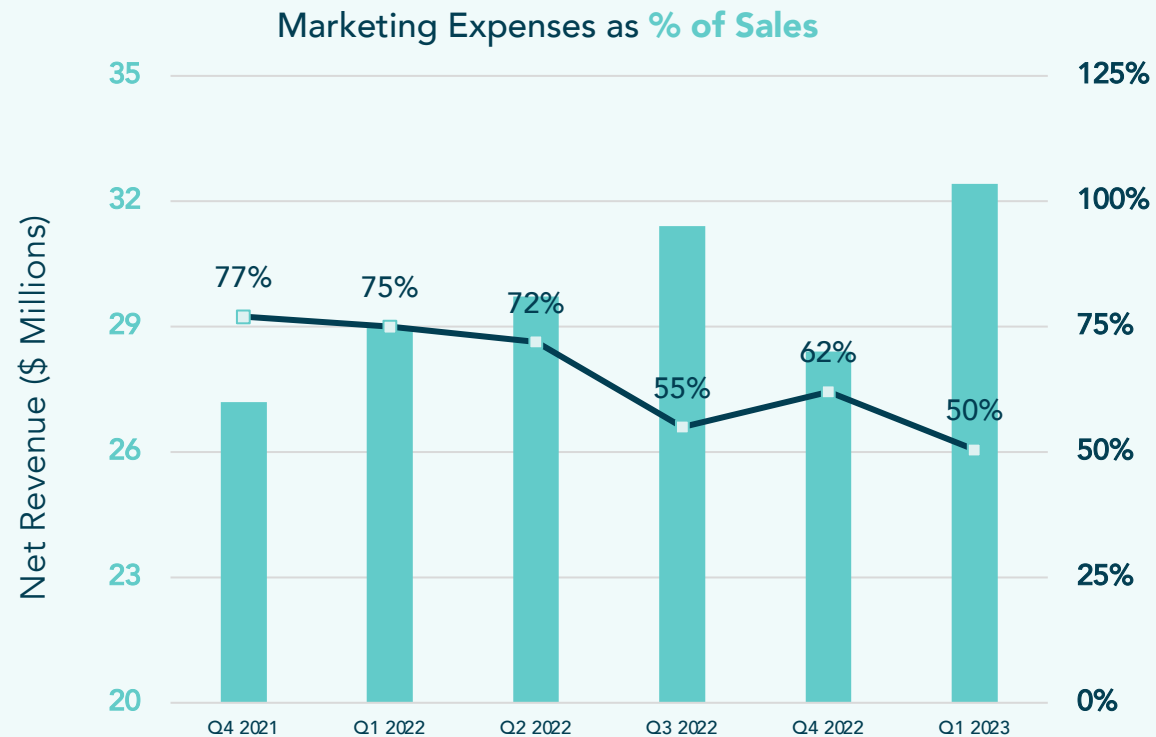
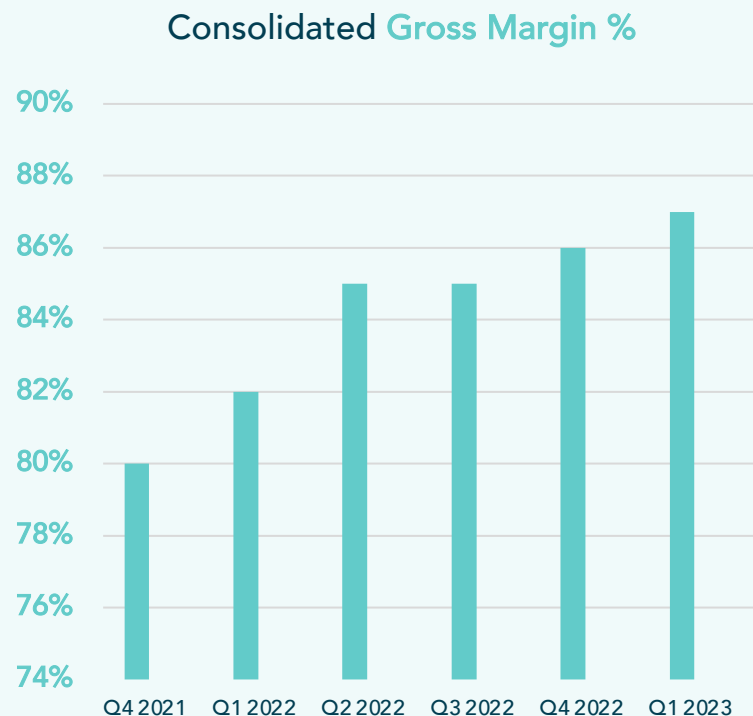
YoY Estimated Revenue  
Growth in '23

**715K+**

Patients & Customers To-Date



# Rapidly Accelerating Gross Margins And Increasing Leverage On Marketing Spend Driving Continued Growth In Profitability



Revenue and marketing cost as % of sales includes Telehealth and WorkSimpli results. Operating expenses exclude non-cash items.

# Full Year 2023 Guidance Reflecting Substantial Profitability Growth

	FY 2023 GUIDANCE	FY 2022 ACTUAL	DELTA %
Consolidated Net Revenue	\$140-\$150 million	\$119 million	+18-26%
Gross Margin %	87%	84%	+300 bps
Consolidated Adj. EBITDA	\$12-\$18 million	\$(15) million	+180-220%
Free Cash Flow Break-Even	Reach Free Cash Flow Break-Even/ Positivity by Mid-2023		

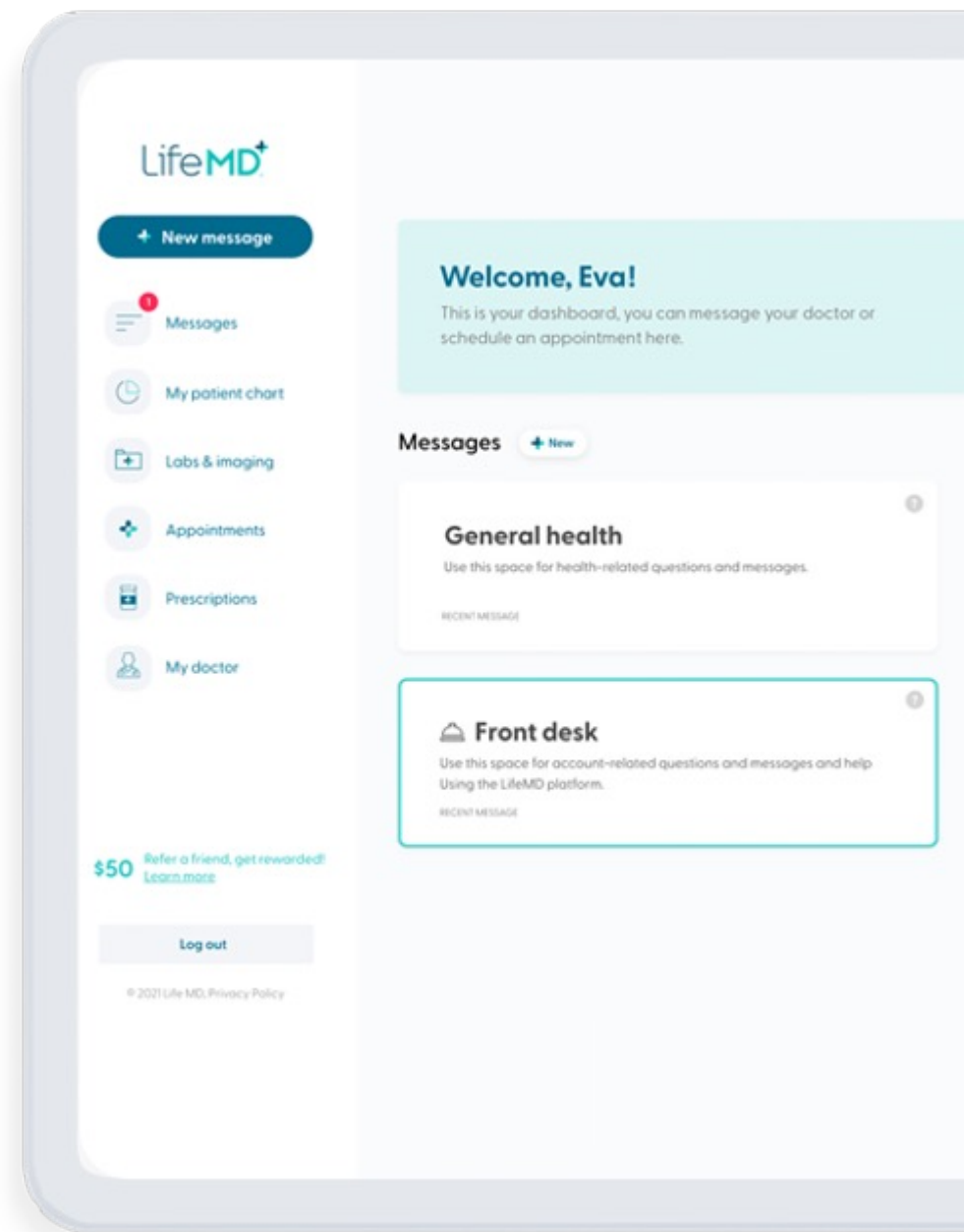
# Strong Liquidity to Meet our Capital and Growth Needs

	FY 2023 CASH FLOW GUIDANCE
End of Year 2022 Actual Cash Balance	\$4 million
Plus Avenue Capital FY23 Debt Proceeds, net	+\$18 million
Operating Cash Flow (incl. Interest Expense)	+\$4-\$8 million
Less Capex	\$(6)-\$(8) million
Less Preferred Dividends	\$(3) million
Less Series B Preferred Stock Redemption	\$(4) million
End of Year Projection for 2023 Cash Balance	\$13-15 million

Reach Free Cash Flow Break-Even/Positivity by Mid- 2023

# Investor Highlights

- **Significant presence** within massive and growing addressable markets
- **Proprietary technology platform** differentiated by leading 50-state, affiliated physician network
- **High margin products/services** generating 85%+ consolidated gross margins
- **EBITDA break-even** with significant 2023 EBITDA profitability forecasted
- **Diversified, non-cyclical revenue streams** covering numerous healthcare areas







## Company Contact

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