



LifeMD⁺

Analyst & Investor Day

February 22, 2022



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Our adjusted EBITDA and adjusted EBITDA margin forecasts are non-GAAP financial measures which should not be considered substitutes for the most directly comparable GAAP financial measures. We have not provided a reconciliation to GAAP for these forecasts because we cannot, without unreasonable effort, predict the adjustments that could arise through 2025.

Business Overview

A rapidly growing **direct-to-patient telehealth company** leveraging deep expertise in medicine, technology and marketing to make healthcare **more accessible, affordable and convenient**



50 State Digital Pharmacy



Nationwide Provider Network



500K+¹ Patients & Customers



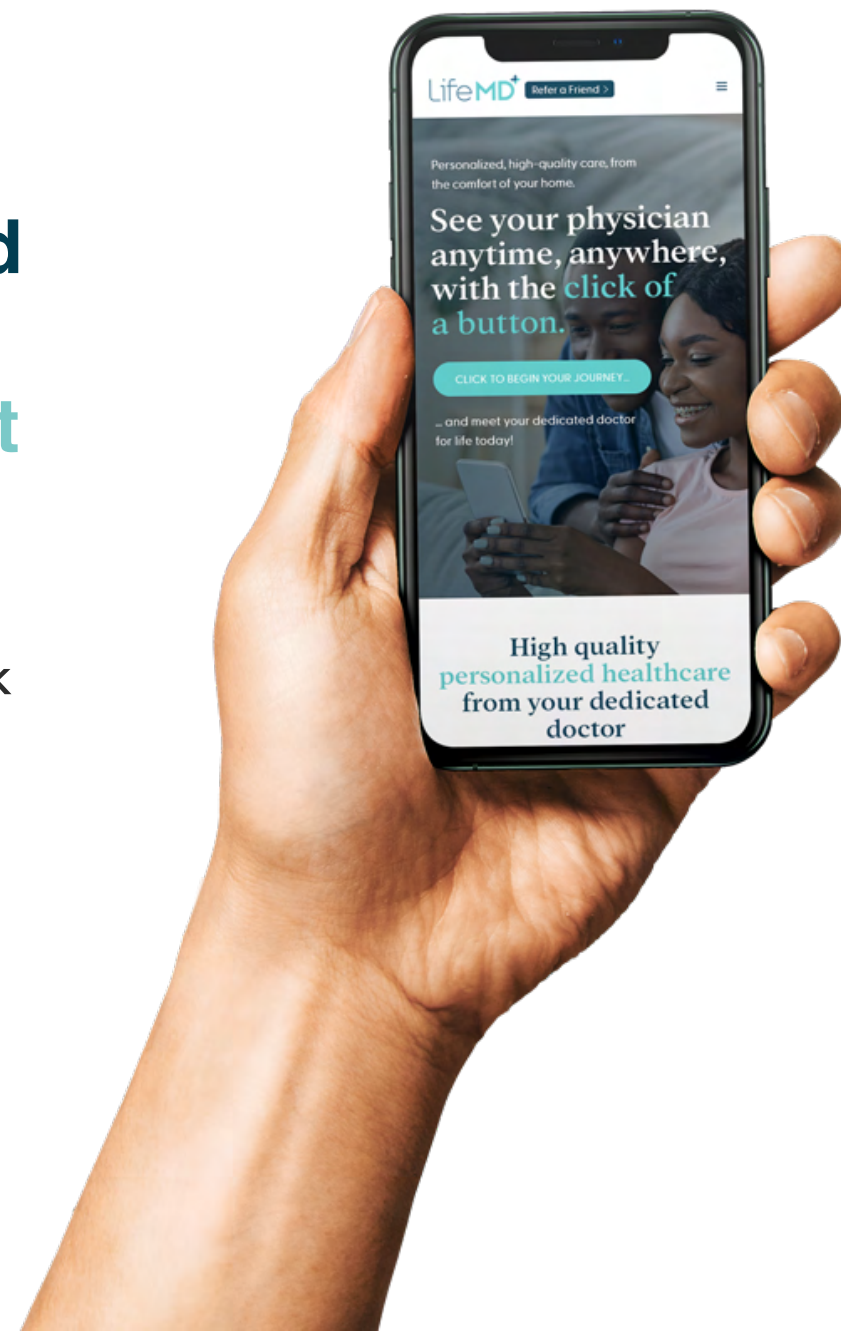
Diversified Brand Portfolio



Vertically Integrated Technology Platform

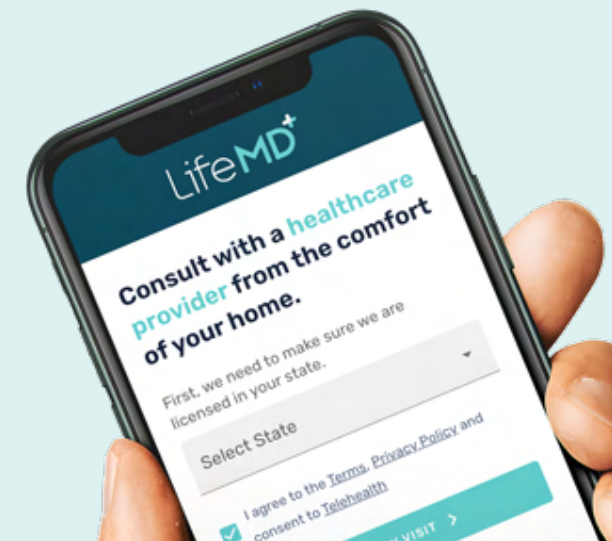


\$100M Revenue Run-Rate



1. Approximate patient and customer count treated as of 2/22/22 since inception.

Our Differentiators Continue to Propel Our Growth



Amazing Providers

Our affiliated PC's recruit and retain the best doctors and healthcare professionals in the world.



Deep Experience in Direct-Response Marketing

Our direct marketing expertise and technology platform have made us a leader in patient acquisition.



Technology that Scales

Our full-stack infrastructure enables scale and diversification into new clinical areas and partnerships.



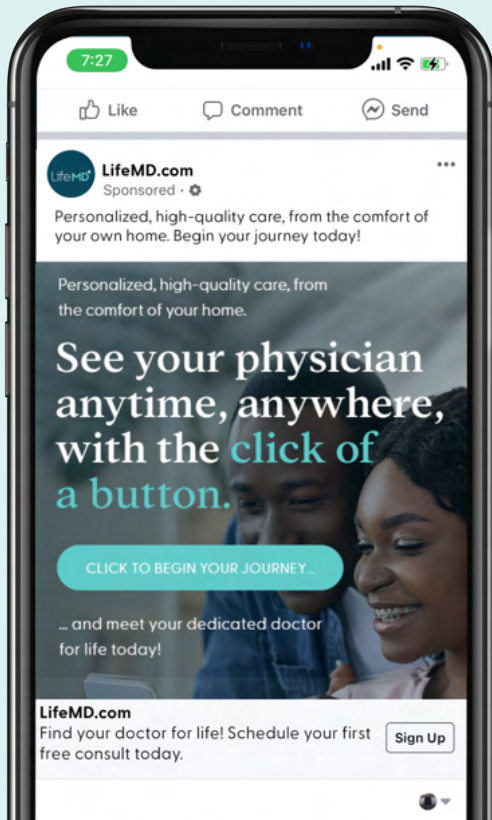
Healthcare Expertise

We have deep experience in therapeutics, devices, diagnostics, pharmacy and regulatory affairs.

LifeMD's Direct-to-Patient Healthcare Experience

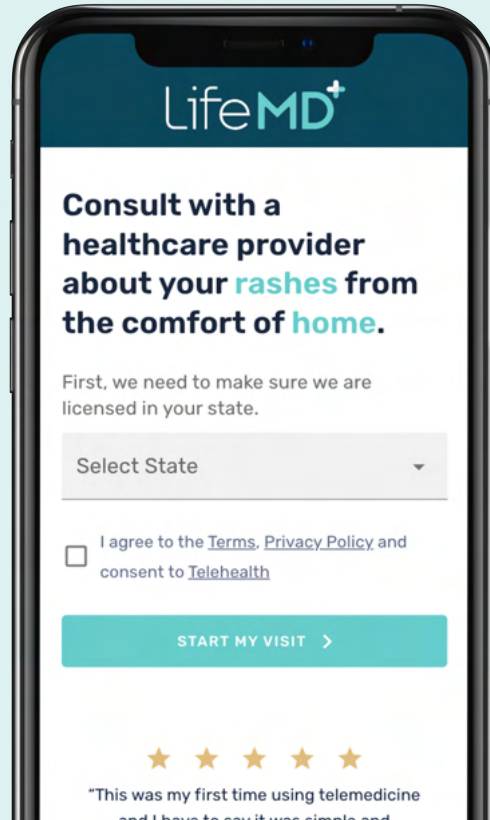
Brand Discovery

Patient views an online or offline advertisement and visits our telehealth website.



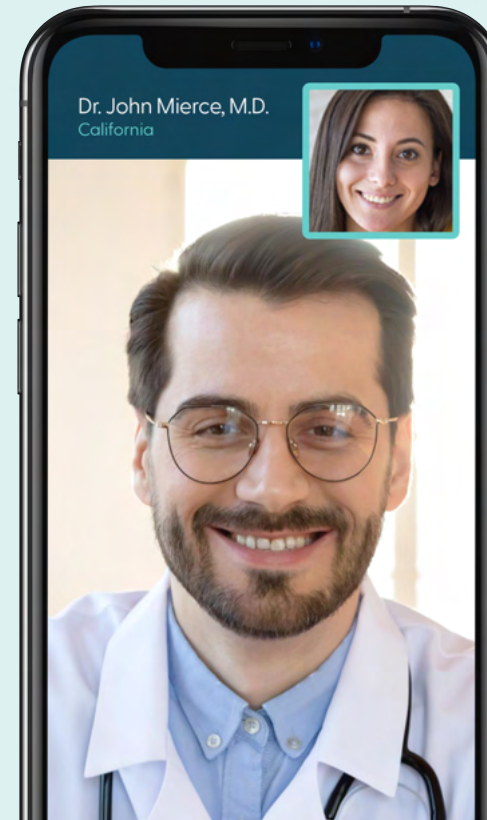
Diagnosis/Screening

Patient is screened via online intake form and pays for treatment and medication.



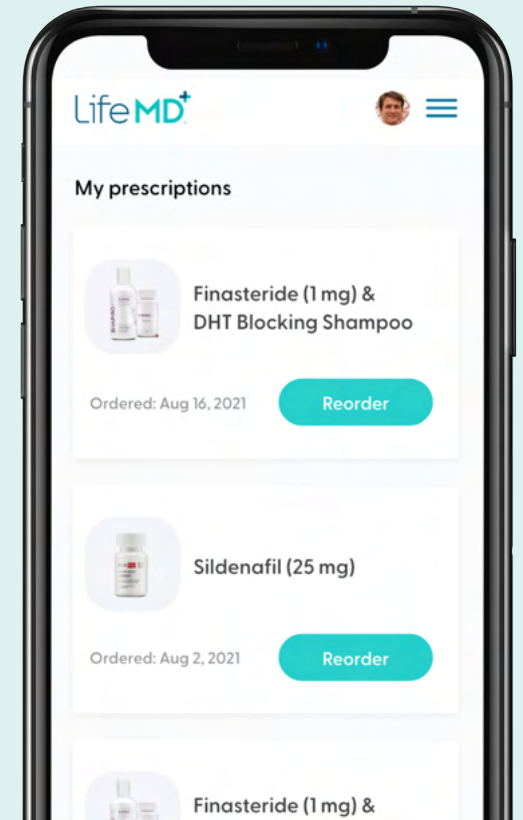
Virtual Consultation

An asynchronous or audio/video consultation is conducted with the patient.

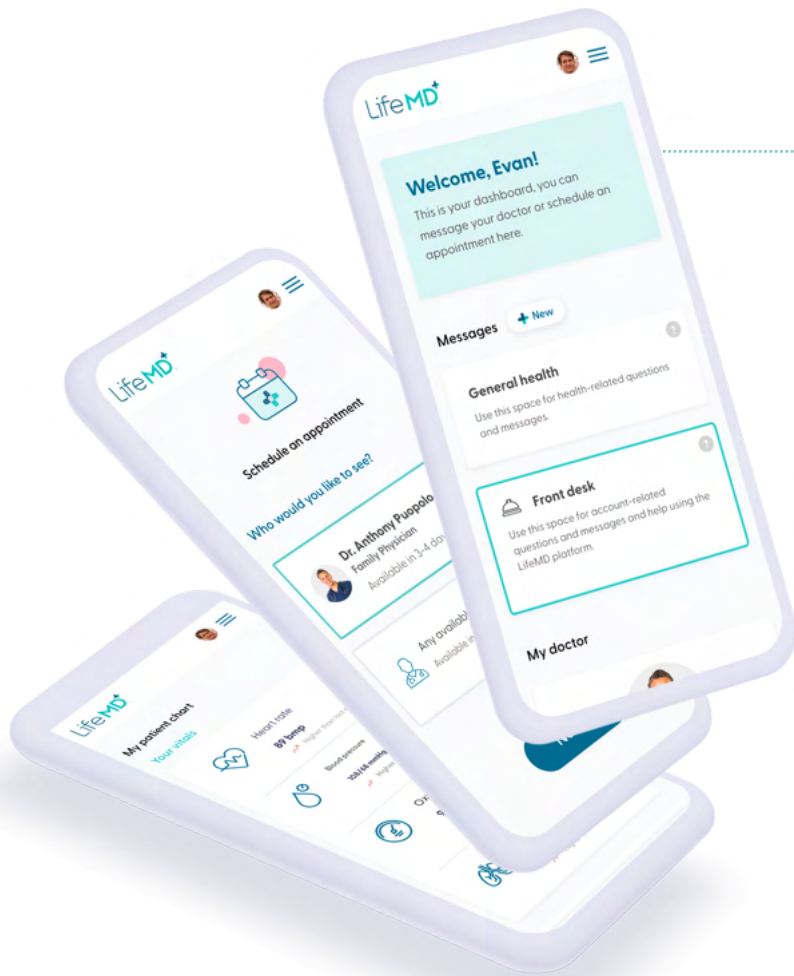


Personalized Treatment

Patient receives personalized treatment and ongoing care from the comfort of their own home.



An End-to-End Telehealth Technology Platform

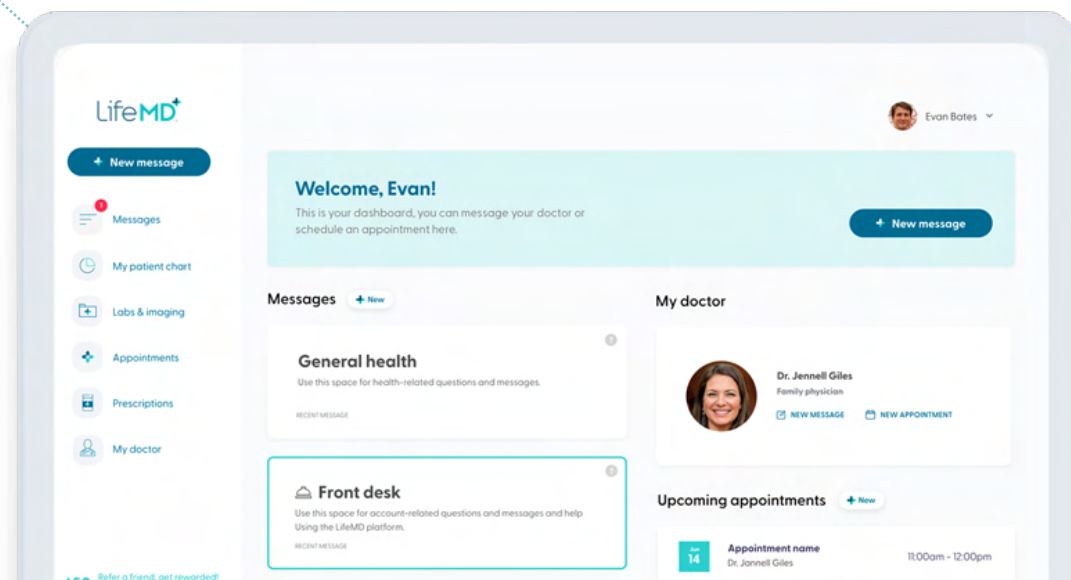


A platform designed to accommodate a diverse portfolio of DTC telehealth offerings and primary care.

Built to handle 50 state daily consult volume at scale without sacrificing quality of care or timely service.

A mobile-first primary care platform enhanced by partnerships with Quest Diagnostics, Axle Health, Particle Health and Prescriptive.

Designed with a compliance-first mindset, adhering to HIPAA standards with real-time monitoring tools.



Our Current Telehealth Portfolio



Telehealth for men, including prescription and OTC products for E.D., hair loss, and more.



Telehealth for male and female hair loss, including prescription and patented OTC products.



Personalized end-to-end telehealth for allergies, asthma and immunology.



Tele dermatology, including prescription and patented OTC products for anti-aging, acne and more.



Cash-pay virtual primary care that combines best-in-class providers, diagnostics, discounted prescription medications, OTC products and in-app tools to drive increased access to care and improved health outcomes.

>\$5.1B
market size

Men's Health

~\$2.8B
market size

Hair Loss

~\$13.5B
market size

Allergy & Asthma

~\$44B
market size

Dermatology

~\$250B
market size

Primary Care

Growth Strategy

OBJECTIVE: \$250-300 million in Revenue by 2025 with 25%+ Adjusted EBITDA Margins

Grow Our Existing Direct-to-Patient Brands

- Aggressively grow existing brands (Rex, Shapiro, Nava, Cleared)
- Focus on maintaining strong unit economics (1.5 to 2x LTV-CAC in Year 1, 3.0x+ on a 3-year basis)
- Expand brand offerings and further cross-sell

Scale Virtual Primary Care

- VPC is the highest value revenue in telehealth, and is the backbone of a long-term relationship with a patient
- Our VPC strategy will focus on general primary care and condition-specific offerings
- Scale will be achieved through national D2C marketing and cross-selling

Eliminate Non-Core & Further Diversify Telehealth

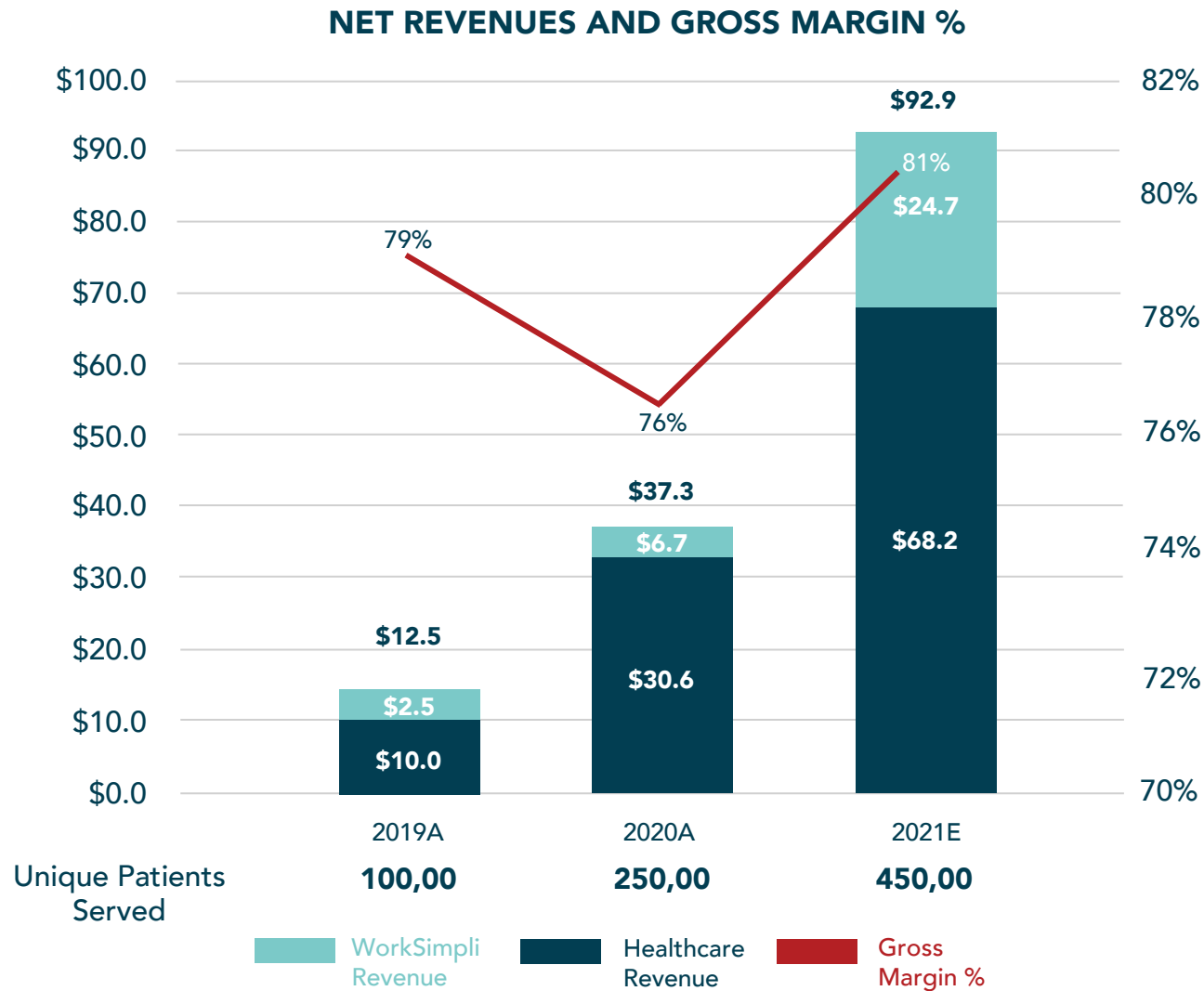
- Divest WorkSimpli in 2022
- Re-invest portion of proceeds to fund new vertical telehealth expansion through organic or inorganic means
- Leverage existing platform and relationships to expand indication offerings/ brands

Execute Upon High Value B2B Pharma Partnerships

- Cleared acquisition provided jumping off point
- Leverage existing prowess from current direct-to-patient platform to partner with pharma/other healthcare product companies
- Initial focus in Allergy/Asthma but significant opportunity in other clinical areas

Financials

Consistent and Aggressive Growth with Record Gross Margins



11 Consecutive
Quarters of Sequential
Revenue Growth



81% FY21E Gross
Margin %



173% Revenue Growth
CAGR since FY 2019

WorkSimpli (non-core Subsidiary) Sale

- LifeMD owns 85.6% of non-core subsidiary asset, WorkSimpli
- Rapidly growing direct-to-consumer work and document services company
- Over 100K active subscribers worldwide and \$25 million of FY21 net revenue (+268% annual growth vs. FY20)
- Due to the non-core nature of the subsidiary, LifeMD plans to execute a sale during FY22
- Use of proceeds from sale: (1) Telehealth growth investment and/or (2) Shareholder capital return initiatives

Well Capitalized for Growth without Dilution

LifeMD remains on track to reach Adjusted EBITDA profitability by Q4 2022 and forecasts being well capitalized to do so

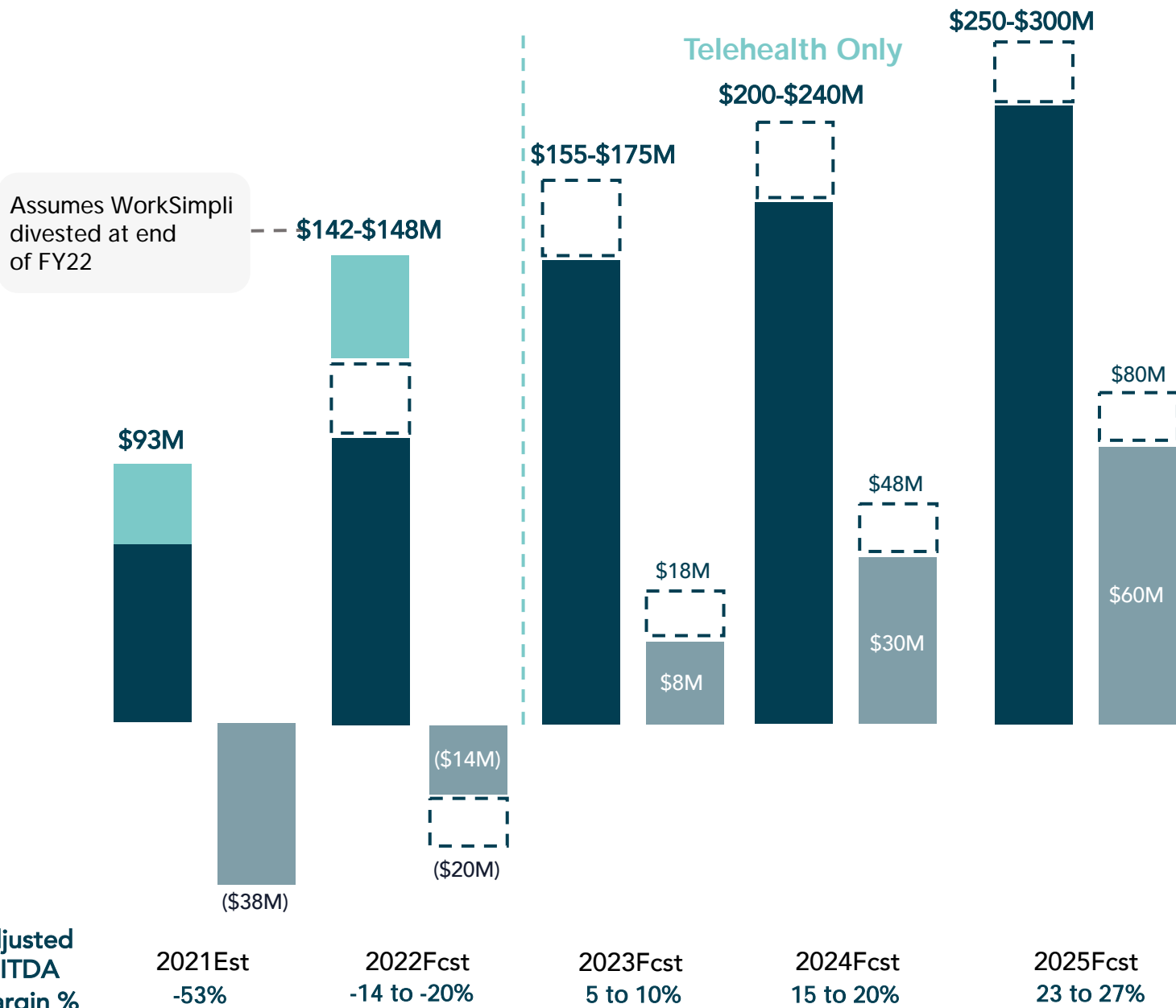
Cash Balance as of Year End 2021	\$40 million
Estimated Potential Proceeds from WorkSimpli Sale (85.6%)	\$40-\$80 million

Projected Pro-Forma Cash Post-WorkSimpli Sale prior to Projected 2022 Cash Burn	\$80-\$120 million
Less FY 2022 EBITDA Guidance	\$(14)-\$(20) million
Less FY 2022 Projected Capex & Investing Activities	\$(13)-\$(17) million
Less FY 2022 Preferred Stock Dividends	\$(3) million

Projected End of Year 2022 Cash Balance*	\$50-\$80 million

* Projected End of Year 2022 Cash Balance excludes the impact of any future financing, M&A, shareholder returns or other transactions not contemplated by LifeMD as of Feb 22, 2022.

Highly Scalable Model with Significant Growth Potential and Strong Economics



Adjusted EBITDA Profitability by Q4 2022



90%+ Recurring Revenue



Fully Diluted EPS Profitability by FY 2024



Long-term Adjusted EBITDA Margins of 25-30%+



Telehealth Revenue (Lower End)



Telehealth Revenue (Upper End)



WorkSimpli Revenue (LFMD owned only)



Adjusted EBITDA

Anchored by a Long-Term Self-Funded Cash Flow Model

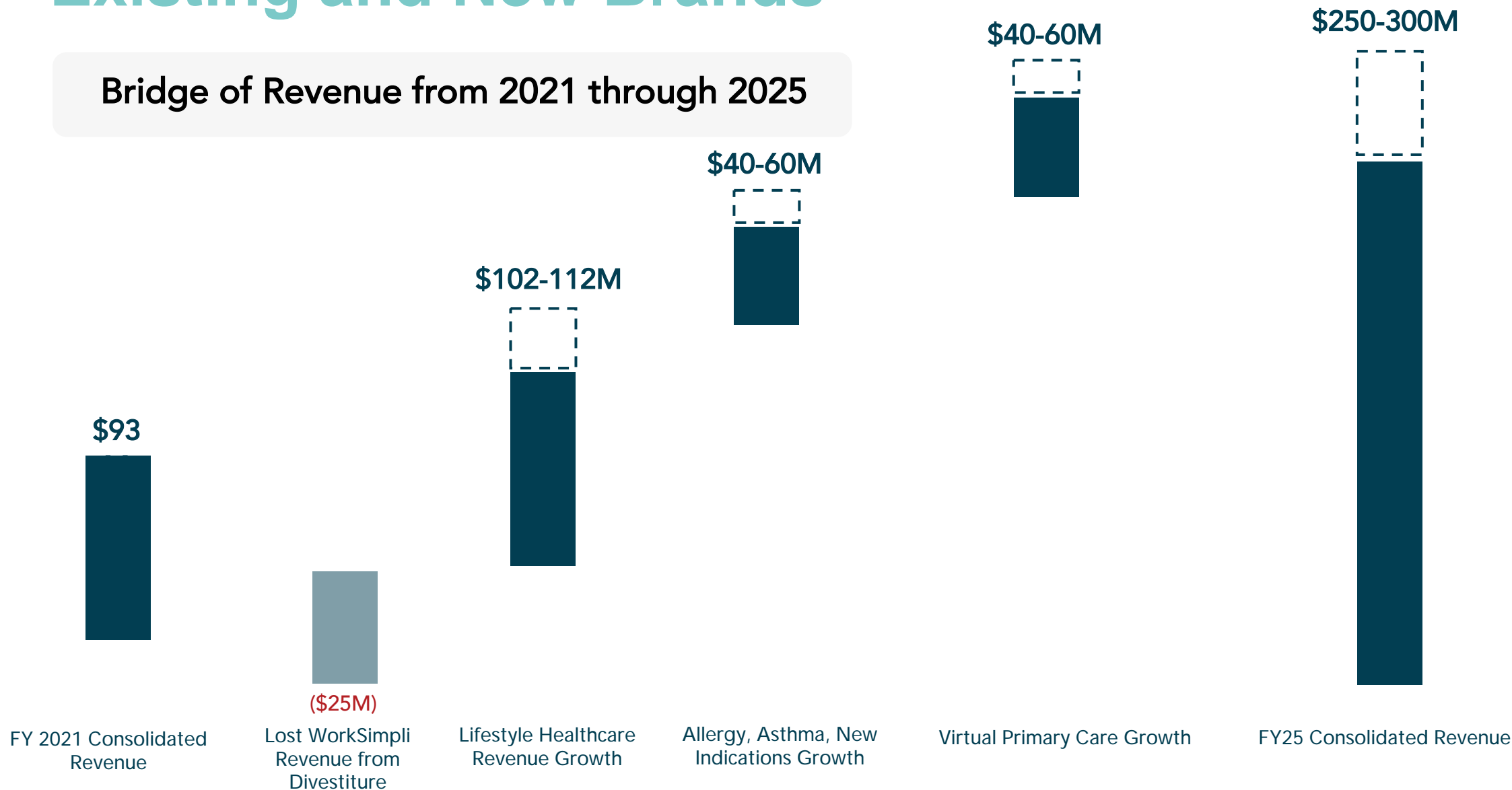
All Dollars in Millions

	2022	2023	2024	2025
Adjusted EBITDA	(\$17)	\$13	\$36	\$60
Cash Flow from Operations	(\$17)	\$13	\$36	\$60
Less Capital Expenditures & Investing Activities	(\$15)	(\$20)	(\$25)	(\$30)
Plus LifeMD Proceeds from WorkSimpli Sale	\$60			
Less Preferred Stock Dividends	(\$3)	(\$3)	(\$3)	(\$3)
Net Change in Cash	\$25	(\$10)	\$8	\$27
Beginning of Year Cash	\$41	\$66	\$56	\$64
End of Year Cash	\$66	\$56	\$64	\$91

* Capex and Investing Activities assumes Organic Growth only and deeper investment into Technology Capital commensurate with growth. Cash Flow from Operations assumes no Working Capital change. LifeMD Proceeds from WorkSimpli Sale assumes midpoint of estimated proceeds from sale of WorkSimpli.

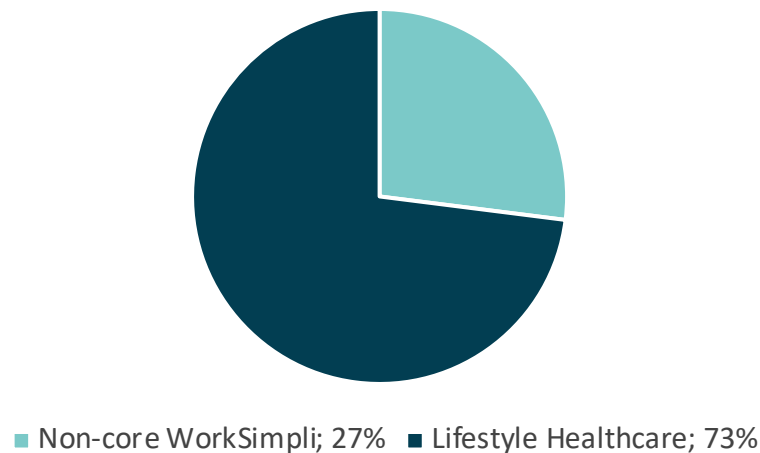
Driving Long-term, Profitable Growth from both Existing and New Brands

Bridge of Revenue from 2021 through 2025

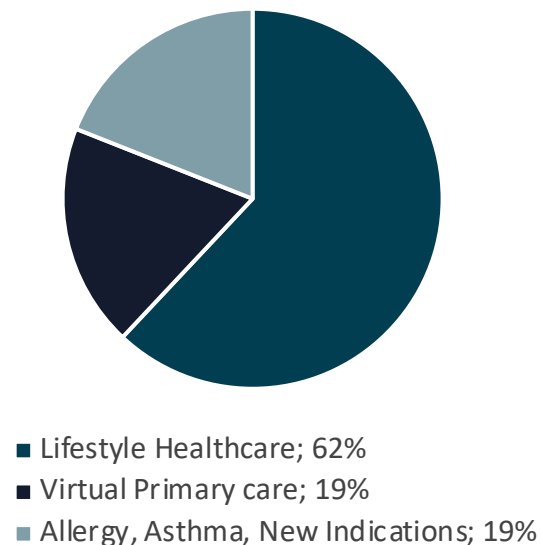


Diversifying Telehealth Revenue with Strong Unit Economics

FY21 Revenue by Category



FY25 Revenue by Category



Direct-to-Consumer Economics

- \$170-\$190 CPA
- 80%+ Telehealth Gross Margin %
- \$360-\$425 ARPU
- 1.5 to 2.0x Year 1 LTV to CAC

Business to Business Economics

- Potential Contract Values from \$200K to \$1 million+

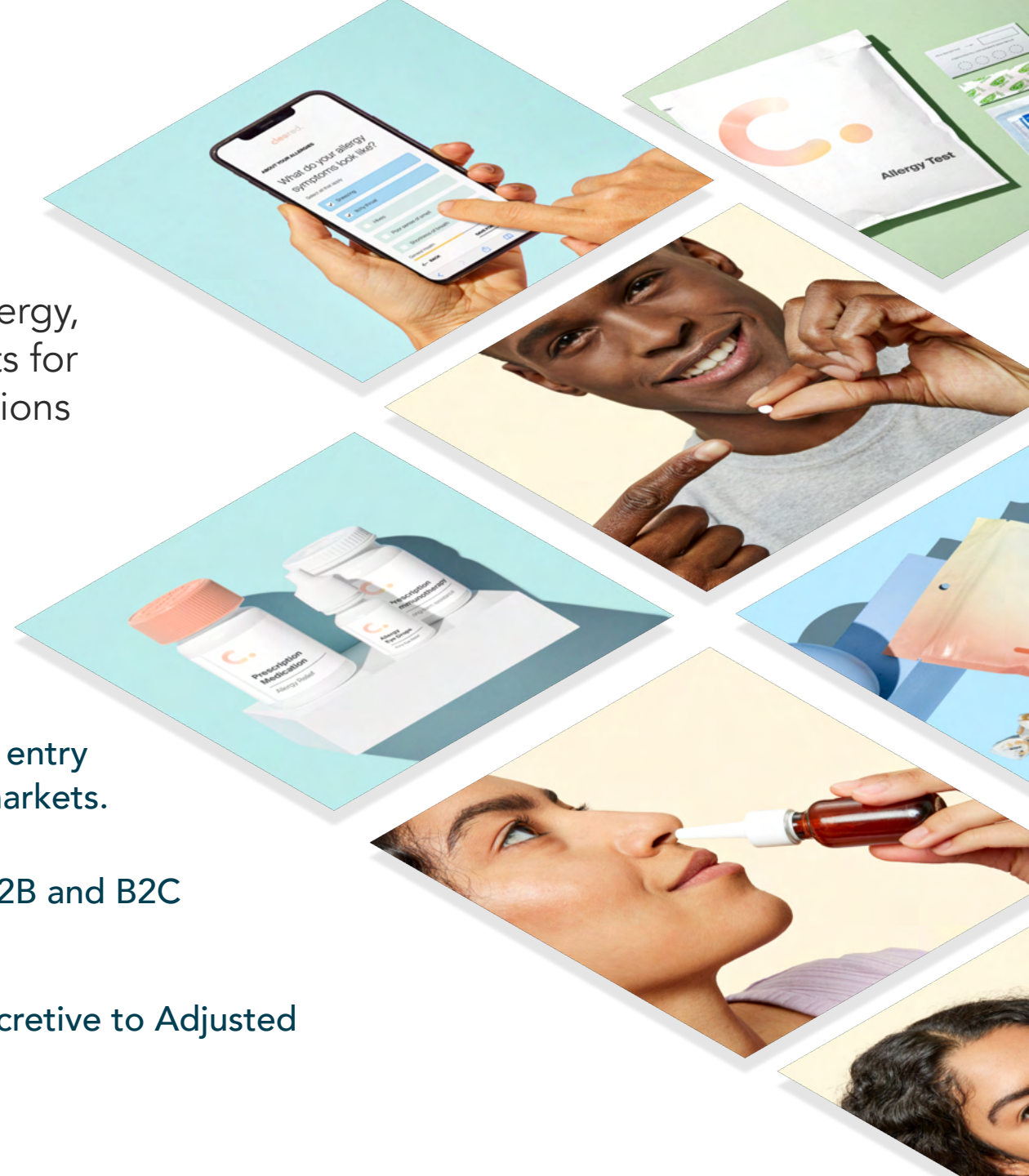
Cleared Acquisition

Allergy & Asthma

cleared.

Cleared provides personalized treatments for allergy, asthma, and immunology including in-home tests for both environmental and food allergies, prescriptions for allergies and asthma, and FDA-approved immunotherapies for treating chronic allergies.

- ✓ A first-in-class telehealth destination for bespoke end-to-end allergy treatment.
- ✓ Acquired by LifeMD in January 2022 to provide entry into \$13.5B Allergy, Asthma and Immunology markets.
- ✓ Leading pharma partnerships; providing both B2B and B2C revenue sources.
- ✓ Highly synergistic with existing platform and accretive to Adjusted EBITDA growth.



Your One-Stop-Shop for Allergy, Asthma, and Immunology.

We're fast evolving into a full-stack, personalized clearinghouse for every kind of treatment and patient need across the entire, broadening vertical.

Launched
February '21

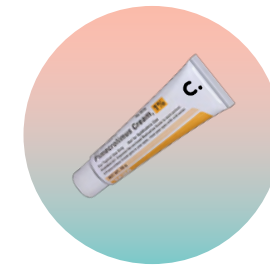


Seasonal allergies

Launched
November '21



Food allergies



Skin allergies



Asthma



Allergy
Immunotherapy



Relief
Medications



Allergy
Test



Extra
Support



Medical
Devices

Two of the most prevalent chronic conditions

The cost to society of allergy & asthma now exceeds \$100 billion every year, and growing.

75M

Americans suffer from allergy or asthma

1 in 3

U.S. adults suffer

115

days/year that the avg allergy sufferer experiences symptoms

\$11B

annual U.S. spend on allergy/ asthma medications alone

24M

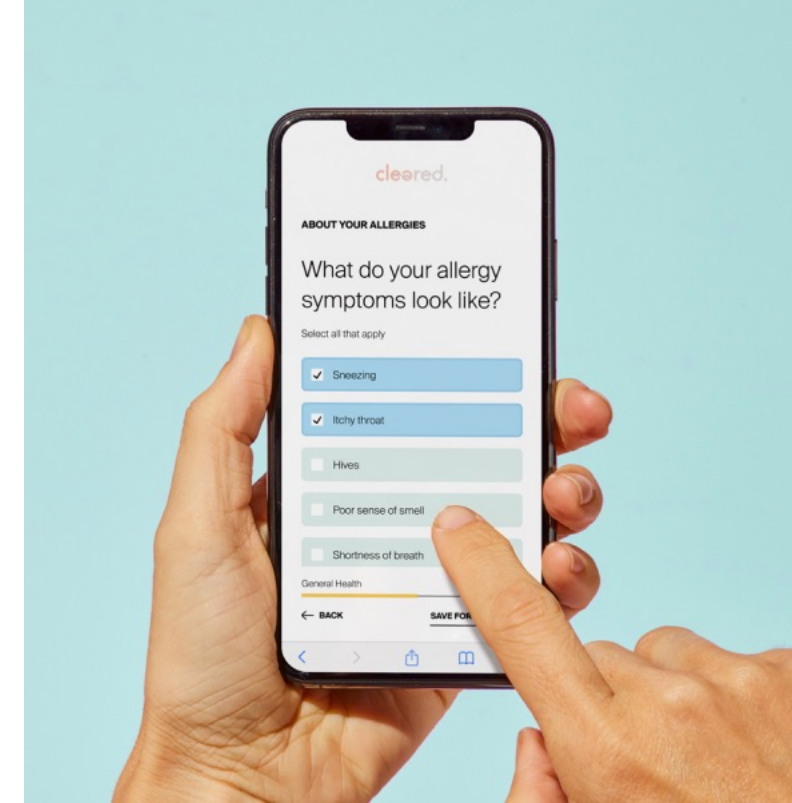
annual visits to the doctor for allergies or asthma

\$2.5 B

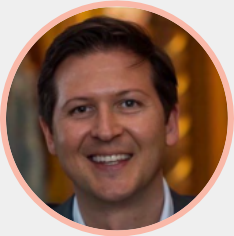
annual U.S. spend on visits to allergist

Strategic Rationale

- Cleared has virtually treated **15,000+ patients**, operates a **50-state physician and pharmacy platform**, and has partnered with leading pharma companies
- LifeMD has virtually treated **500,000+ patients**, and has built a **best-in-class telehealth technology** and in-house direct-to-consumer marketing platform that is second to none
- Together Cleared + LifeMD combine to produce the most comprehensive **50-state offering for allergy, asthma and immunology treatment**, leveraging a best-in-class virtual care platform, specialized physician network, direct-to-patient marketing expertise and robust call center



Deep Experience in Consumer Health, Pharma/Biotech, Venture, Tech, and Medicine



Alex Mironov
President, LifeMD

- Former Chief Business Officer, Covis Pharma, Allergy & Respiratory Focus
- 20+ years of leadership in corp biz dev, M&A, licensing and operations
- Led pharma transactions including M&A, licensing and financing totaling over \$5B in value
- Multiple senior positions in high-growth pharma companies such as Alvogen, EKR Therapeutics, Espirit Pharma and Valera Pharmaceuticals



Ryan Rockefeller
Co-Founder,
General Manager

- President, R2 Ventures (r2.ventures), a consumer health focused venture fund
- Last company acquired (Founder, CEO)
- Columbia Business School, Princeton



James Taylor
Co-Founder,
Head of Strategy

- Founding partner, Partizan International, a leading provider of patient support programs and healthcare communications services
- 15+ years experience in patient engagement/retention services
- Clients include Merck, Biogen, AstraZeneca, Pfizer, Sanofi



Dr. Payel Gupta
Co-Founder,
Medical Director

- Board-Certified Allergist/Immunologist
- President, NY Allergy and Asthma Society
- Member of the American College of AAI, World Allergy Organization, and the American Academy of AAI
- Creator of Allergy-focused podcast and editorial, "The Itch"

Cleared Growth Strategy

Two-pronged approach leveraging existing best-in-class telehealth platform and direct-to-patient capabilities.

Direct-to-Patient

Market Opportunity: \$13.5Bn of annual spend

Cleared Business at Closing

- Minimal existing direct-to-patient revenue
- Limited expertise in scaling direct response patient acquisition and retention strategies
- Strong clinical team led by accomplished Medical Doctor
- Suite of Rx, FDA-Approved OTC, Diagnostics

LifeMD Value Add

- Demonstrated expertise in direct response marketing, patient acquisition and patient retention
- Highly scaleable, proprietary telehealth platform that will fully integrate Cleared
- Virtual Primary Care
- National pharmacy network and supplier relationships to drive long-term efficiencies and COGS savings

B2B Pharma Partnership Agreements

Market Opportunity: \$6.6Bn of pharma industry spend on direct-to-patient advertising¹

Cleared Business at Closing

- One existing direct pharma partnership
- Limited demonstrated experience in scaling healthcare advertising and patient adherence
- Strong infrastructure for business development through Partizan relationship and co-founder backgrounds

LifeMD Value Add

- Addition of second pharma partnership weeks after closing with strong pipeline of future partners
- Proven expertise in healthcare advertising and patient adherence that can drive meaningful efficiencies to pharma partners
- Highly scaleable, proprietary telehealth platform that will fully integrate Cleared
- Portable to other pharma verticals

Deal Structure

Guaranteed Consideration

- \$460K at Closing
- \$1,730,000 paid at one year anniversary of Closing
- \$1,730,000 paid at two-year anniversary of Closing

Aggregate: \$3.92M paid over 2 years

Contingent (Earn-Out) Consideration

Three-Year Expiration (thru Dec 31, 2024 to achieve)

- \$4.55M if \$10M TTM Revenue achieved
- \$9.1M if \$20M TTM Revenue achieved
- \$9.1M if \$35M TTM Revenue achieved
- \$9.1M if \$50M TTM Revenue achieved

Four-Year Expiration (thru Dec 31, 2025 to achieve)

- \$9.1M if \$75M TTM Revenue achieved
- \$9.1M if \$100M TTM Revenue achieved
- \$22.75M if \$150M TTM Revenue achieved

Aggregate: \$72.8M if \$150M TTM Revenue achieved by December 31, 2025

Virtual Primary Care

LifeMD VPC Overview



50-state, subscription based, cash pay virtual primary care offering



24-hour care team access (providers 8 AM – 11PM)



2 options at launch: **\$15/month** + **\$49/visit**, or **\$99/month unlimited**



Highly flexible, vertically integrated platform to enable partnerships



Virtual care, diagnostics, prescriptions, wellness, in-home tools, and more...



VPC Platform Overview

Current Capabilities

- 50-state routing and scheduling platform
- Asynchronous audio/video consults
- Diagnostics via Quest
- E-prescribing

Planned Capabilities

- In-home blood draw and sample collection
- Prescription discount card program
- Symptom checker
- Integration with Labcorp
- Discounted imaging program
- Family plan offering
- Wearables
- Mental health partnership

What we treat



Primary Care

For your everyday needs.

- Prescription refills
- Bloodwork
- Annual checkups
- Health and wellness



Urgent Care

Immediate attention for an urgent issue.

- Pink eye
- Colds
- STDs
- Sore throat



Chronic Care

Manage your ongoing conditions.

- Diabetes
- Hypertension
- Allergies
- Asthma

The Cash Pay VPC Opportunity is Massive



53%+ of Americans are on a high deductible health plan (HDHP)¹



Many younger Americans are uninsured and only require episodic/urgent care



In 2020, the average deductible in the U.S. was \$1,945 for an individual and \$3,722 for a family²



LifeMD's virtual primary care offering is affordable, convenient and offers incredible healthcare, without needing insurance

\$15/month

=



\$49 visits with an amazing doctor



Discounted, cash pay diagnostics



Up to 80% off prescription drugs



Discounted, cash pay imaging



Symptom checker, and other in-home tools

1. <https://www.valuepenguin.com/high-deductible-health-plan-study>

2. <https://www.goodrx.com/insurance/health-insurance/all-you-need-to-know-about-health-insurance-deductibles>

Growth Strategy

Cross Sell Existing Patients

- 30,000+ new patients per month across LFMD brands
- Majority on HDHPs, uninsured, or don't have a PCP
- Offer VPC at checkout, post sale, or via call center
- Lowest acquisition cost, and drives overall LTV



DTC Campaigns

- 1 in 3 Americans don't have a PCP
- Many on HDHPs are incentivized to find affordable, high-quality care
- National online and offline DTC campaigns around amazing doctors, and affordability
- General primary care and condition specific offerings



B2B/Partnering

- Partnering and in-licensing of proprietary healthcare products (pharma, device, diagnostics)
- Offer platform to payors & self-insured employers
- Non-profits and disease foundations
- Media properties with large patient flow





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