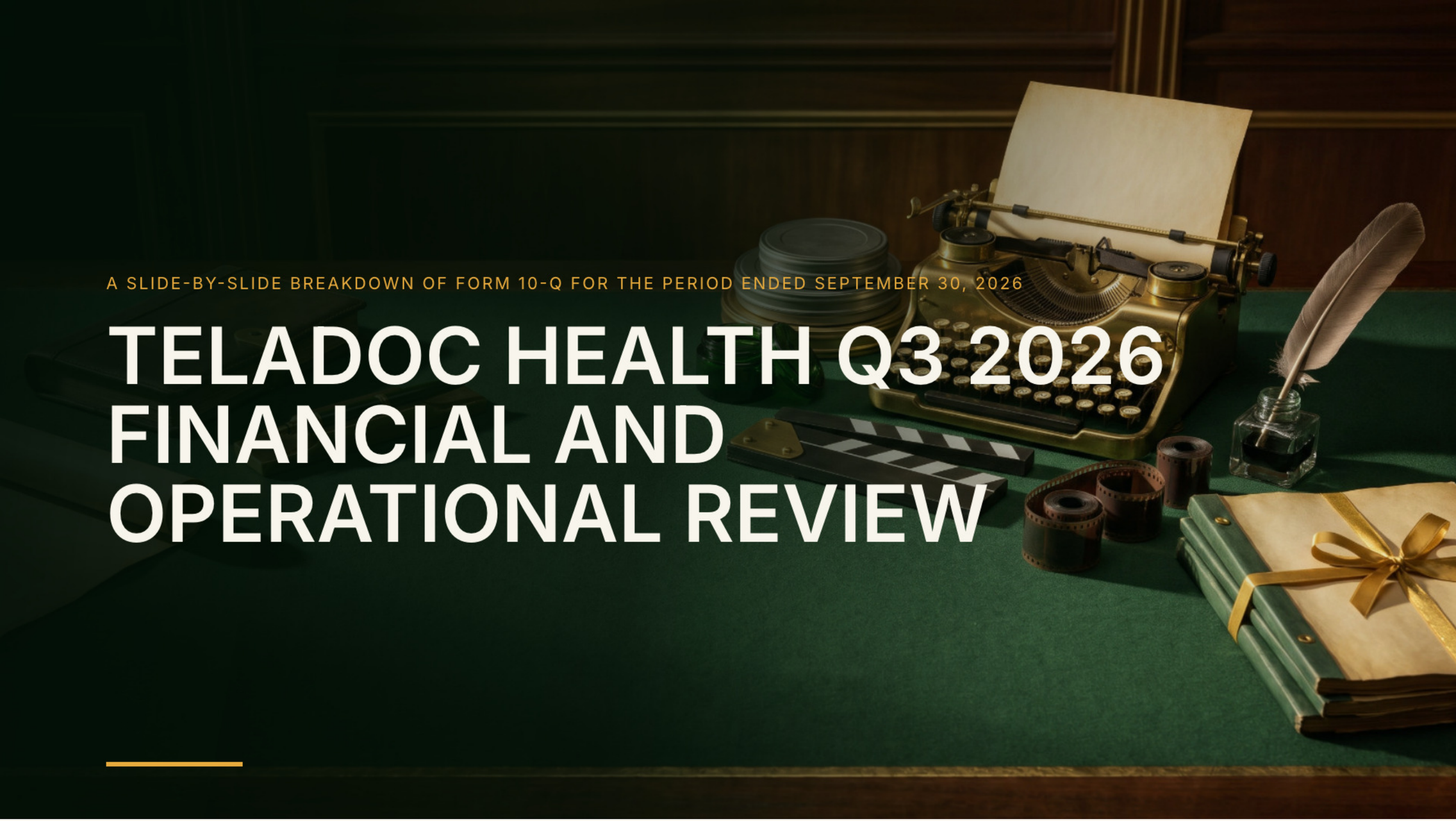


A SLIDE-BY-SLIDE BREAKDOWN OF FORM 10-Q FOR THE PERIOD ENDED SEPTEMBER 30, 2026

TELADOC HEALTH Q3 2026 FINANCIAL AND OPERATIONAL REVIEW

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Executive Overview: Form 10-Q for Third Quarter 2026

- Teladoc Health filed its quarterly report on Form 10-Q with the SEC on October 29, 2026, for the period ended September 30, 2026.
- Financial results highlight a company navigating an operational transition across its two core reporting segments: Integrated Care and BetterHelp.
- Consolidated top-line revenue declined 3% year-over-year to $605.1 million, driven by weakness in direct-to-consumer behavioral health.
- Operating discipline and marketing reductions narrowed quarterly net loss by 46% to $(26.9) million while expanding Adjusted EBITDA by 14% to $79.4 million.
- Report documents major strategic developments including the reclassification of $1.0 billion in convertible debt, brand consolidation, and executive leadership changes.

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Consolidated Financial Results: Top-Line Pressure and Profitability Gains

- Quarterly revenue contracted 3% year-over-year from $626.4 million in Q3 2025 to $605.1 million in Q3 2026.
- Operating loss decreased from $(52.0) million in Q3 2025 to $(28.1) million in Q3 2026, reflecting a 46% reduction in operating deficit.
- Consolidated Adjusted EBITDA expanded 14% year-over-year to $79.4 million, up from $69.9 million in the prior-year period.
- Diluted net loss per share improved from $(0.28) in Q3 2025 to $(0.15) in Q3 2026 based on 181.9 million weighted-average shares.
- Year-to-date revenue stands at $1,825.9 million, down 3% from $1,887.7 million, with nine-month net loss narrowing to $(129.7) million.

Condensed Consolidated Financial Summary (Three Months Ended September 30)

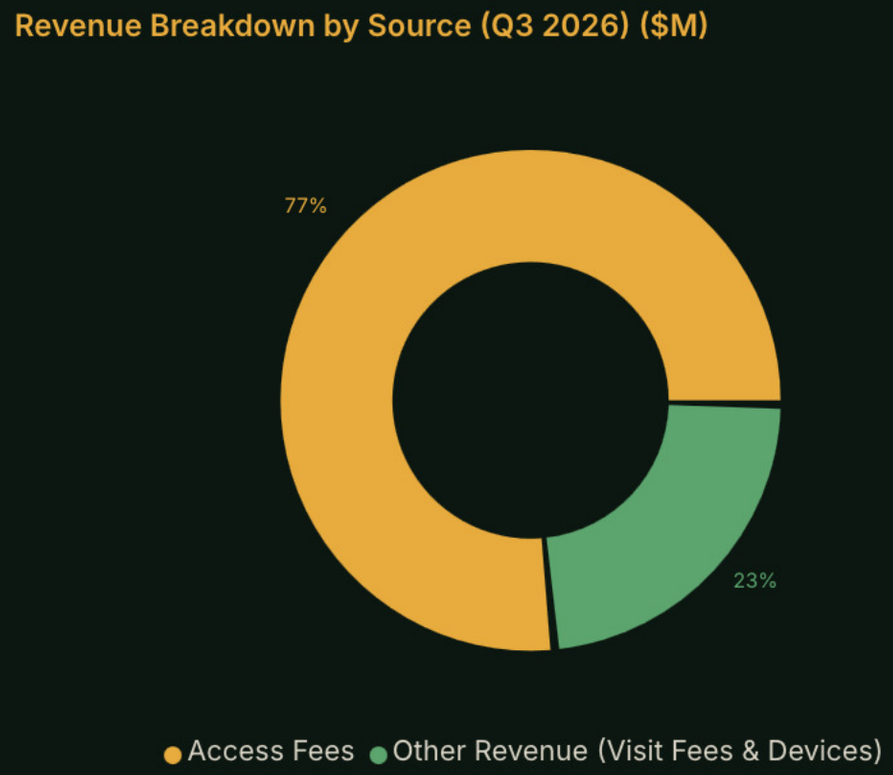
METRIC	Q3 2026 ($M)	Q3 2025 ($M)	YOY CHANGE (%)
Revenue	$605.1	$626.4	-3%
Cost of Revenue	$190.3	$187.2	+2%
Advertising & Marketing	$124.0	$168.0	-26%
Operating Loss	$(28.1)	$(52.0)	-46%
Net Loss	$(26.9)	$(49.5)	-46%
Adjusted EBITDA	$79.4	$69.9	+14%

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Revenue Composition: Access Fees Versus Visit-Based Revenue

- Subscription access fees generated $466.7 million in Q3 2026, representing a 10% decline compared to $520.9 million in Q3 2025.
- Other revenue, consisting predominantly of visit fees and hospital device sales, surged 31% to $138.4 million from $105.5 million.
- United States revenue totaled $489.2 million, declining 4% from $509.8 million in the prior-year period.
- International revenue remained stable at $115.9 million compared to $116.7 million in Q3 2025, accounting for 19% of consolidated revenue.
- The shift toward visit fees reflects changing customer contract mix and the onboarding of insurance-billed visits in behavioral health.



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Integrated Care: Steady Enterprise Expansion

- Integrated Care segment revenue rose 2% year-over-year to $398.5 million in Q3 2026, compared to $389.5 million in Q3 2025.
- Segment Adjusted EBITDA increased 13% to $74.9 million, generating an Adjusted EBITDA margin of 18.8% versus 17.0% in Q3 2025.
- Nine-month Integrated Care revenue reached $1,188.2 million with Adjusted EBITDA of $196.4 million, representing a 16.5% margin.
- Acquisitions of Catapult Health and Telecare contributed approximately 1 percentage point to nine-month segment revenue growth.
- Margin expansion was driven by marketing expense reductions of 23% in the quarter, offsetting moderate increases in provider and labor costs.

Integrated Care Segment Performance

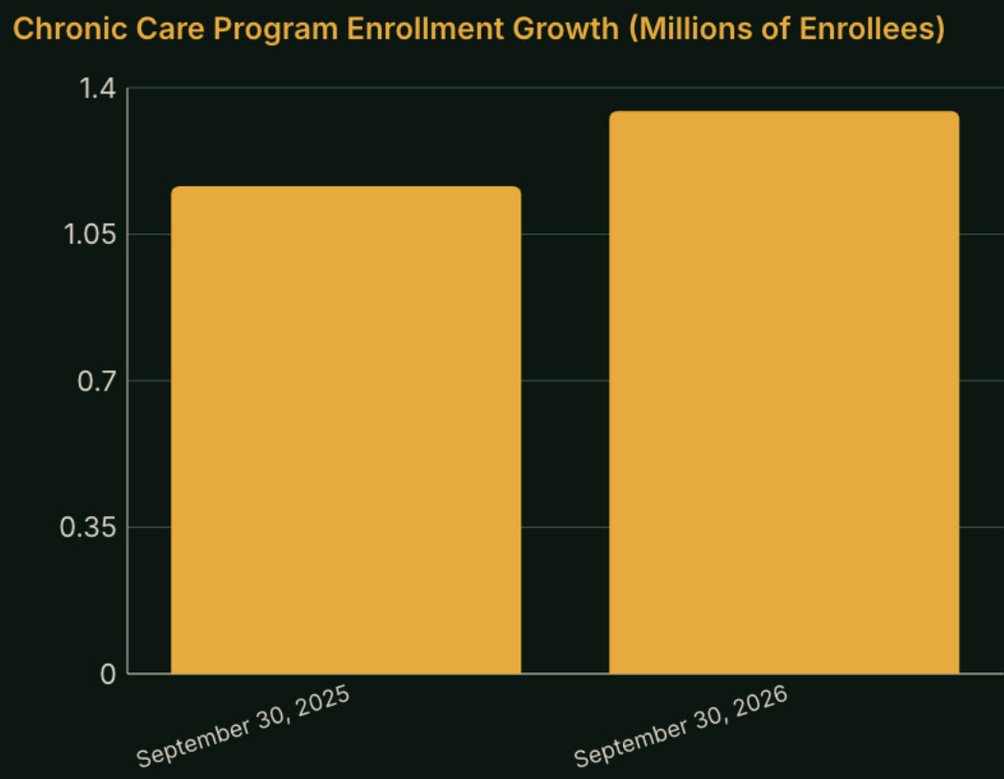
LINE ITEM	Q3 2026 ($M)	Q3 2025 ($M)	YOY GROWTH
Segment Revenue	$398.5	$389.5	+2%
Cost of Revenue	$128.7	$124.3	+4%
Advertising & Marketing	$24.7	$32.3	-23%
Other Segment Expenses	$170.2	$166.9	+2%
Segment Adjusted EBITDA	$74.9	$66.1	+13%
Adjusted EBITDA Margin	18.8%	17.0%	+180 bps

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Integrated Care Metrics: Membership Shifts and Chronic Care Gains

- Total U.S. Integrated Care members stood at 100.1 million as of September 30, 2026, down 2% from 102.5 million in the prior-year period.
- Membership declines were primarily driven by enrollment adjustments at health plan clients tied to government programs.
- Chronic care program enrollment increased 15% year-over-year to 1.344 million enrollees, up from 1.165 million at September 30, 2025.
- Chronic care expansion was accelerated by client adoption of multi-condition product bundles across diabetes, hypertension, and weight management.
- Average monthly revenue per U.S. Integrated Care member expanded to $1.33 in Q3 2026, compared to $1.27 in Q3 2025, reflecting higher-value service penetration.



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BetterHelp Segment: Contraction Amid Business Model Transition

- BetterHelp quarterly revenue declined 13% year-over-year to $206.6 million from $236.9 million in Q3 2025.
- Nine-month segment revenue decreased 11% to $637.7 million, with segment Adjusted EBITDA dropping 71% to $6.8 million.
- Average monthly paying users dropped 12% in Q3 2026 to 0.336 million, down from 0.382 million in Q3 2025.
- Despite the revenue decline, Q3 segment Adjusted EBITDA rose slightly to $4.5 million (2.2% margin) compared to $3.8 million (1.6% margin) in Q3 2025.
- Performance reflects an intentional reduction in direct-to-consumer advertising spending to adjust to slower cash-pay conversions.

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BetterHelp Transition: Cash-Pay Cannibalization Versus Insurance Ramp

- Consumer and Other (direct out-of-pocket cash pay) revenue dropped 25% year-over-year in Q3 2026 to $174.5 million.
- Insurance Covered Services surged from $3.7 million in Q3 2025 to $32.1 million in Q3 2026 following the Uplift asset acquisition.
- On a nine-month basis, Insurance Covered Services contributed $66.8 million compared to just $5.8 million in the prior year.
- Rapid consumer preference for utilizing insurance coverage has outpaced the platform's initial operating capacity to deliver insured therapy visits.
- Cash-pay revenue is recognized immediately upon subscription purchase, whereas insurance revenue depends on completed visits and session durations.

BetterHelp Revenue Mix Shift (Consumer vs. Insurance)

BETTERHELP SUB-SEGMENT	Q3 2025 ($M)	Q3 2026 ($M)	9M 2025 ($M)	9M 2026 ($M)
Consumer & Other (Cash-Pay)	$233.2	$174.5	$711.4	$570.8
Insurance Covered Services	$3.7	$32.1	$5.8	$66.8
Total Segment Revenue	$236.9	$206.6	$717.2	$637.7

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Operational Constraints in Scaling Insured Therapy

- The filing discloses that cash-pay user declines accelerated significantly in May 2026, proving more persistent than internal models forecast.
- Transitioning users to insurance requires state-by-state provider credentialing, payer contracting, and specialized scheduling workflows.
- Growth in insurance revenue has been constrained by network capacity limitations, preventing it from fully replacing lost out-of-pocket revenue.
- BetterHelp lowered full-year 2026 revenue expectations in July 2026, reallocating capital from international cash-pay marketing to domestic provider infrastructure.
- Platform development is currently focused on automated eligibility verification, payer claims processing, and provider onboarding.

“Our ability to convert that demand into paying users, completed visits, and revenue has been constrained by the availability and capacity of providers who are appropriately licensed in the applicable state, credentialed and enrolled with the applicable payer... These constraints continue to impact our ability to convert a greater proportion of this higher demand into insurance paying users, visits, and revenue sufficient to offset the additional decline in cash-pay revenue.”

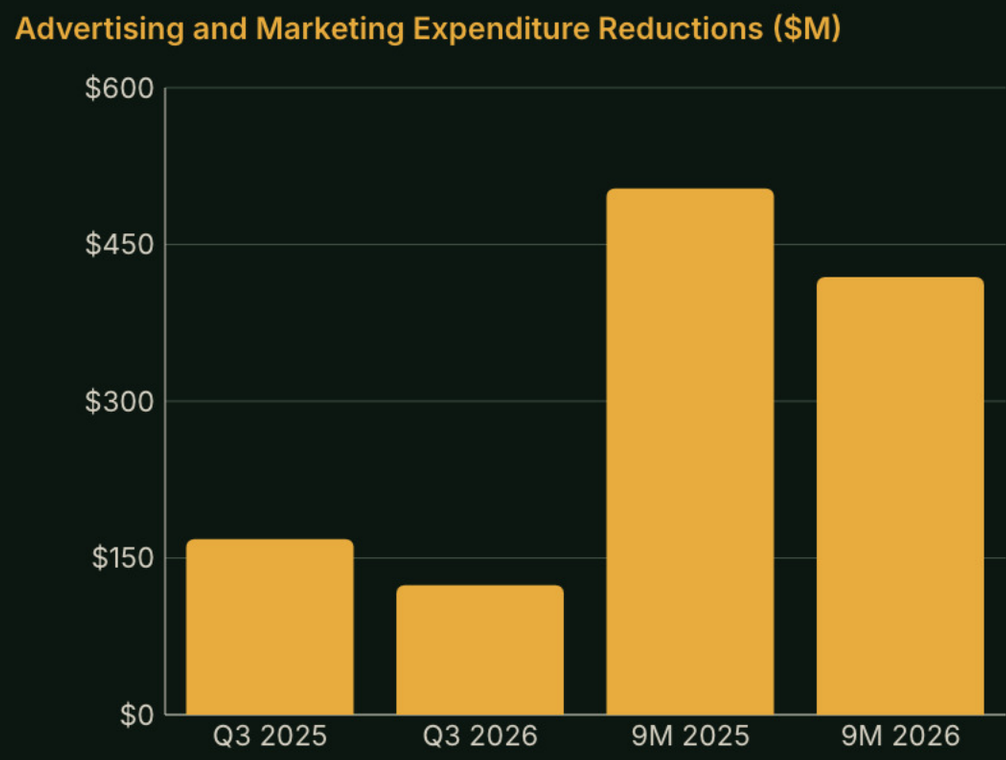
— Teladoc Health Q3 2026 Form 10-Q, Item 2 (MD&A)

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Strategic Cost Realignment: Advertising and Marketing Pullback

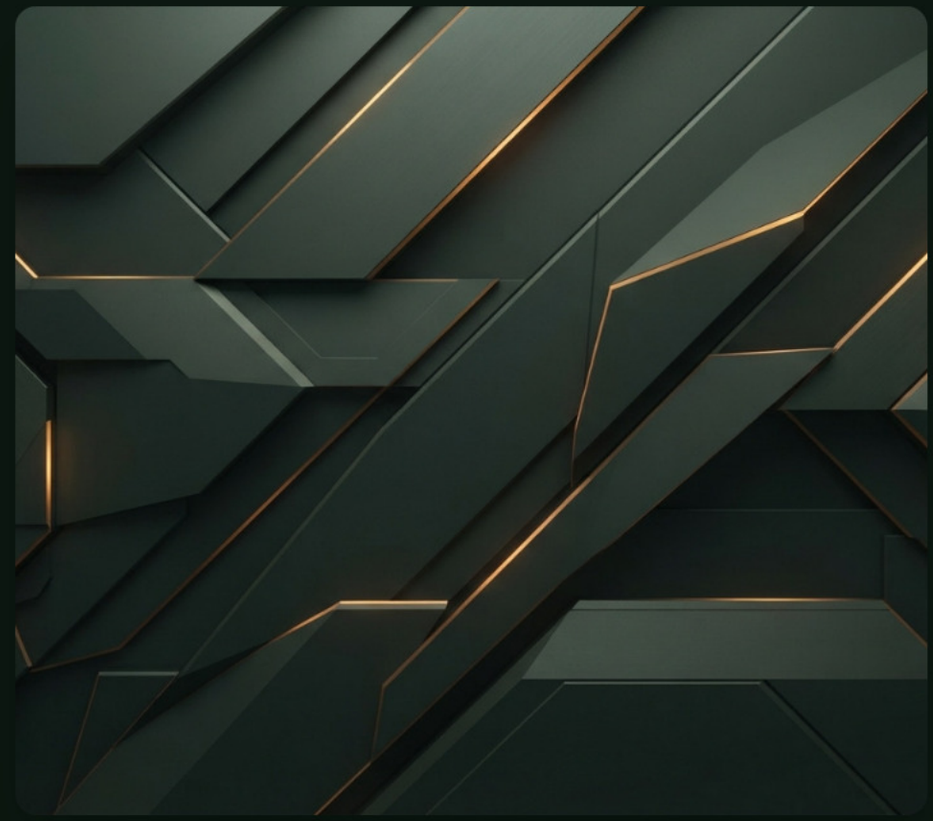
- Consolidated advertising and marketing spend decreased 26% year-over-year in Q3 2026 to $124.0 million, down from $168.0 million.
- Nine-month marketing outlays dropped by $84.8 million (17%) to $418.9 million.
- BetterHelp accounted for the majority of reductions, cutting segment advertising spend from $134.6 million in Q3 2025 to $98.8 million in Q3 2026.
- Management deliberately curtailed customer acquisition ad spending to align demand generation with existing therapist network capacity.
- Technology and development spending also declined 3% in Q3 to $65.5 million, reflecting hosting efficiencies and lower compensation expenses.



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Operational Restructuring and Cost Rationalization

- Teladoc recorded $4.4 million in restructuring charges during Q3 2026, compared to $2.0 million in Q3 2025.
- Nine-month restructuring expenses totaled $17.3 million, with $15.7 million dedicated to employee severance and $1.6 million to real estate lease rationalization.
- Full-year 2026 restructuring charges are estimated to reach approximately $20.0 million as part of an ongoing operational efficiency program.
- Cumulative severance cash payments of $15.0 million and lease exit payments of $2.4 million were disbursed during the first nine months of 2026.
- Remaining restructuring accrual on the balance sheet totaled $6.3 million as of September 30, 2026.



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Brand Consolidation: Chronic Care Trademark Amortization

- In late 2025, Teladoc initiated a strategic plan to retire legacy branding and transition all chronic condition clients to the unified Teladoc Health brand by December 31, 2026.
- Useful lives of legacy chronic condition trademarks were shortened, accelerating intangible amortization expense.
- Accelerated trademark amortization increased Q3 2026 amortization expense by $7.7 million, or $0.04 per share.
- Nine-month impact of trademark acceleration reached $23.0 million ($0.13 per share), with full-year 2026 expense projected at $30.7 million.
- Total remaining intangible assets stand at $1,117.1 million with a weighted-average useful life of 7.7 years, primarily consisting of client relationships ($831.4 million).

Future Intangible Asset Amortization Schedule (as of September 30, 2026)

FISCAL PERIOD	AMORTIZATION EXPENSE ($M)
Remainder of 2026	$91.2
2027	$264.2
2028	$167.9
2029	$121.5
2030 and Thereafter	$472.3
Total Net Intangibles	$1,117.1

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Cash Generation and Liquidity Profile

- Operating activities generated $180.6 million in cash during the nine months ended September 30, 2026, compared to $206.6 million in 9M 2025.
- Free cash flow for the nine-month period reached $85.4 million, down from $113.5 million in the prior-year period.
- Capitalized software development expenditures totaled $91.5 million, while property and equipment CapEx remained modest at $3.8 million.
- Total cash and cash equivalents stood at $849.9 million as of September 30, 2026, up $68.8 million since year-end 2025.
- Financing cash usage was minimal in 2026 ($1.2 million), contrasted with $552.8 million in 2025 when the company repaid maturing convertible debt.

Nine-Month Free Cash Flow Reconciliation

CASH FLOW COMPONENT	9M 2026 ($M)	9M 2025 ($M)	YOY CHANGE ($M)
Net Cash Provided by Operating Activities	$180.6	$206.6	$(26.0)
Less: Capital Expenditures	$(3.8)	$(6.3)	+$2.5
Less: Capitalized Software Development	$(91.5)	$(86.9)	$(4.6)
Free Cash Flow (Non-GAAP)	$85.4	$113.5	$(28.1)

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Capital Structure: Managing the 2027 Convertible Notes

- The $1.0 billion aggregate principal amount of 1.25% convertible senior notes matures on June 1, 2027.
- Because the contractual conversion window opens December 1, 2026, the carrying value of $997.6 million has been reclassified to current liabilities.
- Net working capital reflects current liabilities of $1,415.5 million against current assets of $1,226.0 million due solely to this debt reclassification.
- Teladoc maintains a five-year $300.0 million senior secured revolving credit facility closed in July 2025, which remains completely undrawn with $297.2 million in borrowing availability.
- Management affirms that cash on hand ($849.9 million), operating cash flows, and credit capacity are sufficient to fund operations and retire or refinance the 2027 Notes.

Convertible Senior Notes Due 2027 Profile

TERM / FEATURE	SPECIFICATION / VALUE
Principal Amount	$1,000.0 million
Contractual Coupon Rate	1.25% per annum
Effective Interest Rate	1.6%
Maturity Date	June 1, 2027
Conversion Eligibility Date	December 1, 2026
Net Carrying Value (Current Liability)	$997.6 million
Estimated Fair Value (Level 2 Input)	$968.8 million

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Legal Proceedings and Regulatory Risk Landscape

- The U.S. Court of Appeals for the Second Circuit affirmed the dismissal of the 2022 consolidated securities class action (In re Teladoc Health) on July 27, 2026.
- A subsequent 2024 securities class action (Stary v. Teladoc Health) concerning disclosures around BetterHelp advertising spend remains active following a partial motion to dismiss ruling on March 31, 2026.
- Multiple putative class-action lawsuits continue across California and Canada regarding BetterHelp's July 2023 FTC consent order concerning patient data and advertising practices.
- Related shareholder derivative lawsuits alleging fiduciary breaches and corporate waste remain stayed pending resolution of the Stary class action.
- Management currently maintains that pending litigation will not have a material adverse impact on the company's financial condition or cash flows.

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Executive Leadership and Corporate Governance

- Form 10-Q reflects leadership transition with the filing executed by Chief Executive Officer Charles Divita, III and recently appointed Chief Financial Officer Michael Grasher.
- Michael Grasher executed an employment agreement dated August 31, 2026, formalizing his role as Chief Financial Officer.
- Exhibit 10.3 files a Separation and Release of Claims Agreement with Chief Legal Officer Adam C. Vandervoort dated September 24, 2026.
- Vandervoort's resignation took effect November 1, 2026, as a qualifying termination for Good Reason, entitling him to 12 months salary continuation and COBRA support.
- Vandervoort will serve as an unpaid, non-employee transition advisor to his successor through November 1, 2027, maintaining limited office access.

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Strategic Summary: Balancing Enterprise Scale and the Consumer Pivot

- Teladoc Health's Q3 2026 filing demonstrates significant resilience in its core enterprise B2B Integrated Care segment, delivering 18.8% Adjusted EBITDA margins.
- Chronic care enrollment expansion (+15% YoY) and rising revenue per member ($1.33) confirm healthy enterprise retention and multi-condition bundle demand.
- The company faces a complex transition in BetterHelp as consumers rapidly substitute out-of-pocket subscriptions with insurance-covered visits.
- Management's immediate strategic focus is expanding insurance provider credentialing, refining claims workflows, and managing customer acquisition economics.
- With $849.9 million in cash and an undrawn $300.0 million facility, the business possesses adequate liquidity to navigate the insurance transition and address the June 2027 debt maturity.

Strategic Two-Pillar Model Comparison

SEGMENT	CURRENT REVENUE TRAJECTORY	KEY OPERATING DRIVER	NEAR-TERM MANAGEMENT PRIORITY
Integrated Care	+2% YoY ($398.5M)	Chronic condition multi-condition bundles	Completing unified brand transition by year-end
BetterHelp	-13% YoY ($206.6M)	Demand shift from cash-pay to insurance	Expanding credentialed provider network capacity

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