



Health is everything.
Don't settle.

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Q4 2021 Presentation | March 23, 2022 | **TSX: CARE**

Disclaimer

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Non-IFRS Financial Measures and Key Performance Indicators

This presentation makes reference to certain non-IFRS financial measures and key performance indicators. These measures and indicators are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS financial measures by providing further understanding of our results of operations from management’s perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. This presentation makes reference to “Members”, “Attach Rate”, “Member-Service Units”, “LTV:CAC”, “Monthly Net Retention Rate” and “Annual Recurring and Reoccurring Revenue” which are key performance indicators. These key performance indicators are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS financial measures and key performance indicators in the evaluation of issuers. Our management also uses non-IFRS financial measures and key performance indicators in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. See “Appendix A” of this presentation for the definition of each of the foregoing metrics and see “Non-IFRS Measures and Key Performance Indicators” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the final prospectus.

Certain totals, subtotals and percentages may not reconcile due to rounding.

2021 in Review

KEY OPERATIONAL MILESTONES:

- Launch of our **Integrated Health Platform™** (January)
- **IPO** on the Toronto Stock Exchange (March 30)
- Acquisition of **ehub Health** (May)
- Launch of **iCBT¹** on our platform (August) and roll out of iCBT Plus enhancements (November)
- Expansion of **partnership with Canada Life** to include iCBT on their Consult+ platform (December)
- Expansion of **partnership with Sun Life** to include EAP and iCBT bundle on their Lumino Health platform (December)

KEY FINANCIAL HIGHLIGHTS:

- **1.85 million** Members
 - +900,000 y/y
- **\$85.0 million** in ARR
 - +\$26 million y/y
- **\$68.0 million** in Revenue
 - +90% growth y/y
- **42.3%** Gross Margin
 - +210 basis points y/y



¹ Internet-based cognitive and behavioural therapy.

Key Q4 Highlights

1

Robust Growth in Revenue & Members

\$85.0M

ARR
+45% y/y

\$18.9M

Revenue
+41% y/y

1.85M

Members
+98% y/y and +5% q/q

2

Increasing Adoption of Integrated Health Platform™

102%

Net Retention Rate
consistently above 100%

1.50

Attach Rate
rises on partnership expansion

21%

% of Members
with **multiple services**

3

Improving Margins and Strong Balance Sheet

43.5%

Gross Margin
improves by ~870 bp y/y

(30.0%)

Adj. EBITDA Margin
improves by ~890 bp y/y

\$104.3M

Cash Balance
well capitalized for growth

Land & Expand Strategy: Q4 Successes

1

Select New Logo Wins

- 1 Retailer of general merchandise
- 2 Home improvement company
- 3 IT and business consulting services firm
- 4 Transport and logistics company
- 6 Cloud technology company
- 5 Manufacturer of generic & branded drugs
- 7 Provincial ferry service
- 8 Engineering and energy company
- 9 Non-profit conservation organization
- 10 Multinational media conglomerate

2

Select IHP Expansions

- 1 Regional retail and commercial bank
- 2 Pension investment manager
- 3 Enterprise software developer
- 4 Distributor of construction products

3

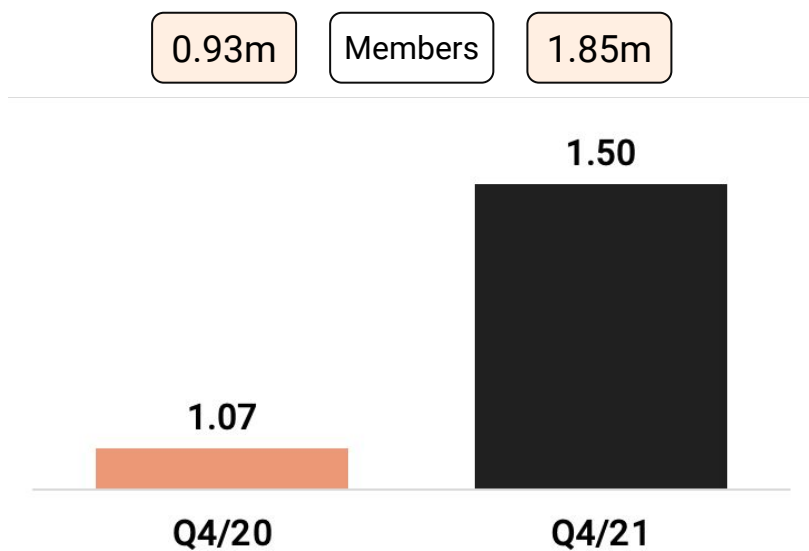
New Distribution Partnerships

- 1 iCBT added to Canada Life's Consult+
- 2 EAP added to Sun Life's Lumino Health

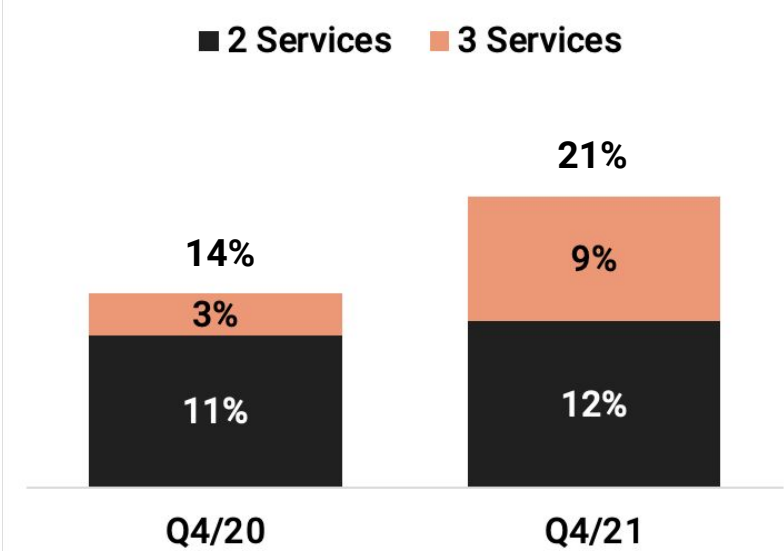
56% of new contracts wins in Q4 were for two or more services.

Gaining Further Traction with Land & Expand

Attach Rate



% of Members¹ with Multiples Services

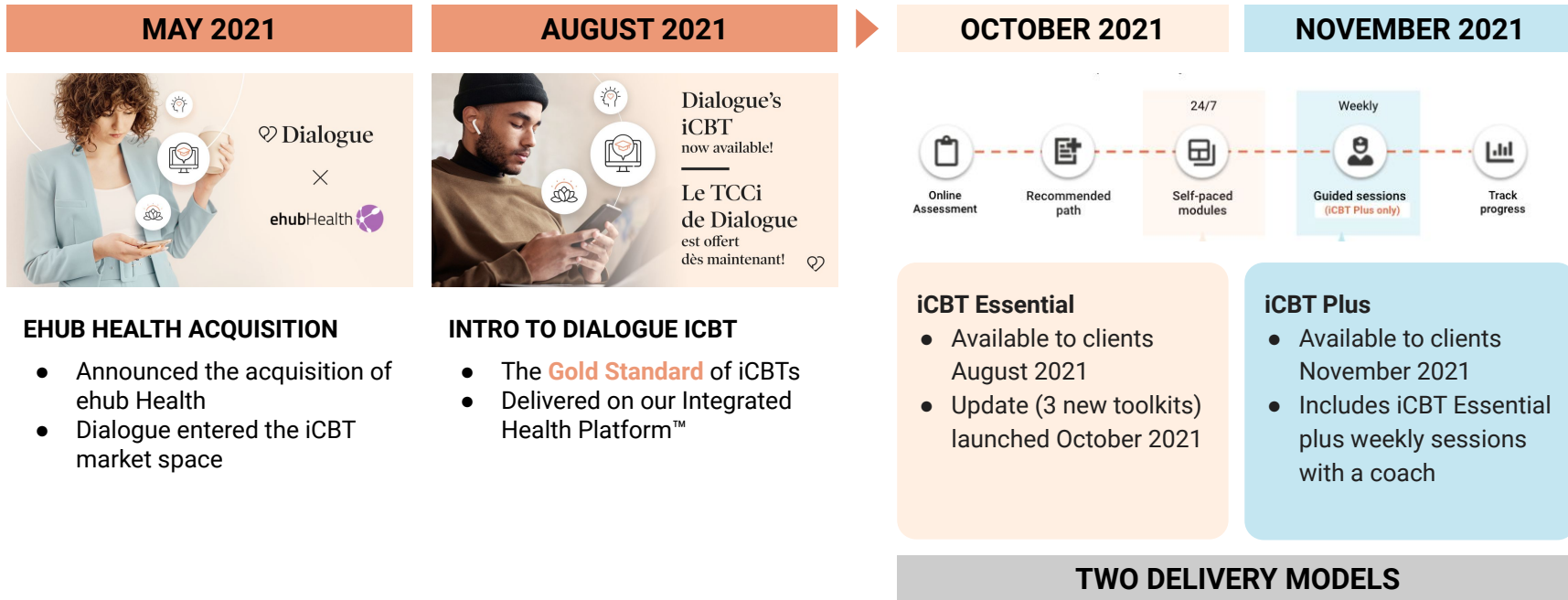


Customers love the power and convenience of our Integrated Health Platform™.



¹ Members from Direct Customers only.

iCBT: From Acquisition to Full Launch in 6 Months

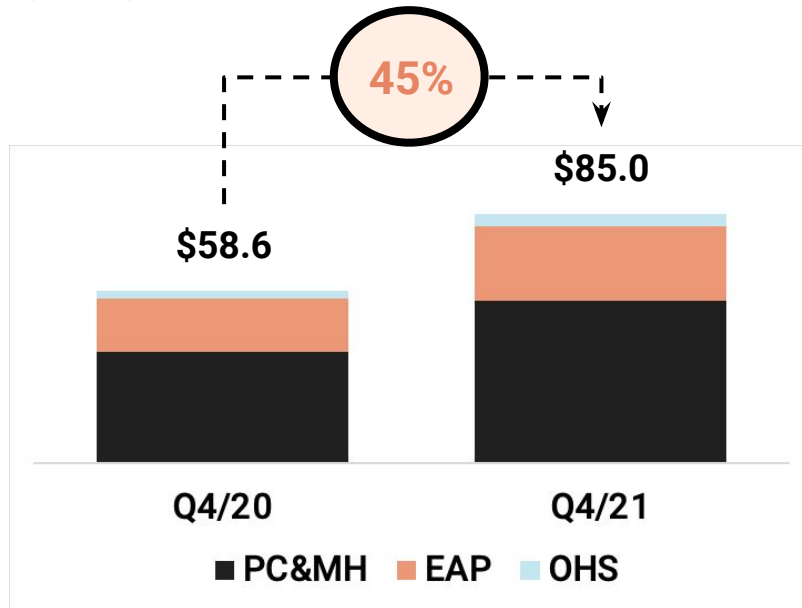


Rapid ramp-up to revenue recognition and to the development of partnerships.

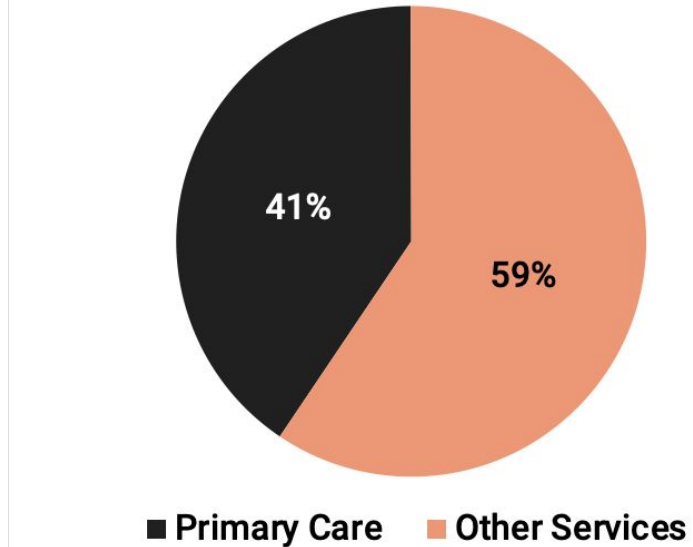


\$9.6M in New Q4 ARR Drives 45% Growth Y/Y

Annual Recurring and Reoccurring Revenue
(millions)



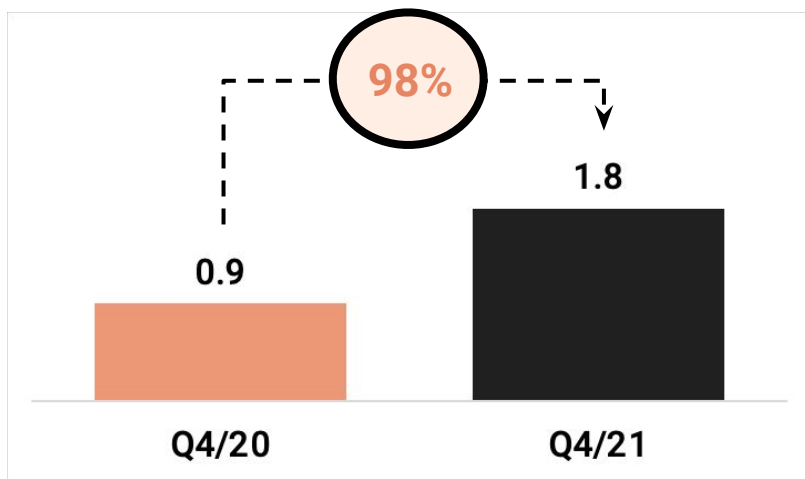
% Split of New ARR in 2021 by Service



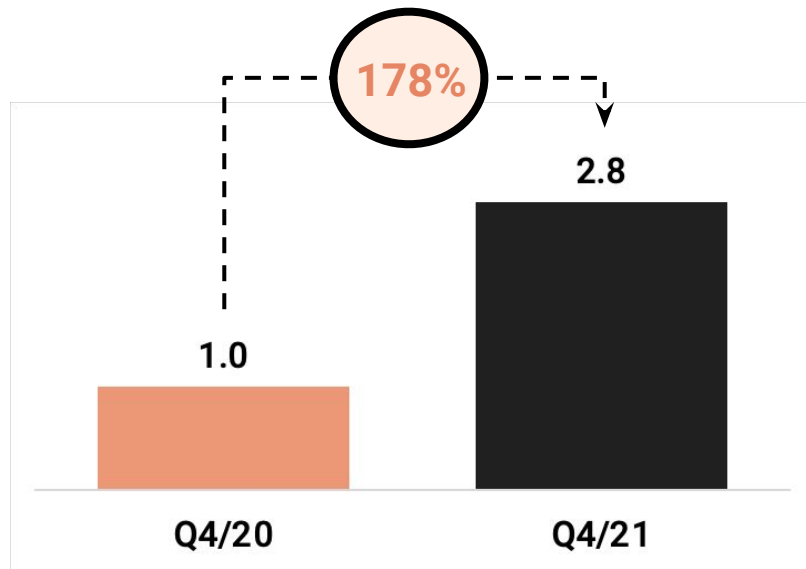
59% of new ARR in 2021 came from services other than Primary Care.

Strong Member Growth in Q4, Even Stronger Cross-Selling

Members
(millions)



Member-Service Units¹
(millions)



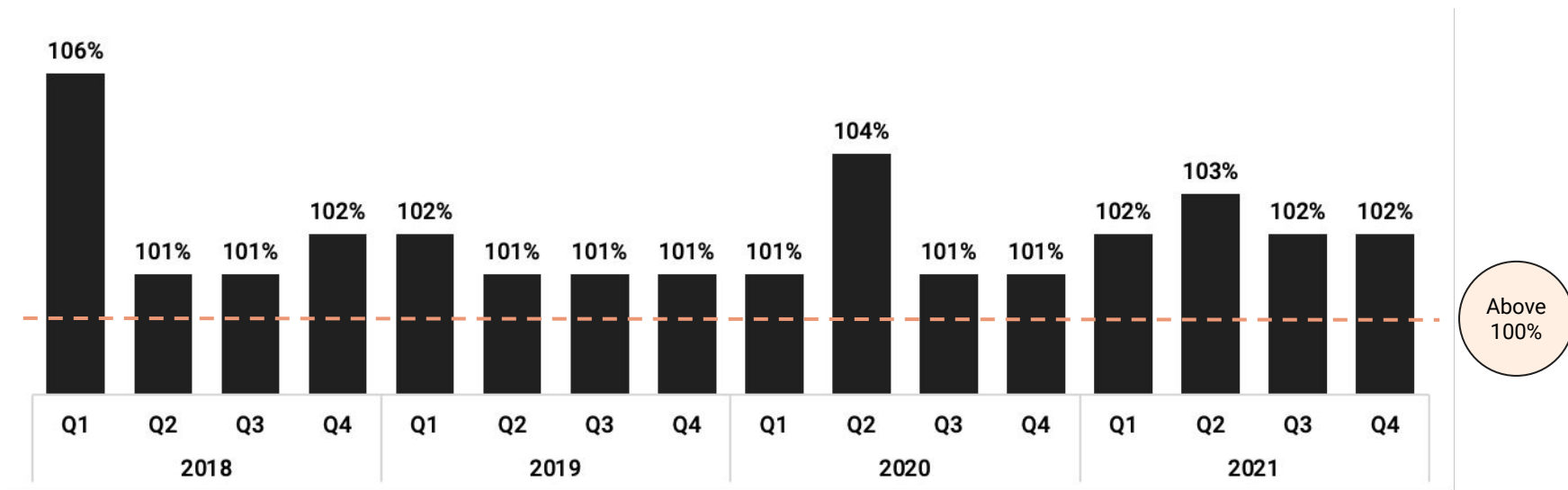
MSUs expected to grow much more rapidly than members in the future.

¹ Calculated as total Members multiplied by the Attach Rate.

Steady Customer Retention and Expansion

Net Retention Rate

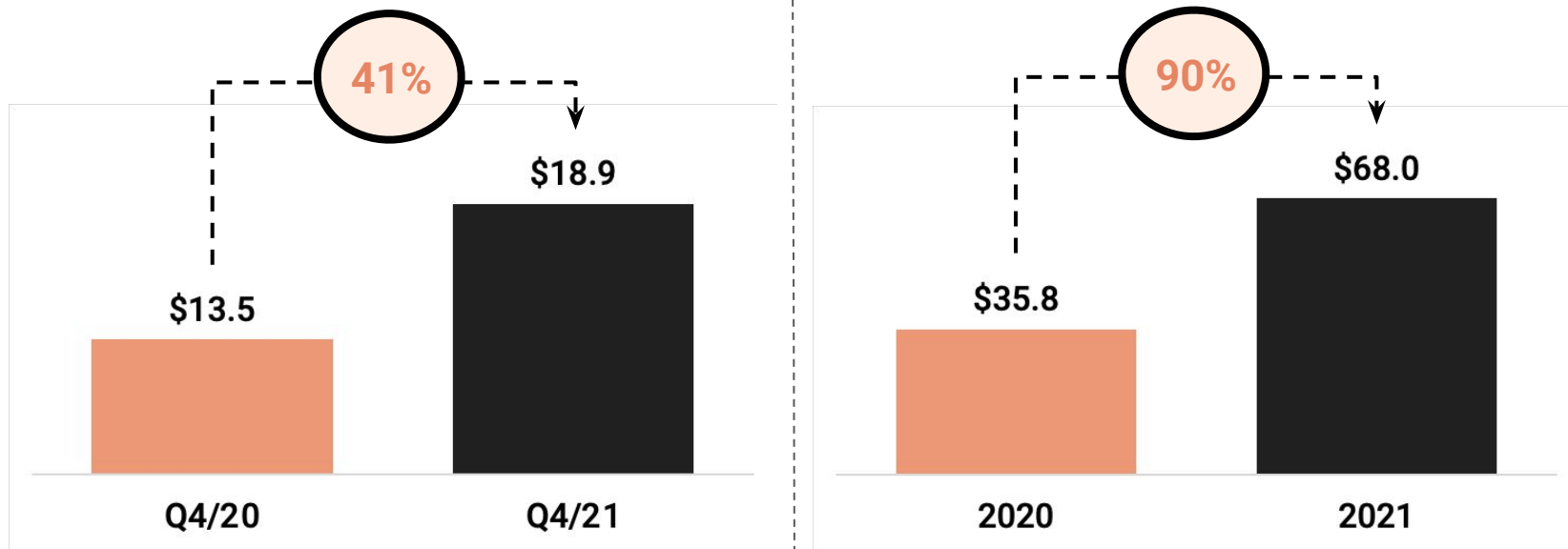
(dollar-based)



NRR consistently greater than 100%, no direct customer churn in Q4.

Q4 Revenue Grows 41% Y/Y

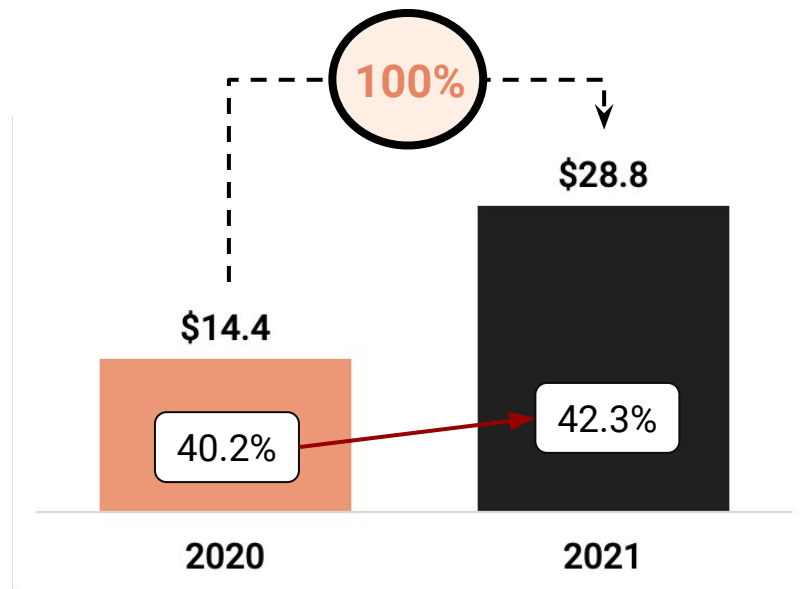
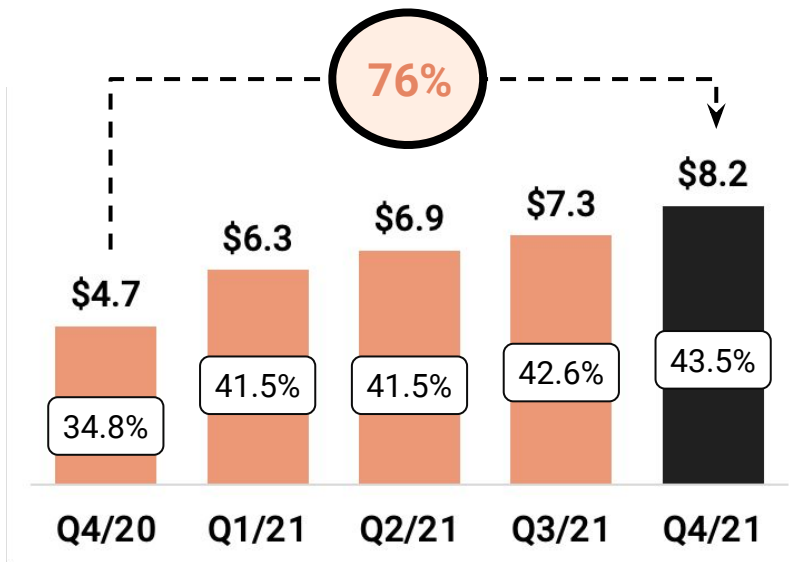
Revenue
(millions)



Robust top-line growth, even as we cycle the addition of Optima in Q4 last year.

Higher Gross Margin on Sequential Basis

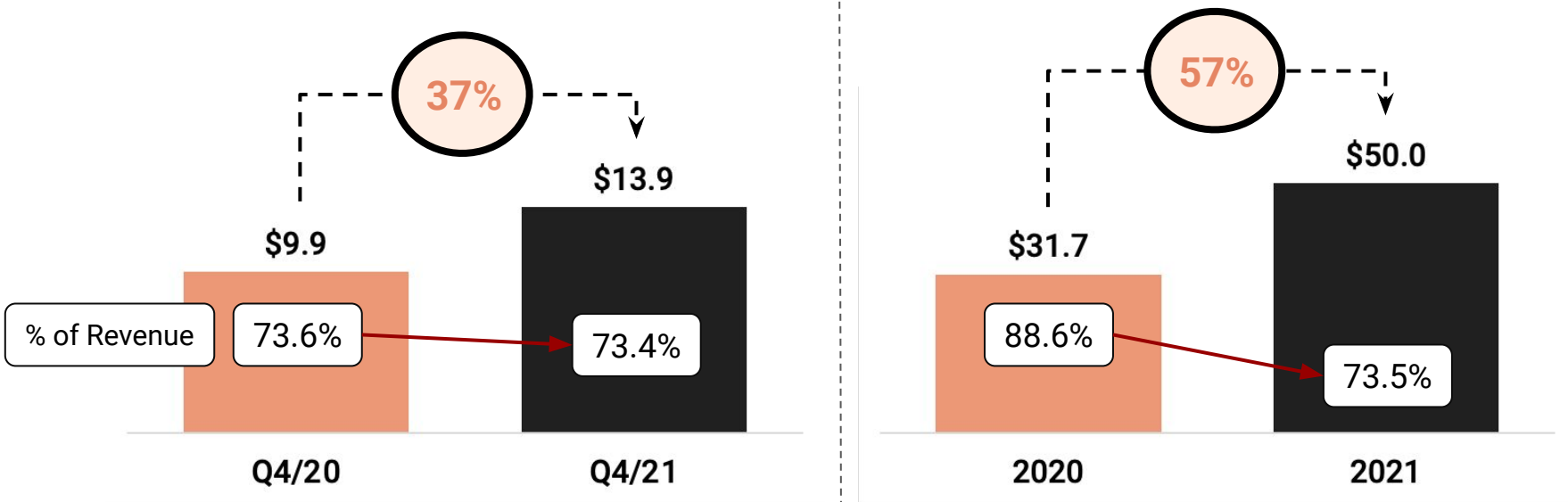
Gross Profit
(millions)



Improvement expected to continue as we scale our Mental Health and EAP services, and migrate lower-margin Optima business to IHP.

Focused on Driving Profitable Growth

Operating Expenses¹ (millions)



Excluding certain one-time costs, operating leverage in Q4 would have been ~130 bp.

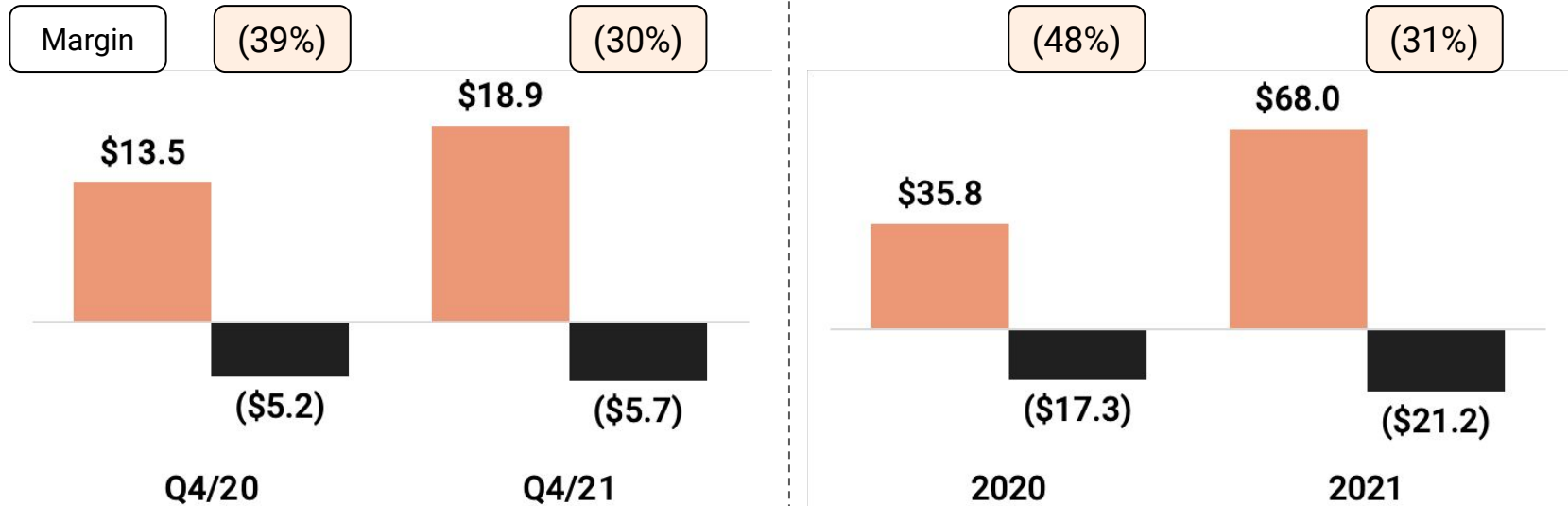
¹ Adjusted to exclude depreciation of property and equipment, amortization of intangible assets, and amortization of right-of-use assets.

Solid Operational Leverage Once Again in Q4

Adjusted EBITDA

(millions)

Revenue Adj. EBITDA



We continue to advance on our path toward profitability.

A woman in profile is shown from the chest up, looking towards a laptop. The laptop screen displays a video call with another woman who is wearing a white lab coat and smiling. The background is a dimly lit office or home workspace with shelves and a desk.

Dialogue

Thank You

investors@dialogue.co



Appendix A



Key Performance Indicators

Annual Recurring and Reoccurring Revenue - Our Annual Recurring and Reoccurring Revenue represents our contracted Recurring and Reoccurring Revenue as of a certain date. Recurring Revenue is comprised of (i) our subscription-based PMPM contracts with our virtual Platform Customers based on the number of Members as of the reporting date and (ii) our fixed hour contracts for OHS. Reoccurring Revenue represents our annual run rate revenues from Optima based on contracts with Customers which are reoccurring in nature given our past experience with such Customers.

Attach Rate - Our strategy is to increase the number of services that our Members have access to on our Platform. We track our performance in this area by measuring our Attach Rate, defined as the average number of programs per Member at a given point in time. We report our Attach Rate as at the last day of the reporting period.

LTV:CAC - The ratio of the lifetime value of our Customers (“LTV”) to our customer acquisition costs (“CAC”). LTV is calculated based on the expected total Gross Profit from our new Customers, assuming an average life span of 5 years per customer estimated by management and our current gross margin. We calculate CAC as our total go-to-market expenses for the same period.

Members - Given our pe- member-per-month (“PMPM”) pricing model for virtual services, our revenue is a function of the number of Members who have access to our services. We track our performance in this area by regularly tracking the number of Members with access to our Platform from all our Customers at any point in time. For annual and quarterly periods, we report the number of Members as at the last day of the reporting period.

Member-Service Units - Our strategy to expand depends on both our existing and new Customers who continue to use our Integrated Health Platform™. We track our performance in this area by measuring our Member-Service Units (“MSUs”), defined as the total number of unique Members multiplied by the Attach Rate.

Net Retention Rate - We believe that our ability to retain and expand the revenue generated from our existing Customers is an indicator of the long-term value of our Customer relationships. We track our performance in this area by measuring our Net Retention Rate (“NRR”), which is calculated as of the end of each month by considering the Recurring Revenue from our cohort of Customers on our Platform as of the end of a month and dividing our Recurring Revenue attributable to the same cohort in the preceding month. Our NRR is only calculated for Customers with whom we have a direct relationship, and is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity. We report the average NRR for the respective reporting period.



Reconciliation of Non-IFRS Measures

This presentation makes reference to certain non-IFRS measures. EBIT represents net profit or loss before net financing (income) expenses and income taxes. EBITDA stands for net profit or loss before net financing (income) expenses, income taxes, depreciation of property and equipment, amortization of intangible assets, and amortization of right-of-use assets. Adjusted EBITDA stands for net profit or loss before net financing (income) expenses, income taxes, depreciation of property and equipment, amortization of intangible assets, amortization of right-of-use assets, transaction costs, acquisition costs, change in fair value of conversion feature, share-based payments expense, change in fair value of contingent consideration, severance costs, and foreign exchange gain or loss. The following table reconciles net loss to Adjusted EBITDA loss for the three months and years ended December 31, 2021 and 2020:

(in thousands of CAD dollars)	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
Net loss	(\$7,142)	(\$6,565)	(\$251,352)	(\$20,904)
Net financing (income) expenses	(207)	219	(362)	714
Current income tax expense	36	0	70	0
Deferred income tax recovery	(114)	(229)	(393)	(229)
Depreciation of property and equipment	172	140	519	676
Amortization of intangible assets	377	447	1,502	740
Amortization of right-of-use assets	152	134	600	505
EBITDA	(6,726)	(5,854)	(249,416)	(18,498)
Share-based payments expense	677	383	2,061	966
Acquisition costs	150	350	380	590
Change in fair value of conversion feature	0	(104)	225,417	(381)
Fair value of contingent liability	193	0	193	0
Severance	37	0	37	0
Foreign exchange loss (gain)	0	0	87	0
Adjusted EBITDA	(5,669)	(5,225)	(21,241)	(17,323)