



## Amwell® Announces Results for Second Quarter 2021

August 11, 2021

- Revenue of \$60.2 million in the second quarter increased 5% over last quarter
- Gross margins increased 600 bps to 44% of revenue versus 38% last quarter
- Total visits of 1.3 million versus 1.6 million last quarter
- \$12 million increase to annual EBITDA guidance

BOSTON--(BUSINESS WIRE)-- [Amwell®](#), (NYSE: AMWL) (the "Company") a national telehealth leader, today announced financial results for the second quarter ended June 30, 2021.

"In Q2, we were pleased to show significant progress in shifting the mix of our revenues more towards enabling technology versus visits. We expect this shift to continue in 2022 and beyond, and after our Converge roll-out to drive better margins and profitability. We are therefore confirming our Subscription, Carepoints and related technology revenue outlook, given the strong performance in the first half.

Regarding visits, on July 18th, the American Academy of Pediatrics reversed their previous guidance and is now recommending that all children, staff, and teachers in grades K-12 wear masks, regardless of vaccination status. Similarly on July 27th, the Centers for Disease Control reversed their previous guidance and are now recommending that all individuals, including those who are vaccinated, wear masks indoors in any location with high or substantial COVID transmission, which currently includes 2/3 of the US population.

With mask mandates quickly returning and also acknowledging other trends we are observing within visit mix and volumes, we need to account for these other dynamics and a likely weaker cold and flu season due to these variant related protective measures. Consequently, we are adjusting down our visit forecast for the remainder of the year to account for these factors," said Dr. Ido Schoenberg, Chairman and CEO.

Dr. Schoenberg continued, "Converge, coupled with our recent acquisitions, set Amwell apart. Together we uniquely provide a single, integrated, scalable and dependable platform that combines physical, virtual, and automated care delivery enablement. We believe that use of our platform will continue to materially increase over the next few years as healthcare workflows go through significant transformation and focus more on efficiency, impact, and reach.

We were pleased by the feedback of our clients as we began to deploy Amwell Now on Converge. Many more will follow this year. We look forward to providing you with more insight as we continue to support our vast ecosystem of partners and clients in their journey to transform and improve healthcare."

### Second quarter 2021 Financial Highlights:

All comparisons, unless otherwise noted, are to the three months ended March 31, 2021.

- Total Revenue was \$60.2 million, compared to \$57.6 million
  - Subscription revenue was \$26.8 million, compared to \$24.6 million
  - Visit revenue was \$27.5 million, compared to \$27.8 million
- Gross margin was 43.7%, compared to 38.0%
- Net loss was \$38.1 million, compared to \$39.8 million
- Adjusted EBITDA was (\$23.7) million, compared to (\$26.4) million, as a result of expanded gross margins and operational efficiencies
- Total active providers were ~71,000, compared to ~81,000 last quarter as COVID-focused providers roll off the platform
- Total visits were ~1.3 million, compared to ~1.6 million due to the typical decline of urgent care visits entering the summer period
  - Amwell Medical Group ("AMG") visits increased to 25% of total visits versus 20% last quarter

### Financial Outlook

For 2021, the Company is adjusting their previous visits outlook to account for changes related to COVID-Delta variant and now expects:

- Revenue between \$252 and \$262 million from the previous range of \$260 to \$270 million
  - Confirmed technology subscription revenues and services & care points revenues as these businesses are operating at or above original forecast levels
  - Guidance adjusted solely for changes in visits outlook due to factors related to COVID-Delta variant, mainly flu season estimates

- Narrowed and adjusted AMG visit volume to between 1.4 and 1.5 million from previous range of 1.5 to 1.7 million
- Adjusted EBITDA between (\$154) and (\$146) million from the previous range of (\$157) and (\$147) million
  - Acknowledges gross margin and operational efficiencies of \$12 million netted against \$10 million EBITDA burden from two acquisitions

## Quarterly Conference Call Details

The company will host a conference call to review the results today, Wednesday, August 11, 2021 at 5:00 p.m. E.T. to discuss its financial results. The call can be accessed via a line audio webcast at <https://investors.amwell.com> or by dialing 1-833-921-1654 for U.S. participants, or 1-236-389-2657 for international participants, referencing conference ID #5296844. A replay of the call will be available via webcast for on-demand listening shortly after the completion of the call, at the same web link, and will remain available for approximately 90 days.

## About Amwell

Amwell is a leading telehealth platform in the United States and globally, connecting and enabling providers, insurers, patients, and innovators to deliver greater access to more affordable, higher quality care. Amwell believes that digital care delivery will transform healthcare. The Company offers a single, comprehensive platform to support all telehealth needs from urgent to acute and post-acute care, as well as chronic care management and healthy living. With over a decade of experience, Amwell powers telehealth solutions for over 2,000 hospitals and 55 health plan partners with over 36,000 employers, covering over 80 million lives. For more information, please visit <https://business.amwell.com/>.

*American Well, Amwell, Converge and Carepoint are registered trademarks or trademarks of American Well Corporation in the United States and other countries. All other trademarks used herein are the property of their respective owners.*

## Forward-Looking Statements

This press release contains forward-looking statements about us and our industry that involve substantial risks and uncertainties and are based on our beliefs and assumptions and on information currently available to us. All statements other than statements of historical facts contained in this press release, including statements regarding our future results of operations, financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “will,” or “would,” or the negative of these words or other similar terms or expressions.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. 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: weak growth and increased volatility in the telehealth market; inability 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).

## CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands, except share and per share amounts) (unaudited)

|                                                                                                                           | June 30, 2021 | December 31, 2020 |
|---------------------------------------------------------------------------------------------------------------------------|---------------|-------------------|
| <b>Assets</b>                                                                                                             |               |                   |
| Current assets:                                                                                                           |               |                   |
| Cash and cash equivalents                                                                                                 | \$ 975,187    | \$ 941,616        |
| Investments                                                                                                               | —             | 99,963            |
| Restricted cash                                                                                                           | 795           | 1,095             |
| Accounts receivable (\$650 and \$12,053, from related parties and net of allowances of \$1,039 and \$1,556, respectively) | 35,544        | 45,296            |
| Inventories                                                                                                               | 8,929         | 9,128             |
| Deferred contract acquisition costs                                                                                       | 2,450         | 2,134             |
| Prepaid expenses and other current assets                                                                                 | 13,491        | 14,055            |
| Total current assets                                                                                                      | 1,036,396     | 1,113,287         |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                     |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| Property and equipment, net                                                                                                                                                                                                                                                                                                                                                                                                                            | 2,985               | 3,836               |
| Goodwill                                                                                                                                                                                                                                                                                                                                                                                                                                               | 193,877             | 193,877             |
| Intangible assets, net                                                                                                                                                                                                                                                                                                                                                                                                                                 | 51,672              | 55,528              |
| Operating lease right-of-use asset                                                                                                                                                                                                                                                                                                                                                                                                                     | 3,486               | 6,609               |
| Deferred contract acquisition costs, net of current portion                                                                                                                                                                                                                                                                                                                                                                                            | 898                 | 1,327               |
| Other assets                                                                                                                                                                                                                                                                                                                                                                                                                                           | 1,246               | 1,430               |
| Investment in minority owned joint venture                                                                                                                                                                                                                                                                                                                                                                                                             | 1,759               | 752                 |
| Total assets                                                                                                                                                                                                                                                                                                                                                                                                                                           | <u>\$ 1,292,319</u> | <u>\$ 1,376,646</u> |
| <b>Liabilities, Convertible Preferred Stock and Stockholders' Deficit</b>                                                                                                                                                                                                                                                                                                                                                                              |                     |                     |
| Current liabilities:                                                                                                                                                                                                                                                                                                                                                                                                                                   |                     |                     |
| Accounts payable                                                                                                                                                                                                                                                                                                                                                                                                                                       | \$ 5,173            | \$ 5,797            |
| Accrued expenses and other current liabilities                                                                                                                                                                                                                                                                                                                                                                                                         | 24,864              | 42,135              |
| Operating lease liability, current                                                                                                                                                                                                                                                                                                                                                                                                                     | 3,471               | 6,357               |
| Deferred revenue (\$2,238 and \$14,421 from related parties, respectively)                                                                                                                                                                                                                                                                                                                                                                             | 57,836              | 66,693              |
| Total current liabilities                                                                                                                                                                                                                                                                                                                                                                                                                              | 91,344              | 120,982             |
| Other long-term liabilities                                                                                                                                                                                                                                                                                                                                                                                                                            | 26                  | 64                  |
| Operating lease liability, net of current portion                                                                                                                                                                                                                                                                                                                                                                                                      | 776                 | 1,296               |
| Deferred revenue, net of current portion (\$29 and \$486 from related parties, respectively)                                                                                                                                                                                                                                                                                                                                                           | 7,530               | 8,107               |
| Total liabilities                                                                                                                                                                                                                                                                                                                                                                                                                                      | <u>99,676</u>       | <u>130,449</u>      |
| Commitments and contingencies (Note 11)                                                                                                                                                                                                                                                                                                                                                                                                                |                     |                     |
| Stockholders' deficit:                                                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                     |
| Preferred stock, \$0.01 par value; 100,000,000 shares authorized, no shares issued or outstanding as of June 30, 2021 and as of December 31, 2020                                                                                                                                                                                                                                                                                                      | —                   | —                   |
| Common stock, \$0.01 par value; 1,000,000,000 Class A shares authorized, 209,875,389 and 201,488,097 shares issued, and 209,875,389 and 200,751,168 shares outstanding, respectively; 100,000,000 Class B shares authorized, 26,687,959 and 30,427,128 shares issued, and 26,687,959 and 29,297,382 shares outstanding, respectively; 200,000,000 Class C shares authorized 5,555,555 issued and outstanding as of June 30, 2021 and December 31, 2020 | 2,422               | 2,357               |
| Treasury stock, no shares and 1,866,675 shares as of June 30, 2021 and December 31, 2020, respectively                                                                                                                                                                                                                                                                                                                                                 | —                   | (37,568)            |
| Additional paid-in capital                                                                                                                                                                                                                                                                                                                                                                                                                             | 1,877,497           | 1,841,405           |
| Accumulated other comprehensive income                                                                                                                                                                                                                                                                                                                                                                                                                 | 140                 | 297                 |
| Accumulated deficit                                                                                                                                                                                                                                                                                                                                                                                                                                    | (708,587)           | (582,359)           |
| Total American Well Corporation stockholders' equity                                                                                                                                                                                                                                                                                                                                                                                                   | 1,171,472           | 1,224,132           |
| Non-controlling interest                                                                                                                                                                                                                                                                                                                                                                                                                               | 21,171              | 22,065              |
| Total stockholders' equity                                                                                                                                                                                                                                                                                                                                                                                                                             | <u>1,192,643</u>    | <u>1,246,197</u>    |
| Total liabilities, preferred stock and stockholders' equity                                                                                                                                                                                                                                                                                                                                                                                            | <u>\$ 1,292,319</u> | <u>\$ 1,376,646</u> |

**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS**  
(in thousands, except share and per share amounts)  
(unaudited)

|                                                                                | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|--------------------------------------------------------------------------------|-----------------------------|--------------|---------------------------|--------------|
|                                                                                | 2021                        | 2020         | 2021                      | 2020         |
| Revenue                                                                        |                             |              |                           |              |
| (\$1,462, \$15,912, \$3,089 and \$29,160 from related parties, respectively)   | \$ 60,217                   | \$ 68,568    | \$ 117,816                | \$ 122,282   |
| <b>Costs and operating expenses:</b>                                           |                             |              |                           |              |
| Costs of revenue, excluding depreciation and amortization of intangible assets | 33,889                      | 43,826       | 69,594                    | 76,853       |
| Research and development                                                       | 22,378                      | 17,637       | 45,418                    | 32,573       |
| Sales and marketing                                                            | 14,789                      | 12,346       | 28,521                    | 26,220       |
| General and administrative                                                     | 24,212                      | 80,082       | 45,566                    | 95,424       |
| Depreciation and amortization expense                                          | <u>2,484</u>                | <u>2,509</u> | <u>4,990</u>              | <u>4,795</u> |

|                                                                              |                    |                    |                    |                     |
|------------------------------------------------------------------------------|--------------------|--------------------|--------------------|---------------------|
| Total costs and operating expenses                                           | 97,752             | 156,400            | 194,089            | 235,865             |
| Loss from operations                                                         | (37,535)           | (87,832)           | (76,273)           | (113,583)           |
| Interest income and other income (expense), net                              | 224                | 308                | 285                | 1,155               |
| Loss before expense from income taxes and loss from equity method investment | (37,311)           | (87,524)           | (75,988)           | (112,428)           |
| Expense from income taxes                                                    | (103)              | (252)              | (412)              | (252)               |
| Loss from equity method investment                                           | (722)              | (444)              | (1,541)            | (764)               |
| Net loss                                                                     | (38,136)           | (88,220)           | (77,941)           | (113,444)           |
| Net loss attributable to non-controlling interest                            | (277)              | (1,562)            | (894)              | (2,405)             |
| Net loss attributable to American Well Corporation                           | <u>\$ (37,859)</u> | <u>\$ (86,658)</u> | <u>\$ (77,047)</u> | <u>\$ (111,039)</u> |
| Net loss per share attributable to common stockholders, basic and diluted    | \$ (0.15)          | \$ (1.99)          | \$ (0.31)          | \$ (2.66)           |
| Weighted-average common shares outstanding, basic and diluted                | 249,366,652        | 43,484,313         | 246,471,733        | 41,793,108          |
| Net loss                                                                     | \$ (38,136)        | \$ (88,220)        | \$ (77,941)        | \$ (113,444)        |
| Other comprehensive income (loss), net of tax:                               |                    |                    |                    |                     |
| Unrealized gain on available-for-sale investments                            | (119)              | (323)              | (85)               | (280)               |
| Foreign currency translation                                                 | (20)               | 349                | (72)               | 178                 |
| Comprehensive loss                                                           | (38,275)           | (88,194)           | (78,098)           | (113,546)           |
| Less: Comprehensive loss attributable to non-controlling interest            | (277)              | (1,562)            | (894)              | (2,405)             |
| Comprehensive loss attributable to American Well Corporation                 | <u>\$ (37,998)</u> | <u>\$ (86,632)</u> | <u>\$ (77,204)</u> | <u>\$ (111,141)</u> |

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands, except share and per share amounts)  
(unaudited)

|                                                                                       | <b>Six Months Ended June 30,</b> |                 |
|---------------------------------------------------------------------------------------|----------------------------------|-----------------|
|                                                                                       | <b>2021</b>                      | <b>2020</b>     |
| <b>Cash flows from operating activities:</b>                                          |                                  |                 |
| Net loss                                                                              | \$ (77,941)                      | \$ (113,444)    |
| Adjustments to reconcile net loss to net cash used in operating activities:           |                                  |                 |
| Depreciation and amortization expense                                                 | 4,990                            | 4,795           |
| Provisions for doubtful accounts                                                      | (57)                             | 640             |
| Amortization of deferred contract acquisition costs                                   | 731                              | 730             |
| Amortization of deferred contract fulfillment costs                                   | 351                              | 339             |
| Stock-based compensation expense                                                      | 19,368                           | 72,096          |
| Loss on equity method investment                                                      | 1,541                            | 764             |
| Changes in operating assets and liabilities, net of acquisition:                      |                                  |                 |
| Accounts receivable                                                                   | 9,809                            | (8,708)         |
| Inventories                                                                           | 199                              | (2,107)         |
| Deferred contract acquisition costs                                                   | (618)                            | (1,506)         |
| Prepaid expenses and other current assets                                             | 284                              | (3,004)         |
| Other assets                                                                          | 184                              | 229             |
| Accounts payable                                                                      | (624)                            | (2,494)         |
| Accrued expenses and other current liabilities                                        | (16,063)                         | (687)           |
| Other long-term liabilities                                                           | (38)                             | (195)           |
| Deferred revenue                                                                      | (9,506)                          | (5,270)         |
| Net cash used in operating activities                                                 | <u>(67,390)</u>                  | <u>(57,822)</u> |
| <b>Cash flows from investing activities:</b>                                          |                                  |                 |
| Purchases of property and equipment                                                   | (283)                            | (2,304)         |
| Investment in less than majority owned joint venture                                  | (2,548)                          | (2,940)         |
| Purchases of investments                                                              | —                                | (29,777)        |
| Proceeds from sales and maturities of investments                                     | 100,000                          | 39,355          |
| Net cash provided by investing activities                                             | <u>97,169</u>                    | <u>4,334</u>    |
| <b>Cash flows from financing activities:</b>                                          |                                  |                 |
| Proceeds from issuance of Series C convertible preferred stock, net of issuance costs | —                                | 146,764         |
| Proceeds from exercise of common stock options                                        | 16,733                           | 2,232           |

|                                                                                       |                   |                   |
|---------------------------------------------------------------------------------------|-------------------|-------------------|
| Payments for the purchase of treasury stock                                           | (11,628)          | (163)             |
| Payment of deferred offering costs                                                    | (1,613)           | (371)             |
| Net cash provided by financing activities                                             | <b>3,492</b>      | <b>148,462</b>    |
| <b>Net decrease in cash, cash equivalents, and restricted cash</b>                    | <b>33,271</b>     | <b>94,974</b>     |
| Cash, cash equivalents, and restricted cash at beginning of period                    | 942,711           | 138,816           |
| Cash, cash equivalents, and restricted cash at end of period                          | <b>\$ 975,982</b> | <b>\$ 233,790</b> |
| <b>Cash, cash equivalents, and restricted cash at end of period:</b>                  |                   |                   |
| Cash and cash equivalents                                                             | 975,187           | 232,695           |
| Restricted cash                                                                       | 795               | 1,095             |
| Total cash, cash equivalents, and restricted cash at end of period                    | <b>\$ 975,982</b> | <b>\$ 233,790</b> |
| <b>Supplemental disclosure of cash flow information:</b>                              |                   |                   |
| Cash paid for income taxes                                                            | \$ 955            | \$ 138            |
| <b>Supplemental disclosure of non-cash investing and financing activities:</b>        |                   |                   |
| Additions to property and equipment included in accrued expenses and accounts payable | \$ —              | \$ 572            |
| Common stock issuance costs                                                           | \$ —              | \$ 440            |
| Preferred stock issuance costs                                                        | \$ —              | \$ 750            |
| Receivable related to exercise of common stock options                                | \$ 71             | \$ 100            |

### Non-GAAP Financial Measures:

To supplement our financial information presented in accordance with generally accepted accounting principles in the United States, of US GAAP, we use adjusted EBITDA, which is a non-U.S GAAP financial measure to clarify and enhance an understanding of past performance. We believe that the presentation of adjusted EBITDA enhances an investor's understanding of our financial performance. We further believe that adjusted EBITDA is a useful financial metrics to assess our operating performance from period-to-period by excluding certain items that we believe are not representative of our core business. We use certain financial measures for business planning purposes and in measuring our performance relative to that of our competitors. We utilize adjusted EBITDA as the primary measure of our performance.

We calculate adjusted EBITDA as net loss adjusted to exclude (i) interest income and other income, net, (ii) tax benefit and expense, (iii) depreciation and amortization, (iv) stock-based compensation expense, (v) public offering expenses, (vi) acquisition-related income and expenses, (vii) litigation expenses related to the defense of our patents in the patent infringement claim filed by Teladoc and (viii) other items affecting our results that we do not view as representative of our ongoing operations, including direct and incremental expenses associated with the COVID-19 pandemic.

We believe adjusted EBITDA is a commonly used by investors to evaluate our performance and that of our competitors. However, our use of the term adjusted EBITDA may vary from that of others in our industry. Adjusted EBITDA should not be considered as an alternative to net loss before taxes, net loss, loss per share or any other performance measures derived in accordance with U.S. GAAP as measures of performance.

Adjusted EBITDA has important limitations as an analytical tool and you should not consider it in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. Some of the limitations of adjusted EBITDA include (i) adjusted EBITDA does not properly reflect capital commitments to be paid in the future, and (ii) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and adjusted EBITDA does not reflect these capital expenditures. Our IPO and acquisition-related expenses, including legal, accounting and other professional expenses, reflect cash expenditures and we expect such expenditures for acquisitions to recur from time to time. Our adjusted EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate adjusted EBITDA in the same manner as we calculate the measure, limiting its usefulness as a comparative measure.

In evaluating adjusted EBITDA, you should be aware that in the future we will incur expenses similar to the adjustments in this presentation. Our presentation of adjusted EBITDA should not be construed as an inference that our future results will be unaffected by these expenses or any unusual or non-recurring items. Adjusted EBITDA should not be considered as an alternative to loss before benefit from income taxes, net loss, earnings per share, or any other performance measures derived in accordance with U.S. GAAP. When evaluating our performance, you should consider adjusted EBITDA alongside other financial performance measures, including our net loss and other GAAP results.

Other than with respect to GAAP Revenue, the Company only provides guidance on a non-GAAP basis. The Company does not provide a reconciliation of forward-looking Adjusted EBITDA (non-GAAP) to GAAP net income (loss), due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliation because other deductions (such as COVID expenses and acquisition related expenses) used to calculate projected net income (loss) vary dramatically based on actual events, the Company is not able to forecast on a GAAP basis with reasonable certainty all deductions needed in order to provide a GAAP calculation of projected net income (loss) at this time. The amount of these deductions may be material and, therefore, could result in projected GAAP net income (loss) being materially less than projected Adjusted EBITDA (non-GAAP).

The following table presents a reconciliation of adjusted EBITDA from the most comparable GAAP measure, net loss, for the three and six months ended June 30, 2021 and 2020:

| (in thousands)                                  | Three Months Ended June 30, |                           | Six Months Ended June 30, |                           |
|-------------------------------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|
|                                                 | 2021                        | 2020                      | 2021                      | 2020                      |
| <b>Net loss</b>                                 | <b>\$ (38,136)</b>          | <b>\$ (88,220)</b>        | <b>\$ (77,941)</b>        | <b>\$ (113,444)</b>       |
| Add:                                            |                             |                           |                           |                           |
| Depreciation and amortization                   | 2,484                       | 2,509                     | 4,990                     | 4,795                     |
| Interest income and other income (expense), net | (224)                       | (308)                     | (285)                     | (1,155)                   |
| Expense from income taxes                       | 103                         | 252                       | 412                       | 252                       |
| Stock-based compensation                        | 10,726                      | 67,638                    | 19,368                    | 72,096                    |
| Public offering expenses                        | —                           | 526                       | 1,223                     | 677                       |
| Acquisition-related expense (income)            | 587                         | (65)                      | 587                       | (48)                      |
| COVID-19-related expenses <sup>(1)</sup>        | —                           | 4,329                     | —                         | 5,742                     |
| Litigation expense                              | 808                         | —                         | 1,547                     | —                         |
| <b>Adjusted EBITDA</b>                          | <b><u>\$ (23,652)</u></b>   | <b><u>\$ (13,339)</u></b> | <b><u>\$ (50,099)</u></b> | <b><u>\$ (31,085)</u></b> |

1. COVID-19-related expenses include non-recurring provider bonus payments, emergency hosting licensing fees and non-medical provider temporary labor costs related to on-boarding non-AMG providers incurred in response to the initial outbreak of the COVID-19 virus as Amwell attempted to scale quickly to meet unusually high patient and non-AMG provider demand.
2. Public offering expenses include non-recurring expenses incurred in relation to our initial public offering for the three and six months ended June 30, 2020 and our secondary offering for the six months ended June 30, 2021.

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