

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934
Date of Report (Date of earliest event reported): January 12, 2022**

Talkspace, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39314
(Commission
File Number)

84-4636604
(I.R.S. Employer
Identification No.)

Address Not Applicable
(Address of principal executive offices)

Address Not Applicable
(Zip Code)

(212) 284-7206
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.0001 par value per share	TALK	Nasdaq Global Select Market
Warrants to purchase common stock	TALKW	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On January 12, 2022, Talkspace, Inc. (the "Company") announced preliminary unaudited financial results for the fourth quarter and fiscal year ended December 31, 2021. The full text of the corporate slide presentation including such financial information is attached as Exhibit 99.1 to this Current Report on Form 8-K. The Company undertakes no obligation to update, supplement or amend the materials attached hereto as Exhibit 99.1.

The information contained in Item 2.02 of this Form 8-K (including Exhibit 99.1 attached hereto) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly provided by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
<u>99.1</u>	<u>Corporate Slide Presentation of the Company, dated January 12, 2022</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Talkspace, Inc.

Date: January 12, 2022

By: /s/ Jennifer Fulk
Chief Financial Officer

Talkspace: Accessible, High-Quality Mental Healthcare

40th Annual J.P. Morgan Healthcare Conference

Doug Braunstein, Interim CEO
Jennifer Fulk, CFO

JANUARY 13TH 2022



Disclaimer

Talkspace, Inc. (the "Company") reports its financial results in accordance with U.S. generally accepted accounting principles ("GAAP"). The select preliminary, unaudited results described in this presentation are estimates only and are subject to revision until the Company reports its full financial and business results for the quarter and year ended December 31, 2021. These estimates are not a comprehensive statement of the Company's financial results for the fourth quarter and fiscal year ended December 31, 2021 and actual results may differ materially from these estimates as a result of the completion of year-end accounting procedures and adjustments, including the execution of the Company's internal control over financial reporting, the completion of the preparation and audit of the Company's financial statements and the subsequent occurrence or identification of events prior to the formal issuance of the audited financial statements for fiscal 2021. In addition, the preliminary, unaudited results described in this presentation, including revenue, B2B covered lives, and cash balance, should not be relied upon as an indicator of overall quarterly and year-end financial results, which depend on a variety of factors, including the cost of goods sold and operating expenses, among others.

This presentation contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking, including statements regarding our financial condition, anticipated financial performance, business strategy and plans, market opportunity and expansion and objectives of our management for future operations. These forward-looking statements generally are identified by the words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "forecast," "future," "intend," "may," "might," "opportunity," "plan," "possible," "potential," "predict," "project," "should," "strategy," "strive," "target," "will," or "would", the negative of these words or other similar terms or expressions. The absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many important factors could cause actual future events to differ materially from the forward-looking statements in this press release, including but not limited to: our history of losses; the rapid evolution of our business and the markets in which we operate; our ability to continue growing at the rates we have historically grown, or at all; the development of the virtual behavioral health market; COVID-19 and its impact on business and economic conditions; competition in our industry; and our relationships with affiliated professional entities to provide physician and other professional services. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in under the caption "Risk Factors" in our Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021 filed with the Securities and Exchange Commission ("SEC") on November 15, 2021 and in our other documents filed from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and we assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. We do not give any assurance that we will achieve our expectations.

Certain information contained in this presentation relate to or are based on studies, publications, surveys and other data obtained from third-party sources and the Company's own internal estimates and research. While the Company believes these third-party sources to be reliable as of the date of this presentation, it has not independently verified, and makes no representation as to the adequacy, fairness, accuracy or completeness of, any information obtained from third-party sources, and you are urged not to give undue weight to such third-party information. While the Company believes its internal research is reliable, such research has not been verified by any independent source.

Full-Stack Behavioral Health Platform With Proven Clinical and Tech Capabilities

- Full-stack behavioral health platform to serve sizable, underpenetrated, and growing TAM
- Network of licensed therapists, psychiatrists, and prescribers addressing a wide spectrum of specialties
- Growing B2B business with multiple drivers to increase market penetration and enhance profitability
- Solid brand to leverage across multiple distribution channels
- Integrated machine learning model to drive member engagement and improve clinical efficacy
- Strong balance sheet, which we believe enables investments to accelerate revenue growth and boost cash flow

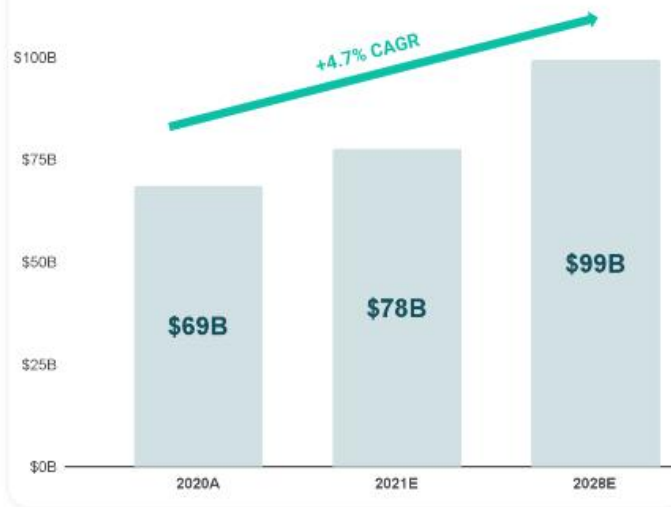
Sizable, Underpenetrated and Growing TAM

Widespread and Growing Incidence

>30%

U.S. adults experienced symptoms of anxiety or depression as of Fall 2021¹

Projected U.S. Market Growth²



Virtual BH Preferred Delivery

78%

Estimated number of behavioral health consumers that prefer virtual delivery over in-person³

¹ <https://www.cdc.gov/nchs/covid19/pubs/mental-health.htm>
² <https://www.fortunebusinessinsights.com/us-s-behavioral-health-market-105256>
³ Source: SilverCloud 2021 Survey

Leading Virtual Behavioral Health Provider

We support

Consumers, employers, and payors



- Adults
- Teens
- Couples
- Health Plans
- Employers
- Academic and government institutions

We provide

Convenient, on-demand, and outcome-driven care



- Assessment
- Diagnosis
- Therapy
- Medication
- Self-help tools
- Clinical outcome measures

We are

A secure, clinical-grade, and fully virtual solution



- Mobile
- Multi-modality
- Private & secure
- Evidence-based
- Effective
- Researched



Preliminary Financial Performance

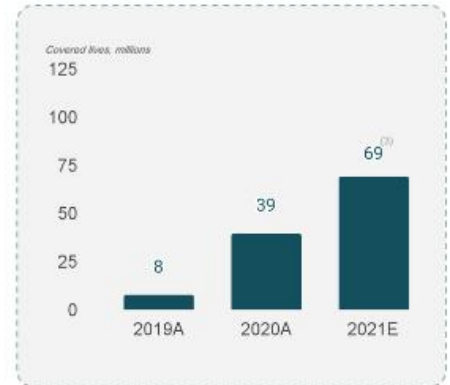
Quarterly Revenue



Annual Revenue



B2B Covered Lives



Note: please reference Disclaimer for any revenue and covered lives estimates

⁽¹⁾ Midpoint of estimated Q4 '21E revenue range of \$27.5-\$28.5M.

⁽²⁾ Midpoint of estimated FY 2021E revenue range of \$112-\$113M, which reflects Q4 '21E estimated revenue of \$27.5-\$28.5M.

⁽³⁾ 69M eligible lives estimated as of 12/31/2021. This is consistent with the number of covered lives disclosed in the form S-K filed on December 21, 2021.



Near-Term Priorities

- Grow and enhance clinical network
- Unify B2B2C conversion and service delivery
- Further resource B2B business for growth
- Optimize B2C marketing investment
- Prioritize and focus new product development and roll-out
- Implement more rigorous business processes to optimize cash generation over time

B2B Business Model Overview

Managed Behavioral Health (MBH)



- Provide insured members access to Talkspace
- Fee-for-service model
 - Talkspace pre-negotiates reimbursement rates with payors
 - Talkspace bills payors for each session delivered
 - Members may pay a co-pay

Employee Assistance Programs (EAP)



- Provide employees fully-covered access to Talkspace
 - Employees have access to a limited number of sessions
- Fee-for-service model:
 - Talkspace bills EAP for each session delivered

Direct-to-Employer (DTE)



- Provide employees direct, fully-covered access to Talkspace
 - Client chooses which plan employees will have access to
- Per employee per month ("PEPM") model:
 - Employer pays a pre-negotiated amount per person on a monthly basis

~40% of B2B run-rate revenue¹ is recurring

¹Run-rate of monthly revenues estimated for December 2021.

Multiple Drivers of B2B Revenue Growth: MBH & EAP

New Covered Lives



- Convert pipeline of new partners, including regional plans
- Sign additional covered lives with current partners

+

Increased Penetration



- Activate current covered lives via B2B2C marketing and unified intake funnel
- Strengthen payor partnerships

+

Increased Utilization



- Increase number of sessions per active user via product enhancement
- Promote user retention

+

Expanded Product Suite



- Increase share of wallet by offering existing consumer products (e.g. Psychiatry, Lasting) to insured members

Significant opportunity to increase market penetration & user engagement

Multiple Drivers of B2B Revenue Growth: Direct-To-Employer

New Employer Logos



- Pipeline of renewals and new partnerships
- Continued customer inbounds

+

Value-Driven Pricing



- Marketplace currently allows for opportunities to optimize revenue

+

Expanded Product Suite



- New product bundling provides opportunities to address a wide spectrum of care
- Differentiated product suite vis-a-vis peers

Demand tailwinds in 2022 have potential to drive meaningful growth in recurring profit

B2C Full Spectrum of Care



Self-Help

- *lasting* Applications 
 - Individual and couples: self-guided therapy
 - Live classes & workshops
- Clinical tools, including:
 - Therapeutic exercises
 - Worksheets

Starting at \$30/month



Therapy

- Multiple therapy subscription options, including treatment for:
 - Individuals
 - Couples
 - Teens
- Multiple modalities, including:
 - Text
 - Video
 - Audio messaging
 - Live chat

Starting at \$260/month



Psychiatry

- Psychiatry services, including
 - Evaluations
 - Follow-ups
 - Psychiatric medication management

Starting at \$125/month*

Path To Optimize B2C Returns

Enhance Value Proposition

Pricing

- Shift to value-based pricing
- Better match customer demand with clinician availability on a state-by-state basis

Merchandising

- Seek customer feedback to improve products, plans, and prices
- Increase amount of bundled offerings
- Continue investing in product innovation

Increase Conversion

Enhance user purchasing experience

- Optimize and unify B2C & B2B intake funnels
- Superbill adoption

Media Upgrades

- Accelerate organic content development
- Launch & hone omnimedia campaigns
- Upgrade affiliate platform
- Increase media efficiencies

Improve Retention

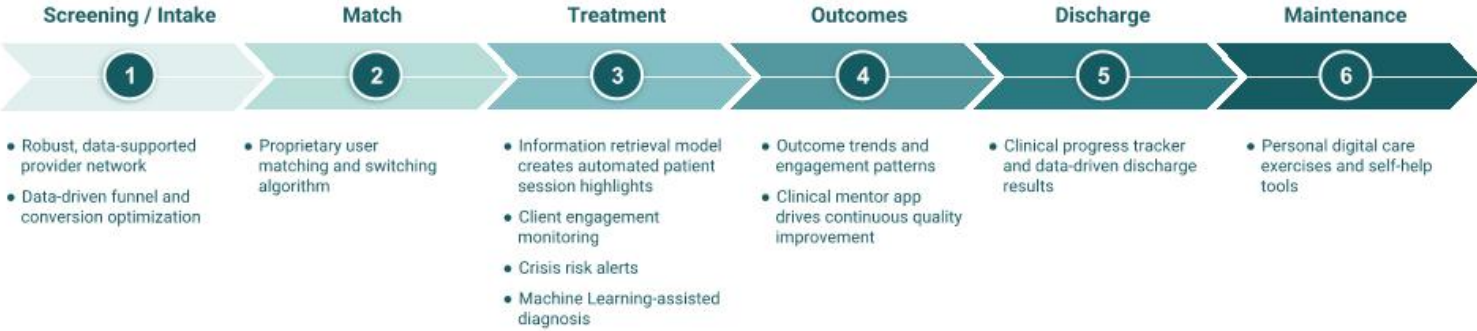
Optimize user experience

- Enhance user onboarding experience with focus on therapeutic connection
- Increase number and efficacy of clinical tools for providers

Clinical Network

- Grow hybrid network
- Enhance provider training and experience

Technology Leveraged At Every Step



Digitally-native technology platform and machine learning capabilities enable enhanced care throughout the clinical journey

Key Takeaways



Full-stack behavioral health platform to serve sizable, underpenetrated, and growing TAM



Network of licensed clinicians addressing a wide spectrum of specialties



Growing B2B business with multiple drivers to increase market penetration and enhance profitability



Solid brand to leverage across multiple distribution channels



Integrated machine learning model to drive member engagement and improve clinical efficacy



Strong balance sheet, which we believe enables investments to accelerate revenue growth and boost cash flow