

Prospectus Supplement No. 1  
(To Prospectus dated March 14, 2022)

**PROSPECTUS FOR  
88,045,644 SHARES OF COMMON STOCK AND  
12,780,000 WARRANTS TO PURCHASE SHARES OF COMMON STOCK  
AND  
33,480,000 SHARES OF COMMON STOCK UNDERLYING WARRANTS  
OF  
TALKSPACE, INC.**

This prospectus supplement updates, amends and supplements the prospectus dated March 14, 2022 (as supplemented or amended from time to time, the “Prospectus”), which forms a part of our Registration Statement on Form S-1 (Registration No. 333-257686). Capitalized terms used in this prospectus supplement and not otherwise defined herein have the meanings specified in the Prospectus.

This prospectus supplement is being filed to update, amend and supplement the information included in the Prospectus with information on Talkspace, Inc.’s unaudited 2022 first quarter financial results, which is set forth below.

This prospectus supplement is not complete without the Prospectus. This prospectus supplement should be read in conjunction with the Prospectus, which is to be delivered with this prospectus supplement, and is qualified by reference thereto, except to the extent that the information in this prospectus supplement updates or supersedes the information contained in the Prospectus. Please keep this prospectus supplement with your Prospectus for future reference.

Talkspace, Inc.’s common stock and warrants are quoted on the Nasdaq Global Select Market under the symbols “TALK” and “TALKW,” respectively. On May 2, 2022, the closing prices of our common stock and warrants were \$1.40 and \$0.16, respectively.

**INVESTING IN OUR SECURITIES INVOLVES CERTAIN RISKS. SEE “RISK FACTORS” BEGINNING ON PAGE 5 OF THE PROSPECTUS.**

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if the Prospectus or this prospectus supplement is truthful or complete. Any representation to the contrary is a criminal offense.**

**The date of this prospectus supplement is May 3, 2022**

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## Talkspace, Inc. 2022 First Quarter Results

Period ended March 31, 2022 <i>(In thousands unless otherwise noted, unaudited)</i>	Three Months		
	Results	Variance from Year	Prior
Number of B2B eligible lives <i>(in millions)</i>	76.5		54 %
Number of active members <sup>1</sup>	64.5		10 %
Number of completed B2B sessions	90.6		68 %
Total revenue	\$ 30,150		11 %
Gross profit	\$ 15,021		(13)%
Gross margin %	50 %	~(1,400) bps	
Operating expenses	\$ 36,229		21 %
Net loss	\$ (20,360)		(60)%
Adjusted EBITDA <sup>2</sup>	\$ (18,411)		(74)%
Cash and cash equivalents	\$ 184,127		*

\* = not meaningful

(1) Reflects active members at the end of the period.

(2) Adjusted EBITDA is a non-GAAP financial measure. For a reconciliation to the most directly comparable GAAP measure, see "Reconciliation of Non-GAAP Results to GAAP Results."

### First Quarter 2022 Key Performance Metrics

- The number of individuals eligible for Talkspace via their insurance or employer (B2B eligible lives) grew by 54% to 76.5 million, driven by expanded relationships with existing clients including Optum as well as the addition of Beacon.
- Completed B2B sessions grew 68% to 90,600, driven primarily by growth in B2B eligible lives.
- Active members grew 10% to 64,500, driven by strong growth in B2B, partially offset by fewer individual consumer subscribers (B2C clients) resulting primarily from lower marketing spend.
- Conversion metrics and customer acquisition costs modestly improved in the quarter in our B2C business.

## First Quarter 2022 Key Financial Metrics

- Revenue grew 11% to \$30 million, driven by 50% growth in B2B revenue partially offset by a 7% decline in B2C revenue. B2B revenue performance was driven by an increase in covered lives from health plan clients and new enterprise clients, and a higher number of completed B2B sessions. B2C revenue declined primarily due to reduced marketing spend, partially offset by a one-time \$0.5 million non-cash reversal in deferred revenue associated with customers no longer active on Talkspace's platform.
  - Gross profit declined 13% to \$15 million, and gross margin declined to 50%, due primarily to a revenue mix shift toward the B2B business, a greater number of salaried therapists within Talkspace's network, and higher therapist hourly compensation expense.
  - Net loss was (\$20) million, compared to a net loss of (\$13) million in the prior-year period, driven primarily by increased general and administrative expenses and higher cost of revenues. Adjusted EBITDA loss was (\$18) million, compared to (\$11) million in the prior-year period.
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**Talkspace, Inc.**  
**Consolidated Statements of Operations**  
(Unaudited)

	Three Months Ended March 31,		Variance	
	2022	2021	\$	%
<i>(in thousands, except percentages, share and per share data)</i>				
Consumer revenue	\$ 17,260	\$ 18,564	\$ (1,304)	(7.0)
Commercial revenue	12,890	8,593	4,297	50.0
Total revenue	30,150	27,157	2,993	11.0
Cost of revenues	15,129	9,814	5,315	54.2
Gross profit	15,021	17,343	(2,322)	(13.4)
Operating expenses:				
Research and development, net	5,035	2,964	2,071	69.9
Clinical operations	1,776	2,077	(301)	(14.5)
Sales and marketing	21,408	22,251	(843)	(3.8)
General and administrative	8,010	2,608	5,402	*
Total operating expenses	36,229	29,900	6,329	21.2
Operating loss	21,208	12,557	8,651	68.9
Financial (income) expense, net	(869)	173	(1,042)	*
Loss before taxes on income	20,339	12,730	7,609	59.8
Taxes on income	21	8	13	*
Net loss	\$ 20,360	\$ 12,738	\$ 7,622	59.8
Net loss per share <sup>(1)</sup> :				
Basic and Diluted	\$ 0.13	\$ 0.93	\$ (0.79)	(85.7)
Weighted average number of common shares <sup>(1)</sup> :				
Basic and Diluted	154,083,443	13,762,205		

\* = not meaningful

(1) Prior period results have been adjusted to reflect the exchange of Old Talkspace's common stock for Talkspace's common stock at an exchange ratio of approximately 1.134140 in June 2021 as a result of the Business Combination.

**Talkspace, Inc.**  
**Consolidated Balance Sheets**

	<u>March 31, 2022</u>	<u>December 31, 2021</u>
<i>(in thousands)</i>	<i>(Unaudited)</i>	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 184,127	\$ 198,256
Accounts receivable, net	6,312	5,512
Other current assets	5,039	9,562
<u>Total current assets</u>	<u>195,478</u>	<u>213,330</u>
Property and equipment, net	633	624
Intangible assets, net	3,086	3,436
Goodwill	6,134	6,134
Other long-term assets	82	82
<u>Total assets</u>	<u>\$ 205,413</u>	<u>\$ 223,606</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 9,490	\$ 7,429
Deferred revenues	6,026	7,186
Accrued expenses and other current liabilities	10,234	12,562
<u>Total current liabilities</u>	<u>25,750</u>	<u>27,177</u>
Warrant liabilities	3,195	4,070
Other long-term liabilities	191	86
<u>Total liabilities</u>	<u>29,136</u>	<u>31,333</u>
<b>Commitments and contingencies</b>		
<b>STOCKHOLDERS' EQUITY:</b>		
Common stock	15	15
Additional paid-in capital	368,152	363,788
Accumulated deficit	(191,890)	(171,530)
<u>Total stockholders' equity</u>	<u>176,277</u>	<u>192,273</u>
<u>Total liabilities and stockholders' equity</u>	<u>\$ 205,413</u>	<u>\$ 223,606</u>

**Talkspace, Inc.**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

<i>(in thousands)</i>	Three Months Ended March 31,	
	2022	2021
<b>Cash flows from operating activities:</b>		
Net loss	\$ (20,360)	\$ (12,738)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	429	462
Stock-based compensation	2,368	1,513
Warrant issuance cost and change in fair value	(875)	—
Increase in accounts receivable, net	(800)	(1,666)
Decrease (increase) in other current assets	4,923	(1,076)
Increase in accounts payable	2,061	7,030
(Decrease) increase in deferred revenues	(1,160)	2,878
Decrease in accrued expenses and other current liabilities	(1,837)	(282)
Increase in other long-term liabilities	105	—
Net cash used in operating activities	(15,146)	(3,879)
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(88)	(319)
Net cash used in investing activities	(88)	(319)
<b>Cash flows from financing activities:</b>		
Payment of deferred issuance costs	—	(75)
Proceeds from exercise of stock options	2,063	797
Payments for employee taxes withheld related to vested stock-based awards	(558)	—
Net cash provided by financing activities	1,505	722
Net decrease in cash and cash equivalents	(13,729)	(3,476)
Cash and cash equivalents at the beginning of the period	198,256	13,248
Cash and cash equivalents at the end of the period <sup>(1)</sup>	\$ 184,527	\$ 9,772

(1) As of March 31, 2022, amount includes restricted cash of \$0.4 million maintained in a short-term certificate of deposit account and included within other current assets in the condensed consolidated balance sheet.

## Non-GAAP Financial Measures

In addition to our financial results determined in accordance with GAAP, we believe adjusted EBITDA, a non-GAAP measure, is useful in evaluating our operating performance. We use adjusted EBITDA to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that this non-GAAP financial measure, when taken together with the corresponding GAAP financial measures, provides meaningful supplemental information regarding our performance by excluding certain items that may not be indicative of our business, results of operations or outlook. We believe that the use of adjusted EBITDA is helpful to our investors as it is a metric used by management in assessing the health of our business and our operating performance. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measure as a tool for comparison. A reconciliation is provided below for this non-GAAP financial measure to net loss, the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review our GAAP financial measure and the reconciliation of our non-GAAP financial measure to its most directly comparable GAAP financial measure, and not to rely on any single financial measure to evaluate our business.

### Adjusted EBITDA

Adjusted EBITDA is a key performance measure that our management uses to assess our operating performance. Because adjusted EBITDA facilitates internal comparisons of our historical operating performance on a more consistent basis, we use this measure for business planning purposes and in evaluating acquisition opportunities.

We calculate adjusted EBITDA as net loss adjusted to exclude (i) interest and other expenses (income), net, (ii) tax benefit and expense, (iii) depreciation and amortization (iv) stock-based compensation expense and (v) certain non-recurring expenses, where applicable.

### Talkspace, Inc. Reconciliation of Non-GAAP Results to GAAP Results

<i>(in thousands)</i>	Three Months Ended March 31,	
	2022	2021
Net loss	\$ (20,360)	\$ (12,738)
Add:		
Depreciation and amortization	429	462
Financial (income) expense, net <sup>(1)</sup>	(869)	173
Taxes on income	21	8
Stock-based compensation	2,368	1,513
Adjusted EBITDA	\$ (18,411)	\$ (10,582)

1) For the three months ended March 31, 2022, financial (income) expense, net, primarily consisted of \$0.9 million in gains resulting from the revaluation of warrant liabilities.

For the three months ended March 31, 2021, financial (income) expense, net, primarily consisted of \$0.2 million in losses resulting from the revaluation of warrant liabilities.