



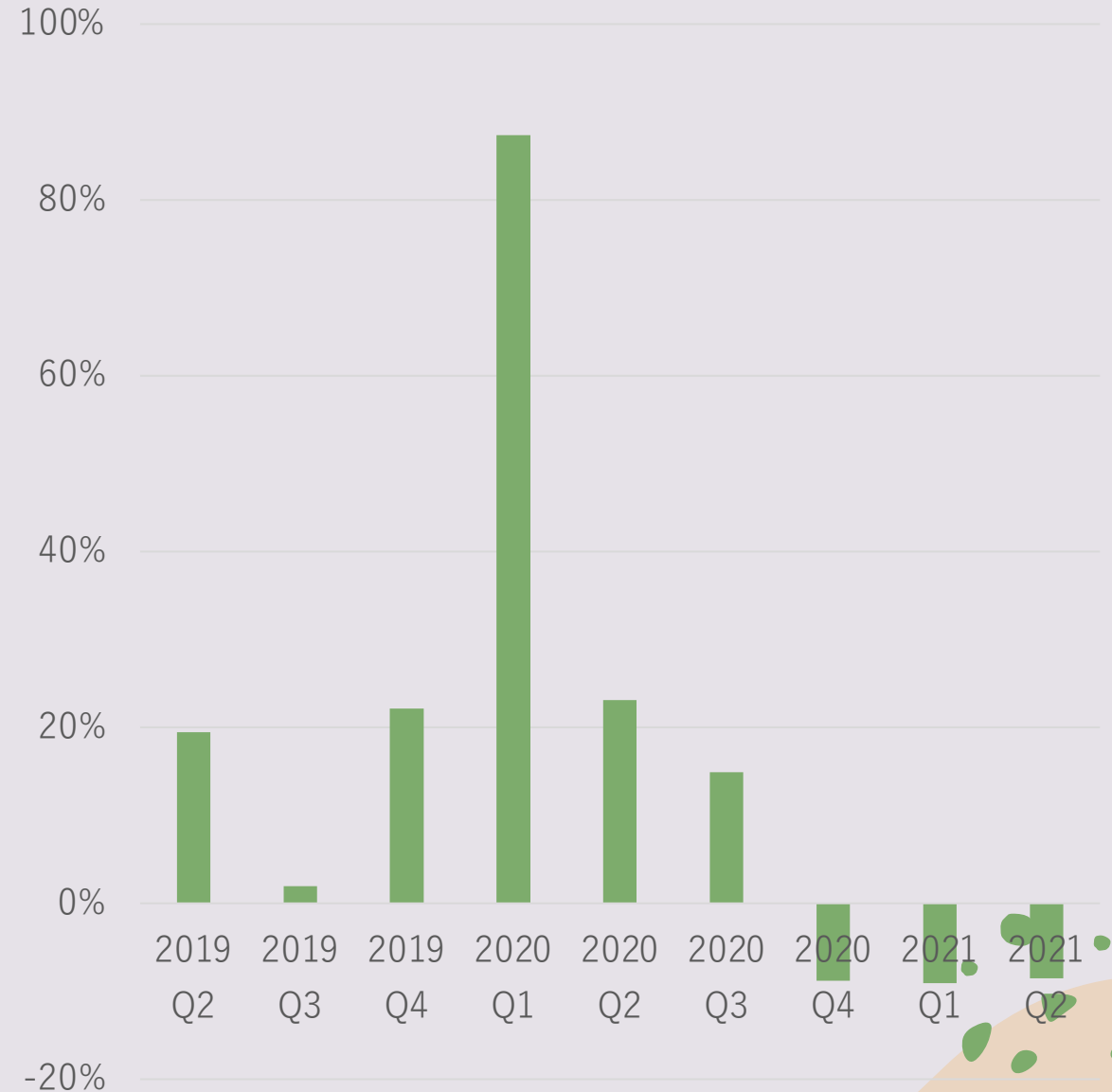
Stock Analysis of Teladoc Health

Watanabe & Brothers'
Investment

August 2021

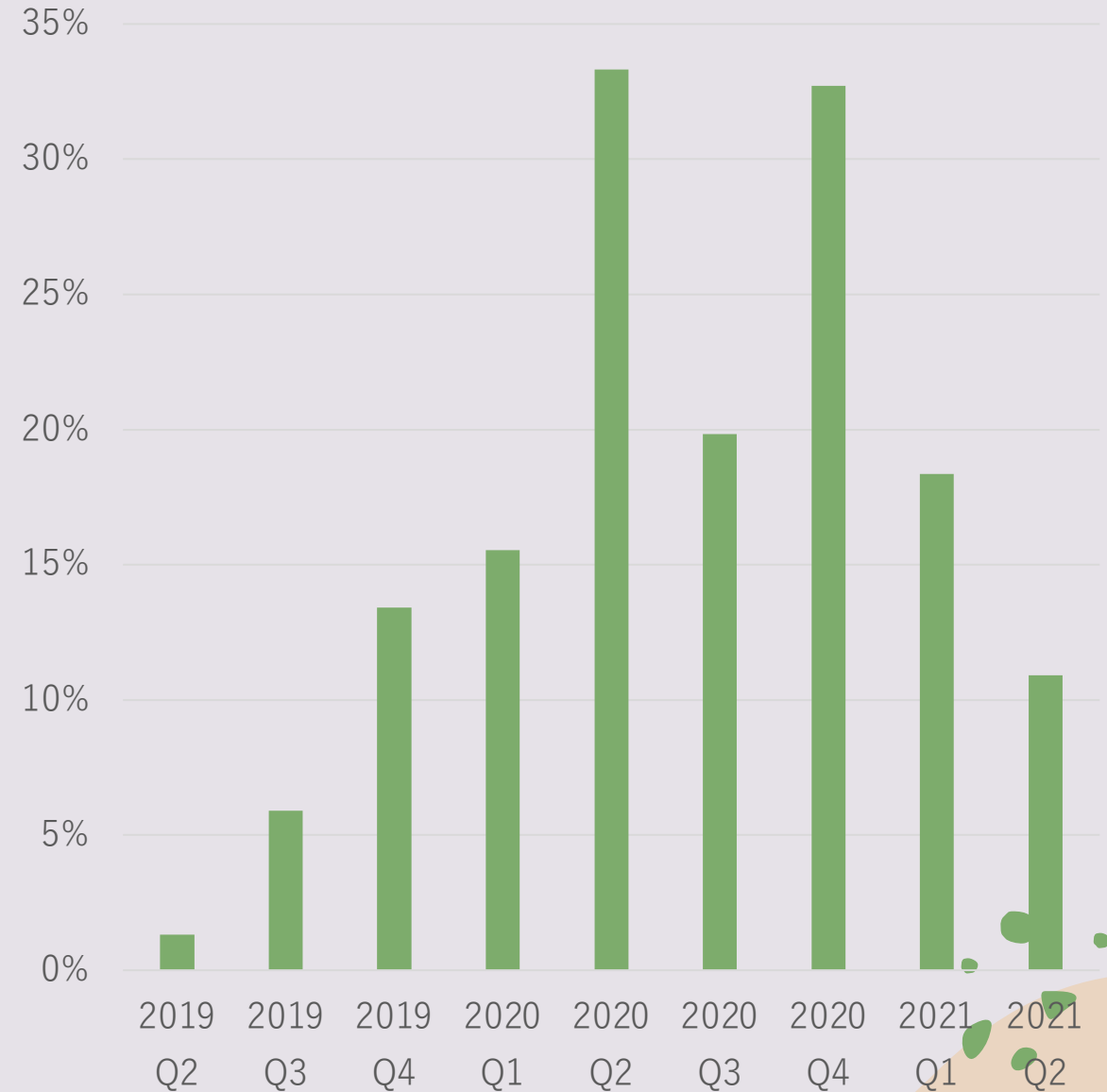
Quarterly Growth of Stock Price

- Stock Price hit the Peak in 2020 Q1
- Acquisition of Livongo was announced in 2020 Q2



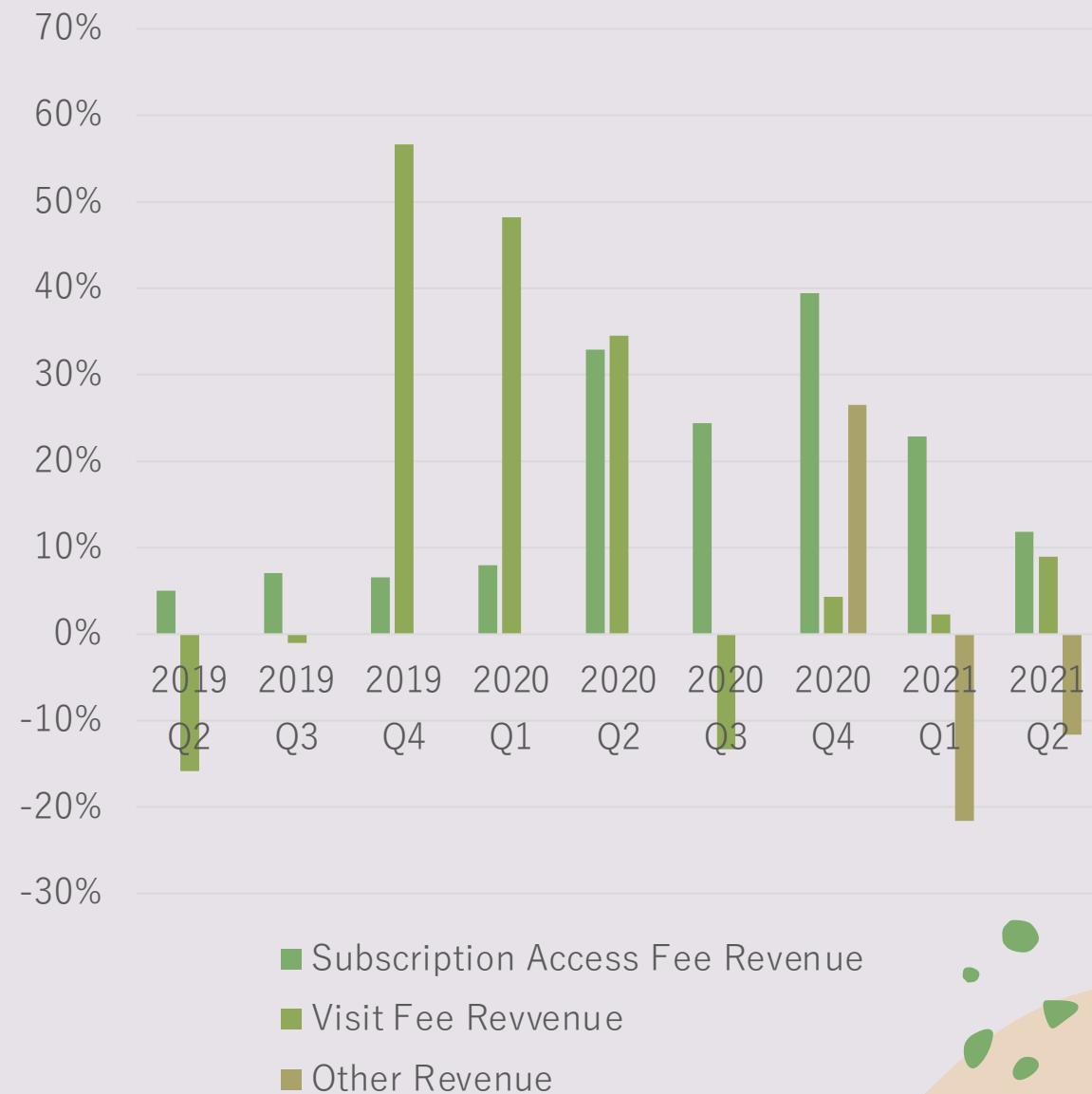
Quarterly Growth of Total Revenue

- Almost No Correlation between the Growth of Stock Price and the Growth of Total Revenue ($r = -0.24$)



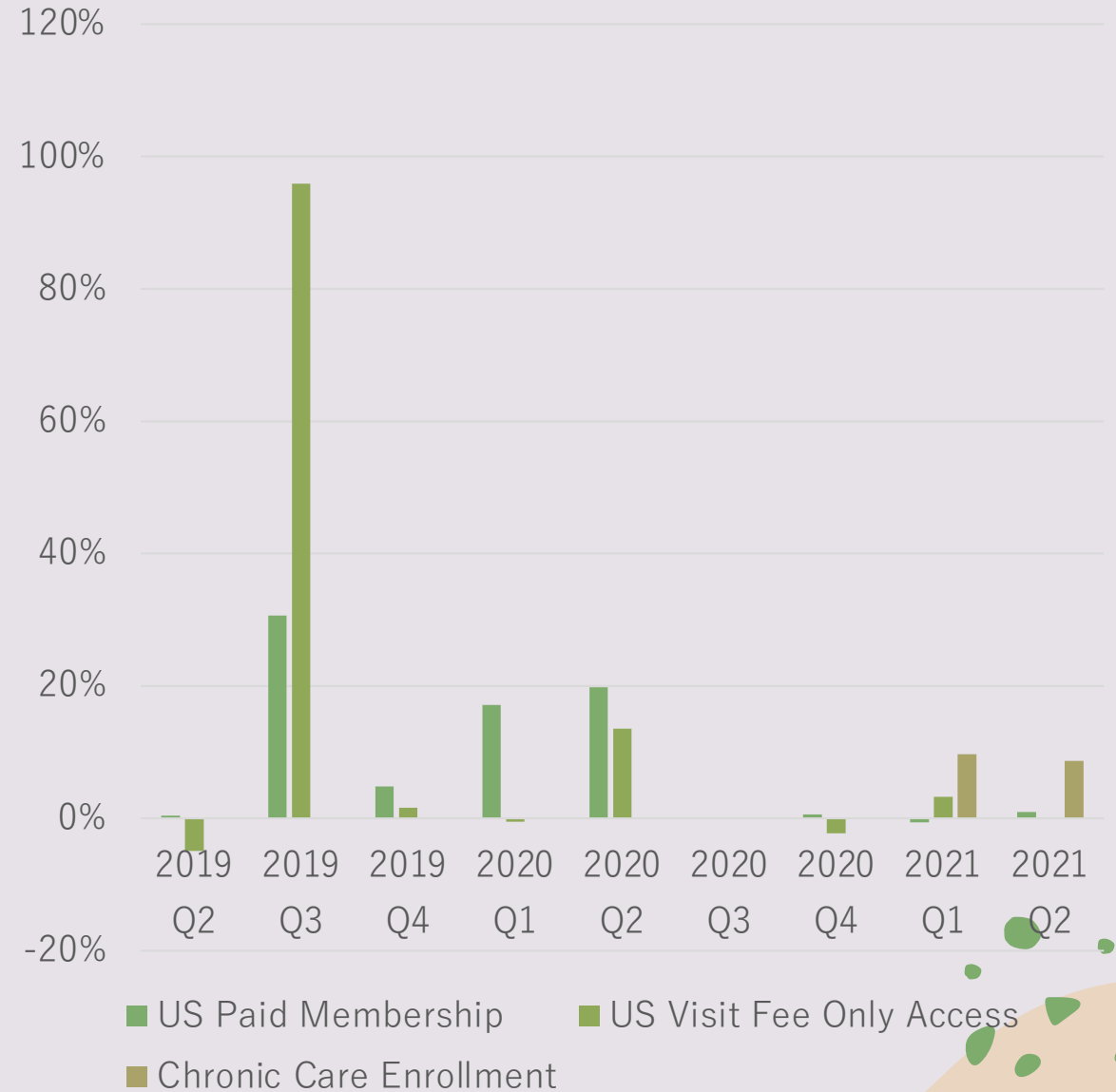
Quarterly Segment Revenue Growth

- Subscription Access Fee Revenue is going to Plateau
- Growth of Chronic Care related Revenue still remains in Negative Territory



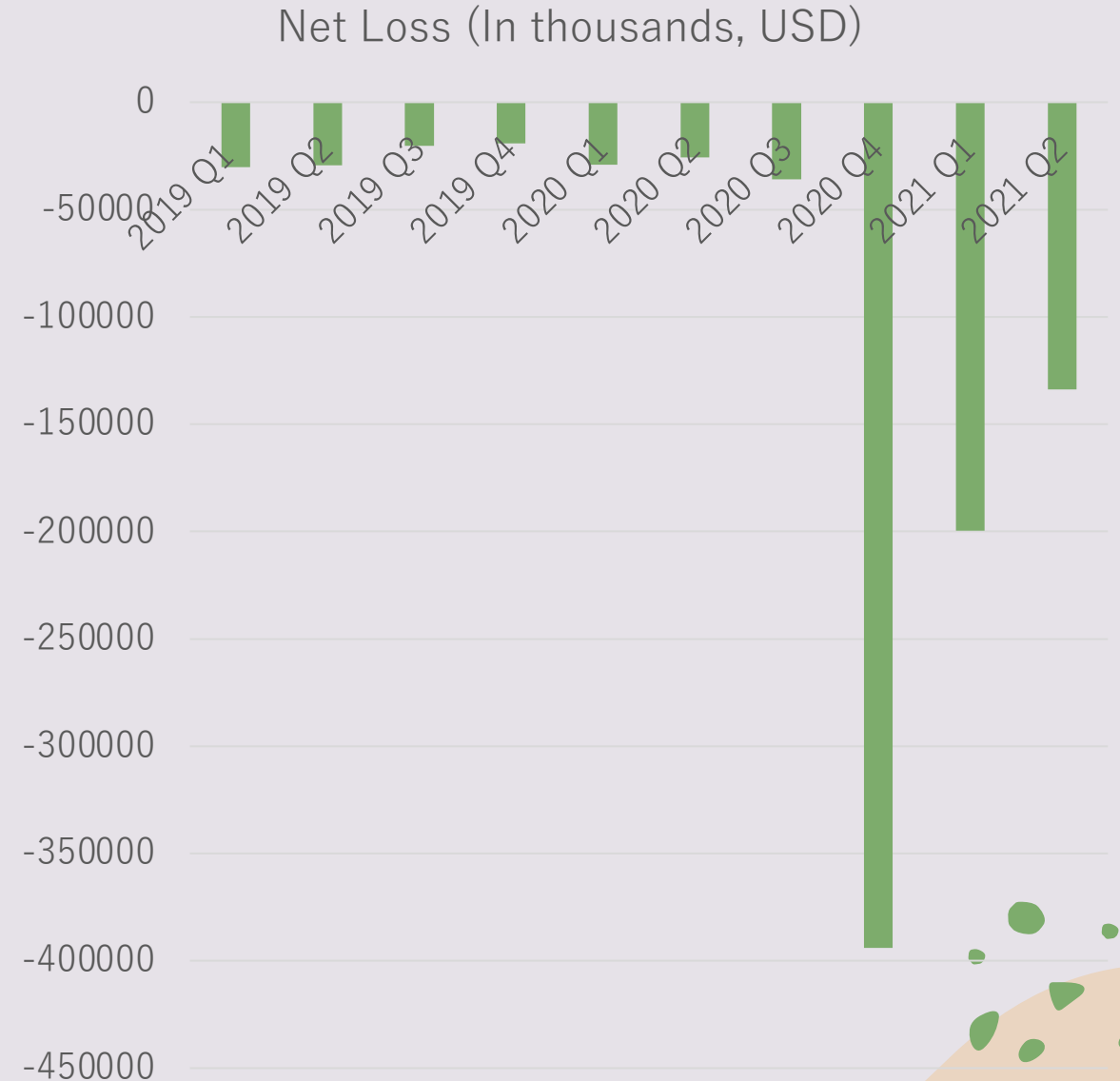
Quarterly Growth of Nos. of Membership & Access

- No. of Chronic Care Enrollment is slowly growing



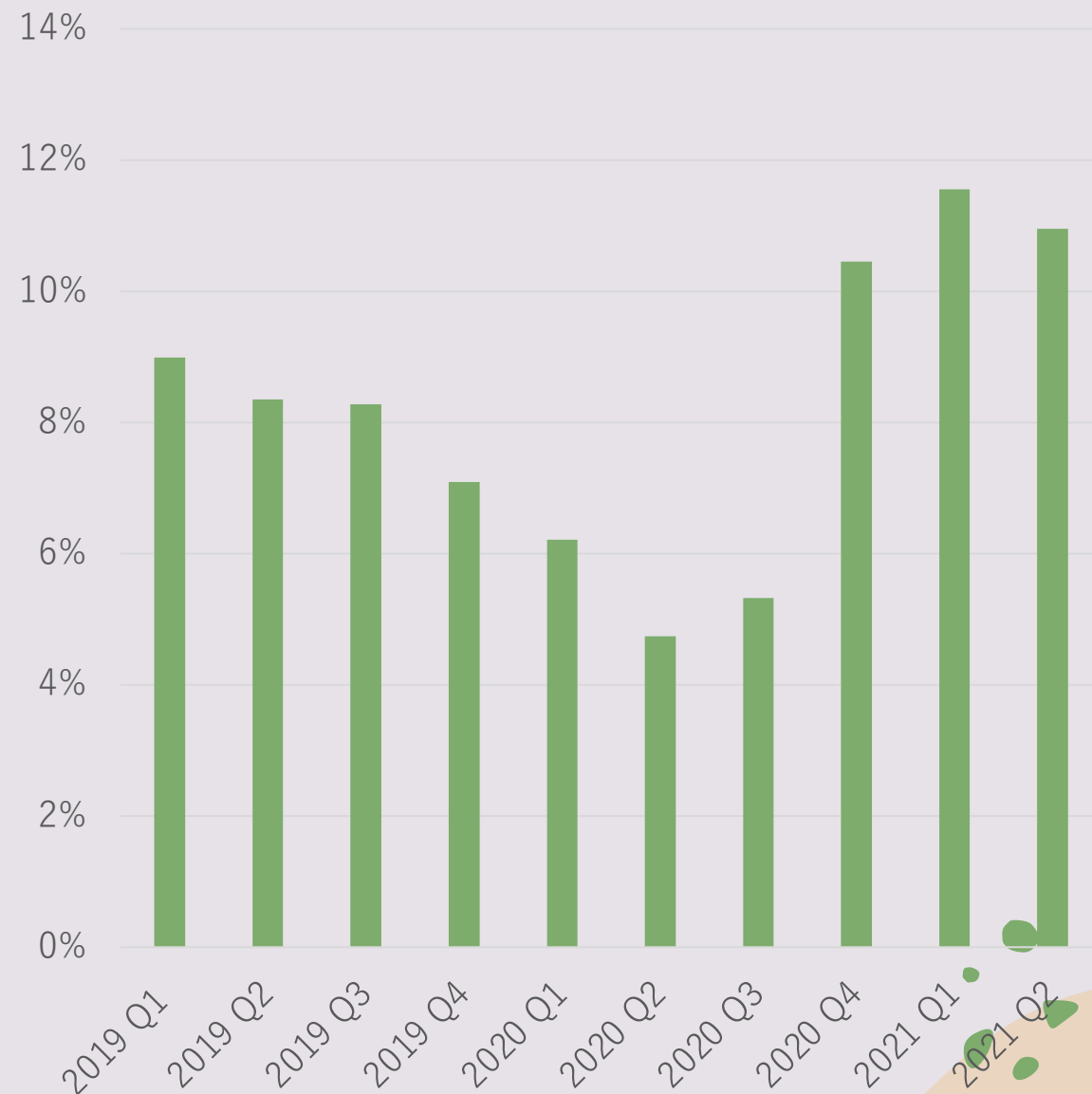
Net Loss of Teladoc Health

- Acquisition related Depreciation & Amortization caused Drastic Increase in Net Loss
- Amounts of Net Loss are decreasing after 2020 Q4
- Decrease of Net Loss has Moderate Correlation with Growth of Stock Price ($r=0.30$)



Depreciation & Amortization to Revenue Ratio

- Mean of Depreciation & Amortization to Revenue Ratio is 2.7 in IT Service Industry and 2.6 in Health Care Industry (2010-2015)
- Teladoc's Upfront Investment may be evaluated as Non-Excessive by considering the Past Data
- Future Trends of Upfront Investment should be monitored



Conclusion

Teladoc's Stock Price has moderate Correlation with the Decrease of Net Loss

Amount of Net Loss is currently decreasing

Evaluation of Future Growth in Chronic Care Segment may be Important in assessing Future Stock Price

Current Level of Upfront Investment may Non-Excessive, but the Future Trend should be monitored