



**Empowering People
with Chronic Conditions
to Live Better and
Healthier Lives**

**Q1'2020
Supplemental Slides
May 6th, 2020**



Disclaimer

This presentation has been prepared by Livongo Health, Inc. ("Livongo") for informational purposes only and not for any other purpose. Nothing contained in this presentation is, or should be construed as, a recommendation, promise or representation by the presenter or Livongo or any officer, director, employee, agent or advisor of Livongo. This presentation does not purport to be all-inclusive or to contain all of the information you may desire. This presentation includes express and implied "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "project," "will," "would," "should," "could," "can," "predict," "potential," "continue," or the negative of these terms, and similar expressions intended to identify forward-looking statements. However, not all forward-looking statements contain these identifying words. Forward-looking statements in this presentation include, but are not limited to, statements regarding expected revenue, adjusted EBITDA and estimated value of agreements conversion to revenue. These statements may relate to our future financial performance, strategic plans or objectives, revenues or earnings projections, or other financial items. By their nature, these statements are subject to numerous uncertainties, including factors beyond our control, such as Livongo's ability to support its Members and offer additional programs during the COVID-19 pandemic, continuing and developing effects of COVID-19 including the effects of the outbreak on the general economy and the specific economic effects on Livongo's business and that of its Clients, Members and suppliers, and Livongo's future financial performance, as well as the risks detailed in Livongo's Annual Report on Form 10-K for the year ended December 31, 2019 and Livongo's Quarterly Report on Form 10-Q that will be filed following this presentation. These factors could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the statements. You should not rely upon forward-looking statements as predictions of future events. Although our management believes that the expectations reflected in our statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur. Moreover, neither we, nor any other person, assumes responsibility for the accuracy and completeness of these statements. Recipients are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date such statements are made and should not be construed as statements of fact. Except to the extent required by law, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

This presentation also contains estimates, internal assumptions and other statistical data made by independent parties and by us. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk.

Our target results are the view of management. We can provide no assurances that any of the revenue or adjusted EBITDA targets will be achieved.

In addition to the GAAP financials, this presentation includes certain non-GAAP financial measures. The non-GAAP measures have limitations as analytical tools and you should not consider them in isolation or as a substitute for the most directly comparable financial measures prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. We urge you not to rely on any single financial measure to evaluate our business. The forward-looking Adjusted EBITDA excludes (i) depreciation and amortization, (ii) amortization of intangible assets, (iii) stock-based compensation expense, (iv) lock-up related payroll taxes, (v) acquisition-related expenses, (vi) change in fair value of contingent consideration, (vii) other income, net, and (viii) provision for (benefit from) income taxes, the effect of which may be significant. We have not reconciled adjusted EBITDA guidance to GAAP net income (loss) because we do not provide guidance on GAAP net income (loss) or the reconciling items between adjusted EBITDA and GAAP net income (loss) as a result of the uncertainty regarding, and the potential variability of, certain of these items, the effect of which may be significant. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measure is not available without unreasonable effort.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The content of this presentation is subject to copyright, which will be asserted by Livongo, and no part of this presentation may be reproduced, stored in a retrieval system, or transmitted in any form or by any means without prior permission in writing from Livongo.

Our Immediately Addressable Markets

147MM People in the U.S. have a chronic condition

People with Diabetes ¹

$$31.4\text{MM} \times \frac{\$900}{\text{PPPY}} = \$28.2\text{B}$$

People with Hypertension ²

$$39.6\text{MM} \times \frac{\$468}{\text{PPPY}} = \$18.5\text{B}$$

\$46.7B Total Opportunity

1. Diabetes population includes 13.7MM people covered by their employer, 12.7MM people covered by Medicare and 5.0MM people covered by Medicaid

2. Hypertension population does not include people with both hypertension and diabetes, which is approximately 74% of people with diabetes or 23.2MM people in the U.S. Hypertension population includes 27.4MM U.S. adults covered by their employer plus 12.2MM U.S. adults covered by Medicare/Medicaid

Subscription Based Business Model

IN THREE STEPS



We sign Client and begin identifying people with chronic condition



Begin enrolling Members onto the application solution



Enrollment ramps 6-9 months following launch; Charge Clients on a PMPM¹ basis

1. Per Member Per Month

Strong Member Growth

Members (in thousands)



Members (in thousands)

Q1 Year Over Year (Diabetes)



2020 First Quarter Member Commentary

- We finished the first quarter 2020 with 100% Livongo for Diabetes Member growth. While we add Members all year long, Member additions tend to skew to the first quarter of the year as prior period signings begin to launch.

Driving Strong Revenue Growth

Q1 Year Over Year Revenue (\$M)



↑ **115%**
Year Over Year
Growth Rate

Robust Client Signings

Q1 2020 Growth in Estimated Value of Agreements¹ (\$M)



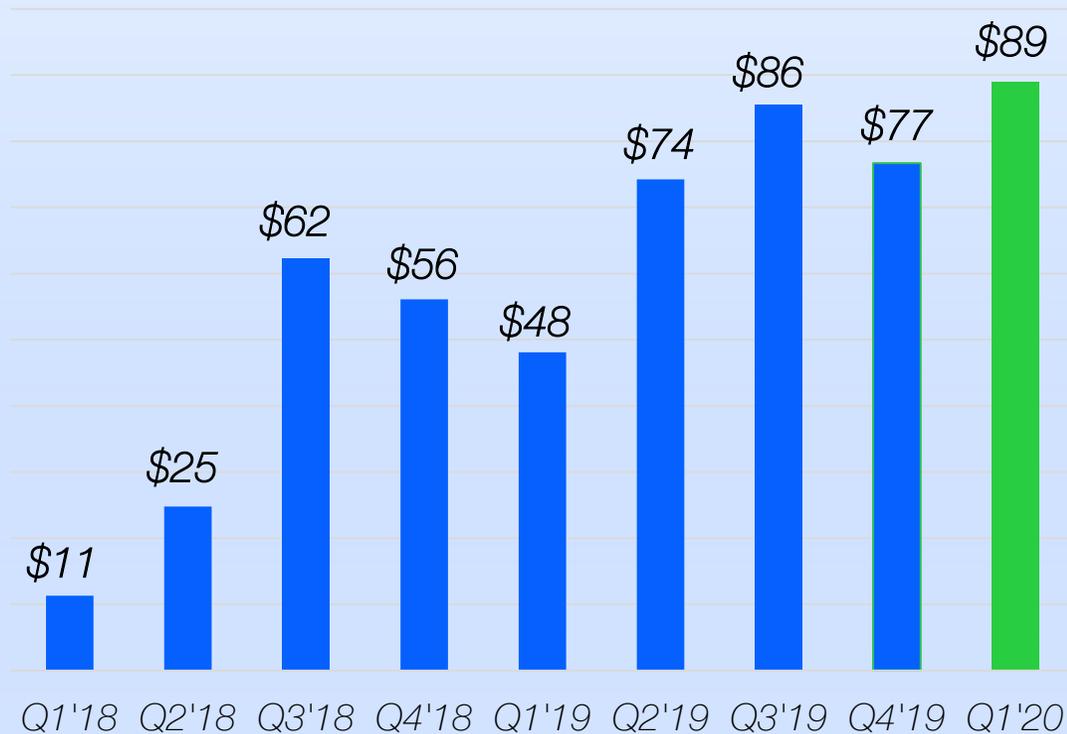
↑ 85%

Strong demand for Livongo for Diabetes as well as other Livongo solutions

1. Estimated Value of Agreements was previously referred to as Total Contract Value. We define Estimated Value of Agreement as contractually committed orders to be invoiced under agreements initially entered into during the relevant period. Estimated Value of Agreement includes agreements entered into with new clients or expansion opportunities entered into with existing clients during a given period. Livongo adjusts these assumptions regularly based on new data and a high degree of judgment is required for such assumptions.

Estimated Value of Agreements (EVA)

Estimated Value of Agreements (\$M), by Quarter



The Estimated Value of Agreements (EVA) is:

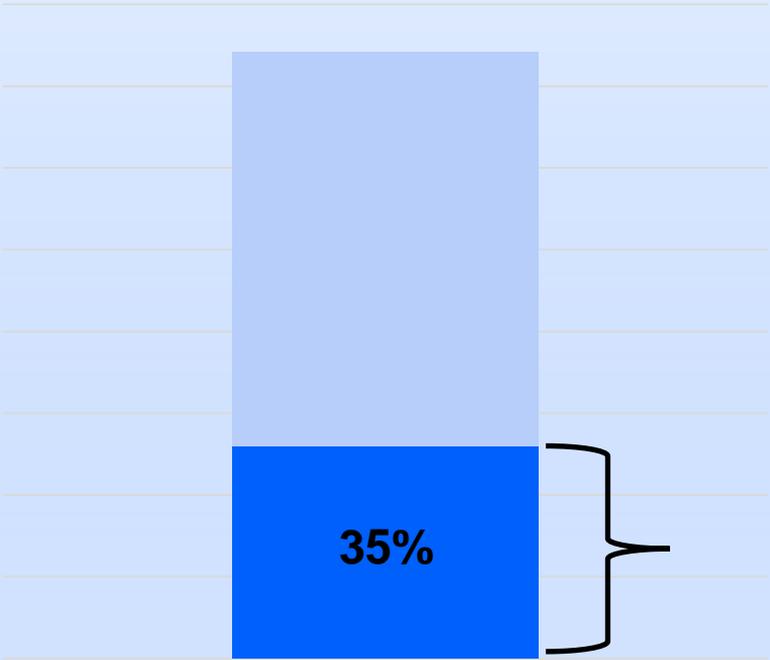
- a. New Client signings in the quarter
- b. Expansion of existing Clients in the quarter

Q1'20 Estimated Value of Agreements

Q1'20 EVA (\$M)

\$89

*Expected Revenue
Next Four Quarters*



Q1'20
EVA to Revenue

Approximately 35% of Q1 2020 Estimated Value of Agreements is estimated to convert to revenue in the next four quarters.

Livongo adjusts these assumptions regularly based on new data and a high degree of judgment is required for such assumptions

2020 Q2 and Fiscal Year Outlook (\$M)

	Q2'20		Fiscal Year 2020	
	Low End	High End	Low End	High End
Revenues (\$M)	\$73	\$75	\$290	\$303
Adj. EBITDA (\$M)	(\$2)	\$0	(\$14)	(\$10)