WELL HEALTH TECHNOLOGIES CORP.
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2021

BACKGROUND

This Interim Management's Discussion and Analysis ("**MD&A**") for WELL Health Technologies Corp. (TSX: WELL) should be read in conjunction with the Company's condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2021, and the Company's audited annual consolidated financial statements as at and for the years ended December 31, 2020 and 2019. Except as otherwise indicated or where the context so requires, references to "WELL" or the "Company" include WELL Health Technologies Corp. and its subsidiaries. The Company prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. See notes 2 and 3 of the June 30, 2021 condensed interim consolidated financial statements and the December 31, 2020 audited annual consolidated financial statements for further information. **All dollar figures stated herein are expressed in thousands of Canadian dollars ($'000 or Cdn$'000), unless otherwise specified, except share and per share amounts**.

This Interim MD&A contains non-IFRS measures, including Adjusted EBITDA, Adjusted Gross Profit and Adjusted Gross Margin. See "Overall Performance – Selected Financial Information" for information on the calculation of Adjusted EBITDA. See "Discussion of Operations – Adjusted Gross Profit and Adjusted Gross Margin" for information on the calculation of Adjusted Gross Profit and Adjusted Gross Margin.

The date of this Interim MD&A is August 11, 2021, the date on which it was approved by the Board of Directors.

Additional information relevant to the Company's activities, including the Company's Annual Information Form ("**AIF**") can be found on SEDAR at www.sedar.com.

This Interim MD&A contains forward-looking statements. See "Forward-Looking Statements" for further information.

COMPANY OVERVIEW

WELL is an omni-channel digital health company whose aim is to positively impact health outcomes by leveraging technology to empower healthcare practitioners and their patients globally. WELL exists to enable healthcare practitioners with best-in-class technology and services.

The Company has built a comprehensive practitioner enablement platform which includes software, tools and services for medical clinics and healthcare practitioners including: Electronic Medical Records ("**EMR**"), telehealth platforms, practice management, billing, Revenue Cycle Management ("**RCM**"), digital health apps and data protection solutions. WELL unlocks value from its platform via two revenue streams: (i) a substantial omni-channel patient services offering powered by its own practitioners; and (ii) a virtual Software-as-a-Service (SaaS) technology and services offering.

The Company's headquarters are located at Suite 200 - 322 Water Street, Vancouver, BC, V6B 1B6. WELL's healthcare clinics in Canada are all located within the provinces of British Columbia, Ontario and Quebec while its healthcare clinics in the U.S. are located in the state of California.

The Company was incorporated under the Business Corporations Act (British Columbia) on November 23, 2010. The Company discontinued its legacy operations in 2018, which included Canada Yoga Inc. and Shakti Yoga Apparel LLC. Since February 2018, the Company's principal business has been the operation of primary clinics delivering healthcare related services. Since January 2019, the Company began providing EMR related software and services to healthcare clinics across Canada. In 2020, the Company has expanded its business into allied health services, telehealth, digital health applications, billing services as well as cybersecurity protection and patient data privacy solutions.

WELL is an acquisitive company that follows a disciplined and accretive capital allocation strategy. The Company's mergers and acquisitions ("**M&A**") strategy is based on acquiring additional clinical and digital assets that are highly accretive and synergistic to WELL. The Company generally seeks to acquire cash generating companies which lead to increased cash flows that are then re-invested to make additional new cash generating acquisitions. WELL operates under a shared services model which results in obtaining cost efficiencies, technology improvements and synergies across the acquisitions and the various business units where possible. The Company is focused on the implementation of digital technology solutions in its own clinic network and then selling solutions to other practitioners and medical clinics worldwide.

Omni-channel Patient Services

The Company's end-to-end omni-channel patient services platform includes primary care, allied care, specialized care, diagnostics, and telehealth offerings. The Company owns and operates 74 healthcare clinics in Canada and has 2 clinics in the US. In addition, the Company's wholly owned subsidiary, CRH Medical Corporation ("**CRH**"), provides services in 77 ambulatory surgery centers across 16 states. The Company's omni-channel patient services revenue is derived from four key business units: (i) WELL Health Clinic Network Inc. ("**WELL Clinic Network**"); (ii) WELL Health Allied Care Inc. ("**WELL Allied**"); (iii) CRH; and (iv) subsequent to the end of the quarter, the Company added to its omni-channel patient services business with the acquisition of MyHealth Partners Inc. ("**MyHealth**").

WELL Clinic Network acts as a consolidation point for the Company's primary care clinics including 19 wholly owned clinics and one majority owned clinic in the province of British Columbia; (ii) five wholly owned clinics in the province of Quebec through the acquisition of ExcelleMD Inc. ("**ExcelleMD**"); and (iii) one clinic in the province of Ontario through the acquisition of ExecHealth Inc. ("**ExecHealth**").

WELL Allied is focused on operating, investing in and unlocking opportunities associated with allied health offerings such as physiotherapy, occupational therapy, chiropractic, dietary, mental health counselling and sleep related services. WELL Allied includes the Company's 51% majority stake ownership in SleepWorks Medical Inc. ("**SleepWorks**") and 51% majority stake ownership of Easy Allied Health Corporation ("**Easy Allied**").

CRH provides specialized care services focused on providing gastroenterologists throughout the United States with innovative services and products for the treatment of gastrointestinal (GI) diseases.

<u>Virtual Services</u>

The Company's Virtual Services revenue is derived from four key business units: (i) WELL EMR Group Inc. ("**WELL EMR Group**"); (ii) WELL Digital Health Apps Inc. ("**WELL Digital Apps**"); (iii) DoctorCare Inc. ("**Billing and RCM Solutions**"); and (iv) Cycura Data Protection Corp. ("**WELL Cybersecurity**").

WELL EMR Group's growth has been primarily driven by ten EMR related acquisitions or transactions to date as follows: NerdEMR Services Ltd. ("**NerdEMR**"), OSCARprn – Treatment Solutions Ltd. ("**OSCARprn"**), Kela Atlantic Inc. dba KAI Innovations ("**KAI Innovations**"), OSCARwest EMR Services ("**OSCARwest**"), Trinity Healthcare Technologies ("**THT**"), MedBASE Software Inc. ("**MedBASE**"), Indivica Inc. ("**Indivica**"), ClearMedica Corporation ("**ClearMedica**"), Open Health Software Solutions Inc. ("**Open Health**"), and Intrahealth Systems Limited ("**Intrahealth**").

WELL EMR Group is the provider of OSCAR Pro, an EMR platform based on McMaster University's popular web-based open-source OSCAR EMR system (OSCAR is an acronym for "Open Source Clinical Application Resource").

The WELL Digital Apps business unit includes the acquisitions of Insig Corporation ("**Insig**"), Circle Medical Technologies Inc. ("**Circle Medical**") and Adracare Inc. ("**Adracare**"). This business unit also encompasses all of the Company's telehealth platforms including Tia Health, VirtualClinic+, VirtuelMed, Adracare and Circle Medical.

apps.health is a digital health app marketplace whose mission is to connect healthcare professionals with new and pioneering solutions or "apps" which integrate securely and seamlessly with a clinic's EMR software. It currently features approximately 33 digital health applications provided by 20 app publishers.

WELL Cybersecurity provides cybersecurity protection and patient data privacy solutions across all the Company's business units. In addition, WELL Cybersecurity continues to service its external customers across a broad array of industries including healthcare clients. This business unit was formed through the acquisition of the Services Division of Cycura Inc. ("**Cycura**"), and Source 44 Consulting Incorporated ("**Source 44**").

WELL's Billing and RCM Solutions business unit is the national category leader for billing and back-office services including "Billing-as-a-Service" (BaaS) outsourcing services to doctors in Canada. Billing and RCM Solutions includes the acquisition of DoctorCare Inc. ("**DoctorCare**") Billing and RCM Solutions helps practitioners grow their practice by minimizing errors, ensuring compliance with complicated medical billing claim codes and improving patient care.

<u>WELL Ventures</u>

Subsequent to the end of the quarter, the Company formed WELL Ventures, a wholly-owned subsidiary of WELL, to formalize its commitment to invest in and advance the digitization and modernization of healthcare in Canada and around the globe. WELL Ventures current portfolio companies include Phelix AI Inc. ("**Phelix.ai**"), Simpill Health Group Inc. ("**Pillway**"), Twig Fertility ("**Twig**") and Bright.

COVID-19 Business Continuity Plan

As result of the COVID-19 global pandemic, the Company formed a crisis management team which continues to constantly review and monitor the situation and actively communicate with physicians and staff. WELL's corporate owned clinics have generally remained open throughout the COVID-19 pandemic as they are considered an essential service. WELL executed its business continuity plan in March 2020, which included: onboarding physicians onto its telehealth program so that the Company may continue to provide care to its patients; implementing procedures in its clinics such as supplying personal protective equipment for the safety of its physicians, staff and patients; and instituting a mandatory work from home policy for the majority of its non-clinical employees.

SIGNIFICANT HISTORICAL EVENTS

On June 1, 2021, DoctorCare completed the acquisition of a 51% stake in Doctors Services Group Limited, a leader in the provision of uninsured services billing programs and a suite of additional tools and services to physicians that transform practice productivity and enhance patient care.

On May 27, 2021, CRH completed the acquisitions of 51% stakes in both Northern Indiana Anesthesia Associates, LLC ("**NIAA**") in Indiana, and an add-on practice for FDHS Anesthesia, LLC ("**FDHS**") in Florida. These two accretive acquisitions mark CRH's 35th and 36th transactions respectively and increase CRH's footprint to a total of 75 ambulatory surgery centers across the United States.

On May 1, 2021, CRH completed its first acquisition as a WELL business unit, an 85% majority stake position in New England Anesthesia Associates, LLC ("**NEAA**") based in Guilford, Connecticut. NEAA represents CRH's 34th acquisition to date and expands its footprint to 73 ambulatory surgery centers across 16 states.

On May 1, 2021, the Company completed the acquisition of ExecHealth Inc., an omni-channel healthcare provider located in Ottawa, Ontario, specializing in corporate and executive health, primary care and integrated health services.

On April 25, 2021, the Company announced that CRH entered into an amended senior credit arrangement administered by JP Morgan and a syndicate of lenders, for an aggregate amount of US$300 million, including revolving credit facilities of US$175 million and access to a US$125 million accordian feature.

On April 23, 2021, the Company completed the acquisition of CRH Medical Corporation, a company focused on delivering high quality healthcare services and has emerged as a leading provider of anesthesia services to the GI (Gastroenterologist) community.

On April 1, 2021, the Company completed the acquisition of Intrahealth Systems Limited, a provider of enterprise class EMR and clinical healthcare software with customers in Canada, New Zealand and Australia.

On February 17, 2021, the Company announced the completion and upsizing of an equity offering to $302.5 million of subscription receipts at $9.80 per share. The equity offering included Hong Kong businessman and investor, Mr. Li Ka-shing, WELL's CEO, board and senior management team as well as a number of significant institutional investors.

On February 3, 2021, the Company completed an equity investment into Twig Fertility Co., a reproductive start-up looking to create the next generation fertility care in mid-town Toronto in Q3 of 2021.

On January 1, 2021, WELL completed its acquisition of Adracare Inc., an omni-channel practice management platform serving over 6,800 allied health practitioners in five countries.

On January 1, 2021, the Company completed its acquisition of Open Health, an OSCAR service provider to medical clinics primarily located in Ontario. In addition, WELL announced it has successfully migrated

all clinics from ClearMedica onto WELL's OSCAR Pro platform under a customer purchase agreement.
On December 8, 2020, the Company completed the acquisition of ExcelleMD and its telehealth affiliate, VirtuelMED. ExcelleMD is a Montreal based omni-channel healthcare company providing both virtual and in-person care via its five clinics, all located in the province of Quebec.

On December 2, 2020, the Company completed a minority investment in Pillway, a full-service digital pharmacy that also provides e-prescription products and services.

On December 1, 2020, the Company completed the acquisition of Source 44, a provider of cybersecurity consulting and professional services to businesses across Canada.

On November 13, 2020, the Company completed its majority stake acquisition of Circle Medical, which marks WELL's expansion into the US market. Circle Medical is the owner of two primary care healthcare clinics in San Francisco and provider of a national US telehealth service operating in 35 states across the US.

On November 12, 2020, the Company completed the acquisition of the remaining shares of Insig that the Company did not already own.

On November 1, 2020, the Company completed its acquisition of DoctorCare, a market leader in providing "Billing as a Service" for doctors in Canada. This acquisition serves as a new business unit for WELL focused on providing billing and back-office services to physicians.

On November 1, 2020, the Company completed the 51% majority stake acquisition of Easy Allied, a mobile integrated care provider in the fields of physiotherapy, occupational therapy, kinesiology and clinical counselling.

On October 22, 2020, the Company completed a bought deal public offering of 11,927,800 common shares at a price of $6.75 for gross proceeds of $80.5 million. Certain members of the WELL management team participated in the offering in the aggregate of 138,400 shares.

On September 29, 2020, the Company closed a non-brokered private placement with a group of investors led by Sir Li Ka-shing for gross proceeds of $23 million, in which the Company issued 4,821,803 common shares at a price of $4.77 per share.

On August 1, 2020, the Company completed its acquisition of the assets of the Services Division of Cycura Inc., and established its Cybersecurity business unit.

On June 1, 2020, the Company completed its acquisition of Indivica, WELL's seventh EMR acquisition. Indivica provides EMR software and services to approximately 390 clinics serving over 2,000 physicians in Ontario.

On May 22, 2020, the Company closed a $14.4 million bought deal common share financing in which the Company issued 6,534,300 common shares at a price of $2.20 per share.

On May 1, 2020, the Company completed the acquisition of all the issued and outstanding shares of MedBASE , which provides OSCAR EMR services to 61 clinics in Ontario.

On March 25 2020, the Company completed a $5.75 million investment in Insig, a Canadian leader in telehealth services.

On March 11, 2020, the Company closed a $10 million non-brokered private placement offering of senior unsecured convertible debentures from a single large Canadian institutional investor. On March 13, 2020, the Company closed an additional tranche of $1 million convertible debentures to include Mr. Li Ka-shing and one other investor.

On February 1, 2020, the Company completed the acquisition of all of the issued and outstanding shares of Trinity Healthcare Technologies, a provider of OSCAR EMR services to approximately 500 medical clinics and 2,280 registered physicians and other healthcare practitioners primarily in the province of Ontario.

OVERALL PERFORMANCE

Key Metrics

	Three months ended June 30, 2021 $ '000	Three months ended March 31, 2021 $ '000	Three months ended December 31, 2020 $ '000	Three months ended September 30, 2020 $ '000	Three months ended June 30, 2020 $ '000
Revenue					
Public insured	14,460	7,668	7,826	7,878	7,006
Non-public and other	34,846	4,014	2,499	1,789	1,227
Omni-channel Patient Services(1)	49,306	11,682	10,325	9,667	8,233
Virtual Services(1)	12,487	13,878	6,864	2,579	2,345
Total Revenue	**61,793**	**25,560**	**17,189**	**12,246**	**10,578**
Adjusted gross profit(2)	**30,204**	**10,039**	**8,001**	**5,045**	**4,227**
Net profit (loss)	**(14,109)**	**(7,085)**	**5,772**	**(3,581)**	**(3,388)**
Cash and cash equivalents	**70,614**	**83,250**	**86,890**	**42,530**	**24,510**
Other KPIs					
WELL wholly owned clinics	25	24	24	19	19
WELL majority owned clinics	3	3	3	1	1
EMR Network clinics	2,800	2,300	2,200	2,000	1,900

Note:

(1) Omni-channel Patient Services consist of clinical operations and Allied health, delivered in person or through one of WELL's telehealth platforms; and CRH.
Virtual Services include EMR, SaaS telehealth, billing and RCM solutions, digital apps, Circle Medical and cybersecurity related revenue.

(2) **Non-GAAP measure. Adjusted gross profit** does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted gross profit as revenue less cost of sales (excluding depreciation and amortization). Adjusted gross profit should not be construed as an alternative for revenue or net loss determined in accordance with IFRS. The Company believes that adjusted gross profit is a meaningful metric in assessing the Company's financial performance and operational efficiency.

Selected Financial Information

Please find the following selected financial information for the three and six months ended June 30, 2021 and 2020. The results of acquisitions are included from their respective dates of acquisition. Non-IFRS measures are defined below.

	Three months ended June 30, 2021	Three months ended March 31, 2021	Three months ended June 30, 2020	**Six months ended June 30, 2021**	Six months ended June 30, 2020
	$ '000	$ '000	$ '000	**$ '000**	$ '000
Revenue	**61,793**	25,560	10,578	**87,353**	20,805
Cost of sales (excluding depreciation and amortization)	**(31,589)**	(15,521)	(6,351)	**(47,110)**	(12,636)
Adjusted Gross Profit(1)	**30,204**	10,039	4,227	**40,243**	8,169
Adjusted Gross Margin(1)	**48.9%**	39.3%	40.0%	**46.1%**	39.3%
Adjusted EBITDA(2)	**11,882**	527	(543)	**12,409**	(789)
Net loss	**(14,109)**	(7,085)	(3,388)	**(21,194)**	(5,402)
Total comprehensive loss for the period	**(14,444)**	(7,131)	(3,388)	**(21,575)**	(5,402)
Net loss per share - for the period, basic and diluted (in $)	**(0.08)**	(0.04)	(0.03)	**(0.13)**	(0.04)
Weighted average number of common shares outstanding, basic and diluted	**187,778,646**	163,123,252	126,181,778	**175,519,058**	122,162,548
Reconciliation of net loss to Adjusted EBITDA(2)					
Net loss for the period	**(14,109)**	(7,085)	(3,388)	**(21,194)**	(5,402)
Depreciation and amortization	**12,144**	1,442	826	**13,586**	1,554
Income tax expense (recovery)	**1,120**	367	113	**1,487**	169
Interest income	**(94)**	(320)	(85)	**(414)**	(174)
Interest expense	**1,351**	458	642	**1,809**	1,094
Rent expense on finance leases	**(856)**	(810)	(516)	**(1,666)**	(1,004)
Stock-based compensation	**4,309**	2,993	1,044	**7,302**	1,676
Foreign exchange loss	**4,842**	11	-	**4,853**	-
Time-based earn-out expense	**996**	891	510	**1,887**	844
Share of loss (profit) of associates	**(8)**	64	-	**56**	-
Transaction, restructuring, & integration costs expensed	**2,187**	2,516	311	**4,703**	454
Adjusted EBITDA(2)	**11,882**	527	(543)	**12,409**	(789)
Attributable to WELL shareholders	**7,245**	463	(559)	**7,708**	(809)
Attibutable to Non-controlling interests	**4,637**	64	16	**4,701**	20
Adjusted EBITDA(2)					
Canada and others	**(2,751)**	1,111	(543)	**(1,640)**	(789)
US operations	**14,633**	(584)	-	**14,049**	-
Adjusted EBITDA(2) attributable to WELL shareholders					
Canada and others	**(2,939)**	870	(559)	**(2,069)**	(809)
US operations	**10,184**	(407)	-	**9,777**	-
Adjusted EBITDA(2) attributable to Non-controlling interests					
Canada and others	**188**	241	16	**429**	20
US operations	**4,449**	(177)	-	**4,272**	-

Notes:

(1) **Non-GAAP measure. Adjusted gross profit** and **adjusted gross margin** do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted gross profit as revenue less cost of sales (excluding depreciation and amortization) and adjusted gross margin as adjusted gross profit as a percentage of revenue. Adjusted gross profit and adjusted gross margin should not be construed as an alternative for revenue or net loss determined in accordance with IFRS. The Company believes that adjusted gross profit and adjusted gross margin are meaningful metrics in assessing the Company's financial performance and operational efficiency.

(2) **Non-GAAP measure.** Earnings before interest, taxes, depreciation and amortization ("**EBITDA**") and Adjusted EBITDA should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA and Adjusted EBITDA do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines **Adjusted EBITDA** as EBITDA (i) less net rent expense on premise leases considered to be finance leases under IFRS and (ii) before transaction, restructuring, and integration costs, time-based earn-out expense, change in fair value of investments, share of loss of associates, foreign exchange gain/loss, and stock-based compensation expense. The Company believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.

Quarterly Financial Highlights

The following quarterly financial highlights have been derived from the Company's condensed interim consolidated financial statements and should be read in conjunction with those financial statements and related notes.

	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019
	$ '000	$ '000	$ '000	$ '000	$ '000	$ '000	$ '000	$ '000
Total revenue	**61,793**	**25,560**	**17,189**	**12,246**	**10,578**	**10,227**	**9,831**	**8,190**
Net income (loss)	**(14,109)**	**(7,085)**	**5,772**	**3,581**	**(3,388)**	**(2,014)**	**216**	**(4,833)**
Income (Loss) per share attributable to WELL Health Technologies Corp., basic and diluted (in $)	**(0.08)**	**(0.04)**	**0.04**	**(0.03)**	**(0.03)**	**(0.02)**	**(0.00)**	**(0.05)**

The growth in the Company's quarterly revenue is primarily attributed to acquisitions. Furthermore, the Company's omni-channel patient services revenue is affected by seasonality as the winter months historically have higher patient visits resulting in an increase in revenue in those months; whereas the months of July and August have the least amount of patient visits resulting in lower clinical revenue in those two months. EMR revenue generated from the Company's WELL EMR Group primarily consists of monthly recurring revenue and is not susceptible to seasonal increases and decreases in revenue. The Company acquired CRH in April 2021 and CRH contributed $36,727 in revenue for the quarter ended June 30, 2021.

DISCUSSION OF OPERATIONS

Revenue

The following table shows a breakdown of revenue for the three and six months ended June 30, 2021 and 2020:

	Three months ended				Six months ended			
	June 30, 2021		June 30, 2020		**June 30, 2021**		June 30, 2020	
	$'000		$'000		**$'000**		$'000	
Public insured	**14,460**	**24%**	7,006	66%	**22,128**	**25%**	13,801	67%
Non-public and other	**34,846**	**56%**	1,227	12%	**38,860**	**44%**	2,955	14%
Omni-channel Patient Services	**49,306**	**80%**	8,233	78%	**60,988**	**70%**	16,756	81%
Virtual Services	**12,487**	**20%**	2,345	22%	**26,365**	**30%**	4,049	19%
Total Revenue	**61,793**	**100%**	10,578	100%	**87,353**	**100%**	20,805	100%

For the three months ended June 30, 2021, the Company generated revenue of $61,793, an increase of 484%, compared to revenue of $10,578 for the three months ended June 30, 2020. This increase in revenue is primarily attributable to the Company's acquisitions, $36,727 of which was from CRH. For the six months ended June 30, 2021 the Company generated revenue of $87,353, an increase of 320%, compared to revenue of $20,805 for the six months ended June 30, 2020.

Omni-channel Patient Services revenue accounted for 80% of Total Revenue for the three months ended June 30, 2021, compared to 78% of Total Revenue for the three months ended June 30, 2020. Omni-channel Patient Services revenue increased 499% to $49,306 during the three months ended June 30, 2021, compared to $8,233 during the three months ended June 30, 2020. For the six months ended June 30, 2021, Omni-channel Patient Services revenue accounted for 70% of Total Revenue, compared to 81% of Total Revenue for the six months ended June 30, 2020. Omni-channel Patient Services revenue increased 264% to $60,988 during the six months ended June 30, 2021 compared to $16,756 during the six months ended June 30, 2020.

Omni-channel Patient Services revenue is derived from in-person clinic visits as well as online consultations/bookings available via telehealth platforms. Omni-channel Patient Services revenue consists of both public insured and non-public and other revenue and is typically affected by seasonality as the fall and winter months will have higher patient visits resulting in an increase in revenue in those months. Public insured refers to revenue generated for providing publicly accessible healthcare services that are reimbursed by the provincial or federal health authorities. Meanwhile, non-public and other includes revenue generated from services that are not eligible for government reimbursement, and as such are charged directly to patients and/or third party insurance providers.

Virtual Services revenue accounted for 20% of Total Revenue for the three months ended June 30, 2021, as compared to 22% for the three months ended June 30, 2020. For the six months ended June 30, 2021, Virtual Services revenue accounted for 30% of Total Revenue, as compared to 19% for the six months ended June 30, 2020. Virtual Services revenue increased 432% to $12,487 during the three months ended June 30, 2021 compared to $2,345 during the three months ended June 30, 2020. For the six months ended June 30, 2021, Virtual Services revenue increased 551% to $26,365 during the six months ended June 30, 2021 compared to $4,049 during the six months ended June 30, 2020. Virtual Services revenue includes: (i) revenue from all of the Company's EMR businesses which is primarily high margin recurring revenue; (ii) telehealth services revenue from WELL's Tia Health virtual marketplace; (iii) monthly SaaS revenue from WELL's VirtualClinic+ telehealth platform for health practitioners; (iv) digital app revenue from WELL's apps.health marketplace; (v) revenue from the Company's DoctorCare and Doctor Services billing and RCM software and services; (vi) revenue generated from Circle Medical; (vii) practice management software revenue from the Adracare; and (viii) cybersecurity revenue from the Company's Source 44 and Cycura.

Adjusted Gross Profit[1] and Adjusted Gross Margin[1]

The following table summarizes adjusted gross profit[1] and adjusted gross margin[1] for the three and six months ended June 30, 2021 and 2020:

	Three months ended		Six months ended	
	June 30, 2021 $'000	June 30, 2020 $'000	**June 30, 2021 $'000**	June 30, 2020 $'000
Revenue	**61,793**	10,578	**87,353**	20,805
Cost of sales (excluding depreciation and amortization)	**(31,589)**	(6,351)	**(47,110)**	(12,636)
Adjusted Gross profit[1]	**30,204**	4,227	**40,243**	8,169
Adjusted Gross margin[1]	**48.9%**	40.0%	**46.1%**	39.3%

Note:
(1) **Non-GAAP measure**. **Adjusted gross profit** and **adjusted gross margin** do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted gross profit as revenue less cost of sales (excluding depreciation and amortization) and adjusted gross margin as adjusted gross profit as a percentage of revenue. Adjusted gross profit and adjusted gross margin should not be construed as an alternative for revenue or net loss. The Company believes that adjusted gross profit and adjusted gross margin are meaningful metrics in assessing the Company's financial performance and operational efficiency.

Adjusted gross profit[1] increased 615% to $30,204 for the three months ended June 30, 2021, compared to $4,227 for the three months ended June 30, 2020. The increase in adjusted gross profit[1] is primarily due to the higher revenue from CRH acquired in the quarter ended June 30, 2021. For the six months ended June 30, 2021, Adjusted gross profit(1) increased 393% to $40,243, compared to $8,169 for the six months ended June 30, 2020.

Adjusted Gross margin(1) percentage increased to 48.9% for the three months ended June 30, 2021 compared to 40.0% for the three months ended June 30, 2020. For the six months ended June 30, 2021, it increased from 39.3% to 46.1%. The increase in Adjusted Gross Margin(1) percentage is driven by the Company's acquisitions, due primarily to the addition of higher margin CRH and Virtual Services revenue.

General and Administrative ("G&A") Expenses

The following is a breakdown of the Company's G&A expenses for the three and six months ended June 30, 2021 and 2020:

	Three months ended		Six months ended	
	June 30, 2021 $'000	June 30, 2020 $'000	**June 30, 2021 $'000**	June 30, 2020 $'000
Wages and benefits	**9,516**	2,736	**15,365**	5,445
Professional and consulting fees	**3,697**	519	**7,113**	961
Office expenses	**537**	388	**1,059**	862
Marketing and promotion	**4,128**	579	**4,810**	674
Others	**2,176**	272	**2,939**	421
	20,054	4,494	**31,286**	8,363

G&A expenses increased to $20,054 and $31,286 for the three and six months ended June 30, 2021 respectively, compared to $4,494 and $8,363 for the three and six months ended June 30, 2020. Increases were primarily due to an increase in wages as a result of acquisitions, an increase in headcount in the Company's headquarters, as well as increased professional, and consulting expenses to support the Company's growth and M&A activities. The Company has established several shared services cost centers to support its various clinics and subsidiaries and increased headcount which resulted in higher G&A expenses than the comparative period.

Marketing and promotion expenses increased to $4,128 and $4,810 for the three and six months ended June 30, 2021, compared to $579 and $674 for the three and six months ended June 30, 2020. This significant increase is mainly due to the addition of CRH marketing expenses as well as a significant boost in investor-focused marketing expenses during the quarter.

For the three and six months ended June 30, 2021, the Company expensed $2,187 and $4,703 of transaction, restructuring and integration costs related to its M&A activities, compared to $311 and $454 for the three and six months ended June 30, 2020. The transaction and restructuring costs are included in general and administrative expenses as professional and consulting fees.

Stock-based compensation

For the three and six months ended June 30, 2021 the Company recognized $4,309 and $7,302 of stock-based compensation expense respectively, compared to $1,044 and $1,676 for the three and six months ended June 30, 2020. The increase in expense is the result of stock options, restricted share units ("RSUs") and performance share units ("PSUs") issued in 2021 and 2020. The fair value of the options, RSUs and PSUs, as determined on the date of grant, is being recognized as an expense over the vesting periods of the instruments. See note 15 of the June 30, 2021 condensed interim consolidated financial statements for further information.

Depreciation and amortization

For the three and six months ended June 30, 2021, the Company recognized $12,144 and $13,586 of amortization and depreciation respectively, mainly related to the right-of-use assets (under IFRS 16) and intangible assets acquired via business combinations during the period, as compared to $826 and $1,554 of depreciation and amortization for the three and six months ended June 30, 2020.

Interest income and expense

For the three and six months ended June 30, 2021, the Company recognized $94 and $414 of interest income, and $1,351 and $1,809 of interest expense respectively. For the three and six months ended June 30, 2020, the Company recognized $86 and $175 of interest income, and $642 and $1,094 of interest expense respectively. For the three months ended June 30, 2021, Interest income was mainly related to interest on cash and cash equivalents. For interest expense, $268 was related to accretion on lease liability, $83 was related to accretion on deferred acquisition costs, and $956 was related to notes payable and other borrowings. See note 7 of the June 30, 2021 condensed interim consolidated financial statements for further information.

Time-based earn-out expense

For the three and six months ended June 30, 2021, the Company expensed $996 and $1,887 of time-based earn-outs incurred from vendors of acquired companies on condition of operating performance, as compared to $511 and $845 for the three and six months ended June 30, 2020.

Net loss

Net loss for the three and six months ended June 30, 2021 was $14,109 and $21,194 respectively, compared to net loss of $3,388 and $5,402 for the three and six months ended June 30, 2020.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents

As at June 30, 2021 and December 31, 2020, the Company had $70,614 and $86,890 respectively, of cash and cash equivalents.

Operating activities

During the three and six months ended June 30, 2021, the Company generated $4,556 and $5,754 of cash on operating activities respectively. During the three and six months ended June 30, 2020, the Company used $799 and $1,253 of cash on operating activities respectively.

Investing activities

During the three and six months ended June 30, 2021, the Company spent $325,282 and $328,633 of cash on investing activities respectively, as compared to $5,059 and $12,708 for the three and six months ended June 30, 2020 respectively. These included (i) $235 and $340 on the acquisition of property and equipment for the three and six months ended June 30, 2021 respectively (2020 – $58 and $585 for the three and six months), (ii) $299,572 and $303,605 on business and asset acquisitions for the three and six months ended June 30, 2021 respectively (2020 - $4,552 and $8,470 for the three and six months), (iii) $24,121 on acquisition related transaction costs for the three and six months ended June 30, 2021

(iv) $1,436 and $3,737 on working capital holdbacks for the three and six months ended June 30, 2021 respectively (2020 – nil); and (v) $93 and $401 on deferred acquisition costs for the three and six months ended June 30, 2021 respectively (2020 – $207 and $1,378 for the three and six months).

Financing activities

During the three and six months ended June 30, 2021, the Company generated $307,650 and $306,163 in financing activities respectively (2020 – generated $12,820 and $22,827 for the three and six months). The cash inflows during the quarter were primarily from proceeds of the subscription receipts for the financing of CRH acquisition that was completed in April 2021. The Company, via its subsidiary CRH, drew down $14,516 of its credit facility.

Summary

Net cash used for the three and six months ended June 30, 2021 was $12,636 and $16,276 respectively (2020 – net cash generated $6,962 and $8,866 for three months and six months).

Based on the current cash position, its operating budget and cash flow forecast, the Company believes that it is capable of meeting its working capital needs through available cash and cash flow generated from its operating and financing activities.

Summary of contractual obligations

		Payments due by Period			
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
	$'000	$'000	$'000	$'000	$'000
Deferred acquisition costs and time-based earnouts	**33,438**	10,326	19,093	4,019	-
Lease obligations' minimum payments	**25,989**	4,018	7,025	4,226	10,720
Accounts payable and accrued liabilities	**22,602**	22,602	-	-	-
Working capital holdbacks	**3,744**	3,744	-	-	-
Other current and non-current liabilities	**7,819**	7,743	76	-	-
Notes payable and other borrowings	**183,031**	515	632	181,884	-
	276,623	**48,948**	**26,826**	**190,129**	**10,720**

Update on prior use of proceeds disclosure

The Company anticipated that it would use the net proceeds from the convertible debentures, special warrants and bought deal private placements for future acquisitions, deferred acquisition costs and time-based earnout payments ("DAC/TBE") associated with its acquisitions, interest payments, working capital and general corporate purposes. To date, the Company continues to proceed towards its original business objectives for such funds.

Equity/Debt financing	Date	Purposes	Proposed use of proceeds $'000	Actual use of proceeds $'000
Convertible debt	Mar 20	Acquisition purposes DAC/TBE	7,000 2,000	6,996[(1)] 2,000[(2)]
Bought deal financing	May 20	Acquisition purposes Interest payments	7,830 1,100	7,632[(3)] 658[(4)]
Private placement	Sep 20	Acquisition purposes DAC/TBE	20,000 2,000	19,182[(5)] 1,098[(6)]
Bought deal financing	Oct 20	Acquisition purposes DAC/TBE	65,000 4,000	16,402 [(7)] - [(8)]
Equity offering	Feb 21	Acquisition purposes	299,000	299,000[(9)]

Notes:
(1) Acquisitions of DoctorCare and Circle Medical.
(2) Payment for second to fourth quarters 2020, and first quarter 2021. Remaining amount for future use.
(3) Acquisitions of Indivica, Cycura and Easy Allied. Equity investment in Twig.
(4) Payments related to 2020. Lower than anticipated as all convertible debentures were fully converted before maturity.
(5) Acquisitions of Source44 and ExcelleMD. Exercise of Insig warrants. Payments of first quarter 2021 working capital holdback. Equity investment in Phelix (first quarter 2021). Acquisitions of Adracare, Open Health and Doctor Services Group.
(6) Payment for first and second quarters 2021. Remaining amount for future use.
(7) Acquisitions of Intrahealth and ExecHealth. Remaining amount for future use.
(8) For future use.
(9) Acquisition of CRH.

TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's Board of Directors and members of the senior executive team. The remuneration of the Company's key management personnel during the three and six months ended June 30, 2021 and 2020 was as follows:

	Three months ended		**Six months ended**	
	June 30, 2021	June 30, 2020	**June 30, 2021**	June 30, 2020
	$'000	$'000	**$'000**	$'000
Wages	**145**	177	**290**	354
Consulting fees	**45**	129	**90**	258
Stock-based compensation expense[(1)]	**283**	754	**698**	1,130
	473	1,060	**1,078**	1,742

Note:
(1) Reflects the amount recorded as an expense in the consolidated statements of loss. The fair value of stock-based compensation is measured at the grant date using an option pricing model and is recognized as an expense over the vesting period.

During the six months ended June 30, 2021, the Company granted 550,000 RSUs, 487,500 PSUs and nil options (2020 - 468,446 RSUs, nil PSUs and 675,000 options) to members of key management personnel.

During the six months ended June 30, 2021, the Company paid $112 of rent (June 30, 2020 - $83) for the right of use of office premises operated and owned by related parties (key management team and a family member).

During the six months ended June 30, 2021, the company settled $490 of performance-based earnout, $120 of time-based earnout and $111 of deferred acquisition costs to members of key management personnel (2020 - $395 of performance-based earnout, $120 of time-based earnout and $1,110 of deferred acquisition costs).

During the six months ended June 30, 2021, the Company paid $144 of physician fees to a member of key management personnel (2020 - $112).

During the six months ended June 30, 2021, the Company incurred $nil of marketing fees from a related part (2020 - $20).

Included in other current assets as at June 30, 2021 and December 31, 2020 is $2,436 and $1,049, respectively, of receivables from related parties.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the December 31, 2020 audited annual consolidated financial statements, except as described below.

Judgment is required in determining whether the Company is the principal in its Cybersecurity sales contracts, and report revenues on a gross basis; or the agent, and report revenues on a net basis. This evaluation includes, but is not limited to, assessing indicators such as whether the Company: (i) is primarily responsible for fulfilling the promise to provide the specified good or service, (ii) has inventory risk before the specified good or service has been transferred to a customer; and (iii) has discretion in establishing the price for the specified good or service. This evaluation could vary on a contract by contract basis. Estimates are required in the determination of anesthesia services revenues and the recoverability of the related trade receivables.

Financial Instruments

Classification of financial instruments

The following table summarizes the Company's financial instruments and their carrying amounts:

	June 30, 2021 $'000	December 31, 2020 $'000
Financial assets at amortized cost		
Cash and cash equivalents	**70,614**	86,890
Restricted cash	**-**	4,169
Accounts and other receivables	**40,384**	8,654
Lease receivable	**2,121**	1,803
Other current and non-current assets	**10,054**	2,360
	123,173	103,876
Financial assets at fair value through profit or loss ("FVPL")		
Equity and debt investments	**3,582**	304
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	**22,602**	6,262
Notes payable and other borrowings	**184,011**	1,701
Deferred acquisition costs	**8,868**	2,159
Lease liability	**23,650**	21,867
Other current and non-current liabilities	**11,563**	8,864
	250,694	40,853

Fair value measurements

The fair value hierarchy establishes three levels to reflect the significance of the inputs used in making the measurements:

Level 1 – quoted prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either direct (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any fair value measurements categorized within level 1 or 2 of the fair value hierarchy.

The carrying value of the Company's financial instruments approximate their fair value.

The Company's notes payable and other borrowings balance, which is mainly comprised of the JPM Facility, is a floating rate instrument which is based on LIBOR plus 1.25% to 1.75% dependent on the Company's total Leverage Ratio. As a result, a portion of the interest on this instrument is fixed rate. The Company has estimated the fair value of this financial instrument to be US$147,384 as at June 30, 2021 based on Level 3 unobservable inputs.

The investments in Phelix, Twig and anesthesia revenue cycle management organization are classified as financial assets at FVPL. The fair value measurements of the investments are categorized within Level 3 of the fair value hierarchy. As at June 30, 2021 and December 31, 2020, in the absence of observable market data and any facts to suggest otherwise, management concluded that the fair value of the investments approximated the cost.

Risk Management

a. Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligation. Credit risk arises from the Company's financial assets. The carrying value of the financial assets represents the maximum exposure to credit risk. The Company limits its exposure to credit risk on cash and cash equivalents by placing these financial instruments with high-credit quality financial institutions and only investing in liquid, investment grade securities.

No one customer accounts for more than 10% of the Company's consolidated revenue. The Company establishes an estimate for expected credit loss on accounts receivable if it is determined that all or part of the outstanding balance is uncollectable. Collectability is reviewed regularly and an estimate is established or adjusted, as necessary, using a combination of the specific identification method, historic collection patterns and existing economic conditions. Estimates are subject to change as they are impacted by the nature of collectability, which may involve delays and the current uncertainty in the economy.

The Company's exposure to credit risk is considered to be low, given the size and nature of the various counterparties involved and their history of performance. The Company had a debt investment in Phelix as of December 31, 2020 which was converted into common shares on March 1, 2021. The Company's revenue from clinic operations is from billings for insured services paid for by the provincial health authorities.

As at June 30, 2021, the Company had $40,384 (December 31, 2020 - $8,654) of accounts and other receivables.

b. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due and remain solvent. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. To date, the Company has generated operating losses and net cash outflows from operations, and has relied on equity, convertible debentures, and bank borrowings to fund its operations and acquisitions and will need to continue to secure additional funding for operations. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that financing will be on terms advantageous to the Company.

c. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at June 30, 2021, the Company's major interest bearing liability is its JPM facility. With respect to the JPM facility, with all other variables held constant, a 10% increase in the interest rate would have reduced net income by approximately USD$77 (2020 – nil) for the six months ended June 30, 2021. There would be an equal and opposite impact on net income with a 10% decrease in the interest rate.

d. Foreign currency risk

The Company's presentation currency is the Canadian dollar. With the acquisition of Circle Medical in November 2020 and CRH in April 2021 (functional currency of both is the US dollar), a majority part of the business operations is in the U.S. and these subsidiaries' net assets are exposed to foreign currency translation risk.

SUBSEQUENT EVENTS AND PROPOSED ACQUISITIONS

Formation of WELL Health Ventures Inc, ("WELL Ventures") and investment in Bright

On July 21, 2021, the Company announced the formation of WELL Ventures, a wholly-owned subsidiary of WELL, whose mandate is to invest in exceptional leaders, entrepreneurs and businesses supporting the global digital health ecosystem, with an emphasis on advancing innovative digital health initiatives in Canada.

WELL Ventures made a strategic investment in 10432423 Canada Limited (dba "Bright"), a B2B technology service provider that has developed a virtual amenities wellness program for on-site and work-from-home teams. WELL Ventures invested $250 in preferred equity of Bright.

Acquisition of MyHealth Partners Inc. ("MyHealth")

On July 15, 2021, the Company acquired all of the issued and outstanding shares of MyHealth for a total purchase price of $206 million plus a future conditional earn-out of up to $60 million. The purchase price of $206 million consisted of: (a) $82 million by cash on the closing date; (b) $94.3 million by the issuance of common shares at a deemed price per share of $9.80, subject to IFRS adjustment based on fair value; and (c) $30 million by the issuance of a convertible promissory note to be repayable within nine months following the close date, in cash, common shares, or a combination of both at the Company's discretion.

The acquisition was financed in part by senior credit facilities provided by a syndicate of banks led by the Royal Bank of Canada for an amount of up to $200 million with an initial committed amount of $140 million and an accordion feature which allows MyHealth to borrow an additional $60 million subject to satisfaction of usual and customary provisions. Founded in 2013, MyHealth has over 760 physicians and other healthcare professionals providing primary care, specialty care, telehealth services and accredited diagnostic health services in 48 locations across Ontario.

Acquisition of Greater Washington Anesthesia Associates, LLC ("GWAA")

On August 2, 2021, the Company, via its subsidiary CRH, entered into an asset contribution and exchange agreement to acquire a 51% interest in GWAA, a gastroenterology anesthesia services provider in Virginia, USA. GWAA's current estimated annualized revenue run rate is approximately US$3.3 million and has operating EBITDA margins of approximately 50%. This acquisition marks CRH's 37th transaction and increases CRH's footprint to a total of 77 endoscopy sites across the United States.

OUTLOOK

WELL remains on track to achieve its goals for 2021, namely: (i) achieve organic growth across its operating business units; (ii) follow a disciplined acquisition and capital allocation strategy; (iii) grow its adjusted EBITDA throughout the year; (iv) increase operating cash flows through acquisitions, optimizing costs and digitizing clinical assets; and (v) increase market share of its digital health and virtual care programs.

WELL is expecting its substantial revenue and EBITDA growth experienced in Q2 will continue into Q3 as a result of a full quarter of CRH contribution and the acquisition of MyHealth. MyHealth represents a substantial acquisition for the Company for the following reasons: (i) it significantly boosts WELL's free cash flow, which would be used to make additional cash flow generating acquisitions; (ii) it accelerates WELL's revenue and EBITDA growth profile; (iii) it establishes a strong presence for WELL in Ontario with 48 additional healthcare clinic locations and (iv) it expands WELL's expertise into providing complementary diagnostic services and specialty services. With the acquisitions of CRH and MyHealth, the Company's financial and operating profile makes it a clear leader in the Canadian healthcare market and a strong emerging player in the U.S. healthcare market. Upon closing of the MyHealth acquisition, the Company is expected to be generating proforma revenue run-rate approaching $400 million and approaching $100 million in operating Adjusted EBITDA.

WELL continues to have an active pipeline of acquisition opportunities of both clinical and digital assets. WELL operates under a decentralized organizational philosophy where business unit leaders are given a fair amount of autonomy and empowerment to achieve their financial and strategic goals. As such, WELL looks to attract acquisitions with strong operators such that on a post transaction basis, experienced operators with strong incentives continue to run these businesses and generate profits which then would be thoughtfully allocated against new growth opportunities. The Company also now has multiple M&A corporate development teams across the organization including CRH and MyHealth in addition to WELL's own corporate development team.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at August 11, 2021, the Company had the following securities issued and outstanding:

Description of Security	Number of Securities Outstanding	Additional Comments
Common Shares	205,341,193	
Stock Options	6,795,401	Exercisable at prices ranging from $0.25 to $6.94
RSUs	5,794,202	
PSUs	2,071,126	
Total, Fully Diluted	**220,001,922**	

RISKS AND UNCERTAINTIES

The Company's management believes that the following risks are among the most important in order to understand the issues that face its financial performance, business and its approach to risk management:

1. **The COVID-19 pandemic and other general risks and uncertainty related to natural disasters, pandemics or other catastrophic events -** Catastrophic events in general can have a material impact on the potential continuity of the business. The continued spread of COVID-19 globally could adversely affect our patient care operations, as healthcare providers may have

heightened exposure to COVID-19 if an outbreak occurs in their geography. Our ability to provide health care services may be adversely affected or disrupted as a result of changing patient intake patterns and needs as well as reduced availability of physicians and/or support staff. Furthermore, the COVID-19 outbreak could result in adverse effects on our business and operations due to prioritization of clinic resources toward the outbreak or if quarantines and/or restrictions (such as travel restrictions) impede physician, staff or patient movement or interrupt healthcare services. In addition, we rely on third-party service providers to assist us in managing, monitoring and otherwise carrying out aspects of our business and operations, and the outbreak may affect their ability to devote sufficient time and resources to our programs or to travel to sites to perform work for us. Our third-party contract supplier organizations' ability to deliver on a timely basis our required medical and other supplies such as personal protective equipment may also be limited or affected materially. Such events may result in a period of business disruption, reduced operations, any of which could materially affect our business, financial condition and results of operations. Our ability to serve patients remotely via telehealth services could be affected by technology vulnerabilities and/or glitches that could impede the ability for physicians and patients to access and/or utilize the software reliably.

The spread of COVID-19, which has caused a broad impact globally, may materially affect us economically. While the potential economic impact brought by, and the duration of, COVID-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect our business and the value of our common shares.

The global outbreak of COVID-19 continues to evolve rapidly. The extent to which COVID-19 may impact our business, operations and financial performance will depend on future developments, including but not limited to, matters such as (a) the duration and/or severity of the outbreak, (b) government policies, restrictions and requirements as it relates to social distancing, forced quarantines and other requirements, (c) non-governmental influences or challenges such as the failure of banks and/or (d) any kind of ripple effect caused by the substantial economic damage that can be inflicted on society by a pandemic like COVID-19 such as lawlessness. The ultimate long-term impact of COVID-19 is highly uncertain and cannot be predicted with confidence.

2. **Business Concentration by region -** The Company processes a significant amount of primary patient services transactions and earns a majority revenue stream from one geographic location, the Province of British Columbia, Canada. In the U.S., revenues are spread across 16 states. With the acquisition of MyHealth in the third quarter of 2021, business will be expanded to the Province of Ontario, Canada. If economic, regulatory, legislative, or other factors affecting the Company's business were to adversely change, then the revenues of the Company would be negatively impacted.

3. **The Company is reliant on its key personnel –** The Company's success depends substantially on its small number of officers and executives, including Hamed Shahbazi as CEO and Chairman, Eva Fong as CFO, Amir Javidan as COO, Dr. Michael Frankel as the Company's Chief Medical Officer, and other key employees and leaders. If the Company should lose the services of one or more key members of its executive committee, its ability to implement its business plan could be severely impaired. The Company's executives and/or workforce are susceptible to COVID-19 related infections and other concerns.

4. **Cybersecurity –** The Company relies on digital and internet technologies to conduct and expand its operations, including reliance on information technology to process, transmit and store sensitive and confidential data, including protected health information, personally identifiable information, and proprietary and confidential business performance data. As a result, the Company and/or its customers are exposed to risks related to cybersecurity. Such risks may include unauthorized access,

use, or disclosure of sensitive information (including confidential patient health records), corruption or destruction of data, or operational disruption resulting from system impairment (e.g., malware). Third parties to whom the Company outsources certain functions, or with whom their systems interface, are also subject to the risks outlined above and may not have or use appropriate controls to protect confidential information. A breach or attack affecting a third-party service provider or partner could harm the Company's business even if the Company does not control the service that is attacked.

The Company's operations depend, in part, on how well it protects networks, equipment, information technology systems and software against damage from a number of threats, including, but not limited to, damage to hardware, computer viruses, hacking and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risks of failures. A compromise of the Company's information technology or confidential information, or that of the Company's patients and third parties with whom the Company interacts, may result in negative consequences, including the inability to process patient transactions, reputational harm affecting patient and/or investor confidence, potential liability under privacy, security, consumer protection or other applicable laws, regulatory penalties and additional regulatory scrutiny, any of which could have a material adverse effect on the Company's business, financial position, results of operations or cash flows. As the Company has access to sensitive and confidential information, including personal information and personal health information, and since the Company may be vulnerable to material security breaches, theft, misplaced, lost or corrupted data, programming errors, employee errors and/or malfeasance (including misappropriation by departing employees), there is a risk that sensitive and confidential information, including personal information and personal health information, may be disclosed through improper use of Company systems, software solutions or networks or that there may be unauthorized access, use, disclosure, modification or destruction of such information. The Company's ongoing risk and exposure to these matters is partially attributable to the evolving nature of these threats. As a result, cybersecurity and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage, malfunction, human error, technological error or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expand additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities. There could also be elevated risk associated with Cybersecurity matters as a result of COVID-19.

5. **Use of Open Source Software –** The Company's operations depend, in part, on how it makes use of certain open source software products, such as those utilized by NerdEMR, OSCARprn, KAI, OSCARwest, THT, MedBASE, Indivica, ClearMedica and OpenHealth. These open source software products are developed by third parties over whom the Company has no control. The Company has no assurances that the open source components do not infringe on the intellectual property rights of others. The Company could be exposed to infringement claims and liability in connection with the use of these open source software components, and the Company may be forced to replace these components with internally developed software or software obtained from another supplier, which may increase its expenses. The Company has conducted no independent investigation to determine whether the sources of the open source software have the rights necessary to permit the Company to use this software free of claims of infringement by third parties. The developers of open source software may be under no obligation to maintain or update that software, and the Company may be forced to maintain or update such software itself or replace such software with internally developed software or software obtained from another supplier, which may increase its expenses. Making such replacements could also delay enhancements to the Company's services. Certain open source software licenses provide that the licensed software may be freely used, modified and distributed to others provided that any modifications made to such software, including the source code to such modifications, are also made available under the same terms and conditions. As a result, any

modifications the Company makes to such software may be made available to all downstream users of the software, including its competitors. Open source software licenses may require us to make source code for the derivative works available to the public. In the event that we inadvertently use open source software without the correct license form, or a copyright holder of any open source software were to successfully establish in court that we had not complied with the terms of a license for a particular work, we could be required to release the source code of that work.

6. **The Company relies on third parties to provide some of its services and its business will be harmed if it is unable to provide these services in a cost-effective manner -** The Company relies heavily on third parties such as its IT and EMR vendors/partners, medical supplies vendors to provide some of its goods and services. If these third parties were unable or unwilling to provide these goods and services in the future due to COVID-19 or other events that cause an anomalous in supply or demand of such goods and services, WELL would need to obtain such goods or services from other providers if they are available. This could cause the Company to incur additional costs or cause material interruptions to its business until these goods and services are replaced if possible.

7. **Acquisitions and integration of new businesses create risks and may affect operating results -** The Company may acquire additional businesses. The Company's M&A strategy involves a number of risks related to the realization of synergies and overall integration of the Company's operations, including but not limited to, human resources, company culture, product pricing, information technology, data integrity, information systems, business processes and financial management. COVID-19 may affect the ability of the Company to find new attractive acquisition opportunities and/or could impact the Company's ability to execute on the integration of pending acquisition opportunities.

8. **General Healthcare Regulation -** Healthcare service providers in Canada and the U.S. are subject to various governmental regulation and licensing requirements and, as a result, the Company's businesses operate in an environment in which government regulations and funding play a key role. The level of government funding directly reflects government policy related to healthcare spending, and decisions can be made regarding such funding that are largely beyond the businesses' control. Any change in governmental regulation, delisting of services, and licensing requirements relating to healthcare services, or their interpretation and application, could adversely affect the business, financial condition, accounting treatment and results of operations of these business units. In addition, the Company could incur significant costs in the course of complying with any changes in the regulatory regime. Non-compliance with any existing or proposed laws or regulations could result in audits, civil or regulatory proceedings, fines, penalties, injunctions, recalls or seizures, any of which could adversely affect the reputation, operations or financial performance of the Company. See Section 1 above for additional commentary on the potential adverse effects of regulation within the context of COVID-19.

9. **Uncertainty of Liquidity and Capital Requirements -** The future capital requirements of the Company will depend on many factors, including all matters relating to COVID-19 (see Section 1 above for more information), the number and size of acquisitions consummated (if any), rate of growth of its client base, the costs of expanding into new markets (if any), the growth of the market for healthcare services and the costs of administration. In order to meet such capital requirements, the Company may consider additional public or private financing (including the incurrence of debt and the issuance of additional common shares) to fund all or a part of a particular venture, which could entail dilution of current investors' interest in the Company. There can be no assurance that additional funding will be available or, if available, that it will be available on acceptable terms. If adequate funds are not available, the Company may have to reduce substantially or otherwise eliminate certain expenditures. There can be no assurance that the Company will be able to raise additional capital if its capital resources are depleted or exhausted. Further, due to regulatory impediments and lack of

investor appetite, the ability of the Company to issue additional common shares or other securities exchangeable for or convertible into common shares to finance acquisitions may be restricted.

10. **Reliance on Physicians and other Healthcare Professionals -** The Company relies heavily on the availability of physicians and other healthcare professionals to provide services at its facilities. If physicians and other healthcare professionals were unable or unwilling to provide these services in the future due to any sort of reason including infection due to COVID-19, this would cause interruptions in the Company's business until mitigated accordingly. As such, vacancies and disabilities relating to the Company's current medical staff may cause interruptions in the Company's business and result in lower revenues. As the Company expands its operations, it may encounter difficulty in securing the necessary professional medical and skilled support staff to support its expanding operations. There is currently a shortage of certain physicians in Canada and the U.S. and this may affect the Company's ability to hire physicians and other healthcare practitioners in adequate numbers to support its growth plans, which may adversely affect the business, financial condition and results of operations.

11. **Confidentiality of Personal and Health Information -** The Company and its subsidiaries' employees and consultants have access, in the course of their duties, to personal information of clients of the Company and specifically their medical histories. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a client's privacy is violated, or if the Company is found to have violated any law or regulation in any jurisdiction in which it operates, it could be liable for damages or for criminal fines and/or penalties.

12. **Directors and Officers May Have Conflicts of Interest -** Certain of the directors and/or officers of the Company may also serve as directors and/or officers of other companies and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company is being made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company.

13. **The Company Needs to Comply with Financial Reporting and Other Requirements as a Public Company -** The Company is subject to reporting and other obligations under applicable Canadian securities laws and TSX rules, including National Instrument 52-109. These reporting and other obligations place significant demands on the Company's management, administrative, operational and accounting resources. Moreover, any failure to maintain effective internal controls could cause the Company to fail to meet its reporting obligations or result in material misstatements in its consolidated financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed, which could also cause investors to lose confidence in the Company's reported financial information, which could result in a lower trading price of its securities. Management does not expect that the Company's disclosure controls and procedures and internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that its objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within a company are detected. The inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of some persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may

occur and not be detected. Material disruption caused by events of COVID-19 on the business could adversely affect the Company's ability to meet its financial reporting obligations.

14. **Reliance on third parties for Real Estate and/or commercial leases that the Company operates in -** The Company acts both as a tenant, sub-tenant and a sub-landlord within the context of the commercial spaces that it operates in. The Company does not own real property. There is a risk that these leases may not be renewed at the end of term, and a risk that an alternative location cannot be found. Moreover, these leased properties are managed by third parties and as such there is no assurance that they will be managed and maintained to meet any required environmental and safety standards. There are a number of potential risks related to COVID-19 such as the Company's sub-tenants not paying leases and/or deferring rents and other lease obligations.

15. **Technological change** - The Company operates in a highly competitive environment where its software and other products and services are subject to rapid technological change and evolving industry standards. The Company's future success partly depends on its ability to acquire, design and produce new products and services, deliver enhancements to its existing products and services, accurately predict and anticipate evolving technology and respond to technological advances in its industry and its customers' increasingly sophisticated needs.

16. **Potential for software system, database or network related failures or defects** - The Company relies on software systems, databases and networks to process, transmit and store digital information. The Company also relies on technological solutions from a number of vendors and business units to effectively work together in order to deliver its digital solutions and services to its customers. A software bug, failure or defect may negatively impact software systems, databases and networks from operating properly which could result in the inability of our customers from receiving our products for an indeterminate period of time.

17. **The Company may be subject to a variety of regulatory investigations, claims, lawsuits, and other proceedings** - Due to the nature of the Company's business, including without limitation the Company's public listing, operations in the medical industry, omni-channel patient services and virtual services, the Company may be subject to a variety of regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on our business.

18. **If there is a change in federal or state laws, rules, regulations, or in interpretations of such federal or state laws, rules or regulations, our subsidiary may be required to redeem its physician partners' ownership interests in anesthesia companies under the savings clause in its joint venture operating agreements** – Our wholly-owned subsidiary, CRH, has operating agreements with its physician partners which contain a savings clause that is triggered upon an adverse governmental action, including a change in U.S. federal or state laws, rules or regulations or an interpretation of such U.S. federal or state laws, rules or regulations (each an "**Adverse Governmental Action**"). Upon the occurrence of an Adverse Governmental Action the savings clause will require divestiture of the physicians' ownership in the anesthesia company and CRH would be required to redeem the physicians' ownership interest. If an Adverse Governmental Action occurs under a particular state's law, CRH would be required to redeem the ownership interests of each physician partner in such state. If an Adverse Governmental Action occurs under U.S. federal law, CRH would be required to redeem the ownership interest of each physician partner in the United States. The redemption price of each anesthesia company is based upon a predetermined multiple of

such anesthesia company's EBITDA, which reflects the fair market value of the redeemed interests. This could impact our cash flow during the redemption period. The redemption occurs over a period of four or five years depending on each applicable operating agreement.

19. **Stock market volatility** - There can be no assurance that an active and liquid market for the Company's common shares will develop and investors may find it difficult to resell the common shares. The market price of the Company's common shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company and its subsidiaries, general economic conditions, legislative changes, the impacts of any short selling activities on supply and demand for the Company's common shares, and other events and factors outside of the Company's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which could adversely affect the market price for the Company's common shares. As the Company operates a highly accretive M&A program with acquisitions partly funded by the Company's common shares, a decline in the Company's share price could adversely affect the Company's pace of acquisitions and M&A activity.

20. **Changes to payment rates or methods of third-party payors may adversely impact profitability** – Changes in payment rates, including U.S. government healthcare programs, changes to the United States laws and regulations that regulate payments for medical services, the failure of payment rates to increase as our costs increase, or changes to our payor mix, could adversely affect our operating margins and revenues. The Company provides anesthesia services primarily through fee for service payor arrangements. Under these arrangements, we collect fees directly through the entities at which anesthesia services are provided. We assume financial risks related to changes in third-party reimbursement rates and changes in payor mix. Our revenue decreases if our volume or reimbursement decreases, but our expenses may not decrease proportionately. The Company depends primarily on U.S. government, third party commercial and private and governmental third-party sources of payment for the services provided to patients. The amount the Company receives for our services may be adversely affected by market and cost factors, as well as other factors over which we have no control, including changes to the Medicare and Medicaid payment systems. U.S. health reform efforts at the federal and state levels may increase the likelihood of significant changes affecting U.S. government healthcare programs and private insurance coverage. U.S. Government healthcare programs are subject to, among other things, statutory and regulatory changes, administrative rulings, interpretations and determinations concerning patient eligibility requirements, funding levels and the method of calculating payments or reimbursements, all of which could materially increase or decrease payments we receive from these government programs.

21. **The Company may write-off intangible assets -** The carrying value of our intangible assets is subject to periodic impairment testing. Under current accounting standards, intangible assets are tested for impairment on a recurring basis and we may be subject to impairment losses as circumstances change after an acquisition. If we record an impairment loss related to our intangible assets, it could have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price of our common shares.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this Interim MD&A constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, the Company's goals, expected costs, objectives, growth strategies, merger and acquisition program, improving the patient experience, obtaining operational efficiency, improving overall care performance, the intention to be an active acquirer within the healthcare services and digital health technologies, maximizing income potential from health clinics, the acquisition of additional health clinics and technologies, the ability to obtain cost efficiencies and improvements through synergies, the use of technology in the Company's business activities, opportunities to leverage its investments in third party technology platforms, the benefits of using open source based technology solutions, the share purchase agreements in respect of its acquisitions, expectations of future revenue and adjusted gross margins, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management.

Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. Factors that could cause such differences include the highly competitive nature of the Company's industry, material adverse consequences of the COVID-19 pandemic, government regulation and funding and other such risk factors described herein and in other disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's forward-looking statements. These and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The factors underlying current expectations are dynamic and subject to change.

Although the forward-looking statements contained in this Interim MD&A are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. All forward-looking statements in this Interim MD&A are qualified by these cautionary statements. Other than specifically required by applicable laws, we are under no obligation and we expressly disclaim any such obligation to update or alter the forward-looking statements whether as a result of new information, future events or otherwise except as may be required by law. These forward-looking statements are made as of the date of this Interim MD&A.