

# WELL Health Technologies Corp.

Dear fellow shareholders,

When I founded WELL Health Technologies eight years ago, I believed Canada's healthcare system needed a different kind of company. One willing to do the difficult, unglamorous work required to empower healthcare providers with technology, capital, and operational excellence. One committed to supporting and strengthening our public health system. That commitment has shaped how we operate today, including the positive, collaborative relationships we have built with provincial and federal health authorities.

Backed by an exceptional team, which now numbers over 4,000 WELLBeings in Canada alone (over 7,000 globally), WELL Health is positively transforming Canadian healthcare. We are leading the way in preventative health and building the infrastructure that our public health system needs to meet the challenges ahead. We are proving that a purpose driven company can deliver strong financial performance while dramatically improving healthcare outcomes, with each reinforcing the other.

We have built the largest outpatient clinic network in Canada with over 240 clinics delivering well over four million patient visits annually. No other private entity matches this volume. We operate a multi-disciplinary network spanning primary care, diagnostic imaging, specialty care, executive and longevity health, and allied health services. That same focus on scale extends beyond our owned clinics through WELLSTAR, our majority owned digital health and software platform, which now supports more than 40% of all doctors in Canada through at least one of its tools or solutions.

In 2025, WELL achieved record results across revenue, patient visits, profitability, and transactions closed. We surpassed \$1 billion in revenue in the first nine months and achieved record EBITDA margins. Yet our share price declined significantly. We take this gap seriously and as stewards of your capital, we will close it through disciplined execution. The famous investor Benjamin Graham noted, “In the short term, the stock market is a voting machine; in the long term, it’s a weighing machine.” Today, our stock is being voted on. Our job is to keep adding weight, so that when the market shifts from a ballot box to a scale, shareholders are rewarded for the weight of the business.

## Our Priorities for 2026

1. Accelerate the growth of our Canadian care delivery network, building on our momentum of delivering exceptional care to Canadians by empowering healthcare providers with the tools they need
2. Spinout WELLSTAR as a standalone entity and business
3. Complete the strategic alternatives processes for our US care delivery businesses in order to simplify and allow for greater reinvestment in our Canadian businesses

## **Strategic Focus: Canada as Our Foundation**

We are concentrating our efforts where we have built the deepest competitive advantages and where we see the most attractive risk-adjusted returns for years to come. Canada's healthcare market represents approximately \$42 billion in annual physician services, yet only 2-3% of outpatient clinics have been consolidated into larger networks. By contrast, in the United States, more than 50% of outpatient physicians now work for corporate entities. WELL operates more than 240 clinics in Canada, or a roughly 1.5% market share, greater than the next four clinic networks combined. The opportunity set before us is to deepen our position in a market we understand intimately, and where our technology and operational playbook compound in value with each acquisition.

While our US lines of business have generally performed well, areas where we have interests such as direct-to-consumer (DTC) and multi-site physician services have been broadly impacted by higher customer acquisition costs and pressure on reimbursement. Our decision to seek strategic alternatives for our US care delivery businesses allows us to concentrate capital and resources where every dollar generates the highest long-term returns. Simply put, our operational advantages compound most effectively within the Canadian healthcare system.

While the M&A environment in these specific categories in the US has been slower than anticipated over the past year, we are seeing encouraging signs of stabilization with strong interest and engagement with prospective buyers. We are navigating these conversations deliberately and with discipline to ensure we maximize value for our shareholders and find the right long-term partners for these high-quality businesses.

## **Capital Allocation: Discipline and Compounding**

We deliver tangible operational improvements to the clinics we acquire. By implementing our technology and workflows, we reduce administrative burdens on providers, improve patient access, and allow providers to spend more time practicing medicine rather than managing paperwork. We have demonstrated, repeatedly and at scale, that we know how to execute on this model.

Our approach to capital allocation borrows from principles that have guided the most successful long-term compounders. We acquire primary care clinics at low-to-mid single-digit EBITDA multiples. What matters even more than the entry multiple is the implied multiple after transformation. On average, we have improved the EBITDA of acquired clinics by over 100% since inception, which compresses our implied acquisition multiple significantly. And our most recent years have been our most successful yet, with our return on invested capital for acquired clinics over the last three years<sup>1</sup> has averaged 30%.

This is the essence of our compounding engine: generate free cash flow from existing operations, deploy that capital into Canadian acquisitions at attractive returns, transform those acquisitions using our

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<sup>1</sup> 2022-2024

operational playbook, and repeat. We have built the most robust M&A pipeline in our history, currently consisting of over 120 clinics representing approximately \$370 million in revenue and the discipline to execute systematically.

Cash generation is not merely a financial metric to us; it is the fuel for future growth. Proceeds from US divestitures, combined with operational cash flow, will be mainly reinvested into our Canadian pipeline. We are not raising capital from sales of our shares, and we are not diluting shareholders. We are funding growth from the cash our business generates, and any debt reasonably afforded by our growing cash flow and EBITDA—the hallmark of a self-sustaining compounder.

## **Technology as an Enabler**

Technology is central to everything we do, but we view it as an enabler of better care delivery. WELLSTAR provides the digital tools that make healthcare clinics more efficient and providers more effective. AI-powered scribes reduce documentation burdens. Digital booking and e-referral systems streamline patient access. EMR integration ensures continuity of care. An AI-powered agentic platform is now being built to simplify providers' toolkits and intelligently orchestrate low leverage activities.

The goal is not to build technology for technology's sake. The goal is to give healthcare providers time back, time they can reinvest in patient care. When providers spend less time on administrative tasks, they see more patients, deliver better outcomes, and experience less burnout. This creates a virtuous cycle that benefits everyone: patients receive better care, providers find their work more fulfilling, and clinics operate more profitably. It is good to be profitable, but it is also profitable to be good, and our true north will always be better patient outcomes. This will ultimately be the centrifugal force that drives our company forward.

We are pleased with the performance of WELLSTAR and look forward to spinning out the company as a standalone business later this year.

## **The Long-Term View**

Our objective over the next 8-10 years is to grow our share of Canadian healthcare delivery from approximately 1.5% to 10%. Our modelling indicates we could reach this target without increasing growth rates. This is sustainable, disciplined growth that compounds over decades.

WELL is committed to supporting the transformative strategies of Canada's public health system. We focus on preventative health and early detection technologies which are ethically and compliantly implemented, such as those developed by our subsidiary HEALWELL AI, that help people manage their health before crisis strikes. As our clinical footprint grows, so does our ability to build enduring relationships with Canadians throughout their health journey. These relationships are the foundation of

a healthcare platform that can genuinely improve health outcomes through preventative interventions, personalized care navigation, and technology that identifies illness earlier.

## Closing Thoughts

Similar to other industrialized nations, Canada's healthcare system faces structural challenges that will only intensify: an aging population, chronic disease prevalence, and physician shortages. WELL is purpose-built to be part of the solution. Our technology reduces system strain by making providers more productive. Our capital enables the consolidation of subscale clinics that might otherwise close. Our operational expertise ensures clinics remain sustainable and physicians can focus on care. We are here to strengthen the foundation of care delivery upon which Canada's public health system depends.

As we enter 2026, we do so with clarity of purpose: to be Canada's leading healthcare platform by empowering healthcare providers with technology, acquiring and transforming clinics with discipline, and building relationships with Canadians that span a lifetime of care. The work we do matters. The patients we serve deserve the best care we can provide. The healthcare providers who join our network deserve technology and support that enables them to thrive. And you, our shareholders, deserve leadership that thinks in decades. None of this would be possible without the extraordinary team at WELL, whose talent and commitment to our mission make these ambitions achievable. The opportunity before us is generational. We intend to pursue it with patience and focus.

I leave you with a final thought: At WELL, we believe deeply in “*agency*”. If something is humanly possible and essential to our mission, then it falls within our responsibility. Large, structural opportunities, such as the one before us, are not captured through passivity, and good stewardship requires disciplined action and unfettered ownership. We act with urgency and purpose because we are defending patients, empowering providers, and protecting shareholder capital.

Thank you for your continued trust and partnership.

Sincerely,

**Hamed Shahbazi**

*Founder, Chairman & Chief Executive Officer*

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21 January 2026