Shift to Telehealth Drives Record Revenue and Gross Profit in Second Quarter 2020

- WELL achieved record quarterly patient services revenues in the second quarter due to: (1) a successful shift to telehealth which included significant revenues from both VirtualClinic+ and phone consultations; (2) WELL's family practice business proved to be highly resilient; and (3) WELL's corporate-owned clinics remained open as a critical business throughout the COVID-19 pandemic.
- COVID-19 has caused an acceleration of WELL's telehealth business as patients observing physical distancing measures increasingly turned to telehealth during the pandemic. WELL's quarterly telehealth visits grew sequentially by 730% to more than 124,800 telehealth visits[1] in Q2, almost half of which were supported via WELL's VirtualClinic+ telehealth program. VirtualClinic+ has now onboarded over 1,000 healthcare practitioners since launching in March and growing.
- WELL achieved record quarterly revenue of $10,578,144 and gross profit of $4,226,831 during the 3 months ended June 30, 2020 representing 43% and 88% YoY growth respectively, with an Adjusted EBITDA[2] loss of $543,015. Adjusted EBITDA would have been close to break-even when removing the elevated levels of marketing expenses related to launching and supporting VirtualClinic+.
- Digital services revenue, consisting of predominately SaaS based revenue generated by the Company's WELL EMR Group, grew by 1212% to $2,344,872 in the second quarter. WELL's EMR footprint has now expanded to over 2,000 clinics and more than 10,000 physicians across the country.

Vancouver, B.C. August 11, 2020 - **WELL Health Technologies Corp.** (TSX: WELL) (the "**Company**" or "**WELL**"), a company focused on consolidating and modernizing clinical and digital assets within the primary healthcare sector, announces it has filed its condensed interim consolidated financial statements and MD&A for Fiscal Second Quarter 2020 ended June 30, 2020.

"Q2 2020 was an exceptional quarter in which we achieved record quarterly revenue despite the challenges presented by the COVID-19 global pandemic. I am extremely proud of our whole team, especially our doctors and front-line workers who kept all of our clinics open and provided unbelievable patient care through these unprecedented times," said Hamed Shahbazi, Chairman and CEO of WELL. "During the quarter, our telehealth program successfully allowed the majority of WELL's patient services to be carried out remotely which means that thousands of patients and physicians were able to safely meet and conduct medical consultations for all kinds of critical and non-critical medical matters. In addition, our digital EMR business continued to expand with the completion of MedBASE and Indivica acquisitions. In fact, I'm pleased to confirm that WELL now serves more than 2,000 clinics and 10,000 doctors as part of its EMR footprint. This is a very important milestone for the company."

Covid-19 and VirtualClinic+ Update:

The COVID-19 pandemic has caused an acceleration of WELL's telehealth business. Since launching at the beginning of March, WELL's VirtualClinic+ telehealth service has onboarded over 1,000 healthcare practitioners and is exceeding 1,000 virtual patient booked appointments(3) per day, often multiple times per week. Patients are increasingly turning to telehealth services to meet their medical needs while observing social distancing and self-isolation measures. The Company's publicly insured clinical revenue has proven to be robust and highly resilient as result of: (1) strong telehealth execution; (2) WELL's highly resilient family practice business; and (3) WELL's corporate-owned clinics not only remained open but also continued to support the community with an important critical service for more significant medical matters that could not be delivered as easily via telehealth.

Second Quarter 2020 Financial Highlights:

- WELL achieved record quarterly revenue of $10,578,144 during the 3 months ended June 30, 2020 compared to revenue of $7,402,271 generated during the 3 months ended June 30, 2019 - an increase of 43% driven by digital services revenues of $2,344,872 for the quarter representing 1212% YoY growth.
- WELL achieved record Gross Profit of $4,226,831 in the 3 months ended June 30th, representing 88% YoY growth driven by higher margin digital services revenue. WELL achieved record Gross Margin(4) percentage of 40.0% during Q2-2020. Adjusted EBITDA(2) loss was $543,015 for the 3 months ended June 30, 2020, compared to Adjusted EBITDA loss of $556,255 for the 3 months ended June 30, 2019. Adjusted EBITDA was negatively impacted in the quarter by WELL's marketing and promotion program to launch and market its new VirtualClinic+ telehealth program. The Company's Adjusted EBITDA would have been close to breakeven without these costs.
- WELL ended the second quarter with a strong balance sheet with $24,510,014 in cash and cash equivalents as at June 30, 2020, compared to $15,643,607 as at December 31, 2019. The increase in cash was primarily due to WELL completing a $14.4M bought deal common share financing on May 22, 2020, in which the Company issued 6,534,300 common shares at a price of $2.20 per share.

Second Quarter 2020 Business Highlights:

- On June 1, 2020, the Company completed its acquisition of Indivica Inc. ("**Indivica**"), WELL's seventh EMR acquisition, for a total consideration of approximately $6.2M. Indivica provides EMR software and services to approximately 390 clinics serving over 2,000 physicians in Ontario. With this acquisition, WELL now supports 10,000 physicians on its EMR network caring for over 18M unique patients in its combined EMR databases.
- On May 27, 2020, the Company announced a $250,000 investment in Phelix.ai Inc., a Toronto based digital health company that has developed an artificial intelligence (AI) powered clinical assistant. WELL also received the rights to use and sublicense Phelix.ai's software in all aspects of its business including its OSCAR(5) EMR network.
- On May 4, 2020, the Company announced it completed the acquisition of all the issued and outstanding shares of MedBASE Software Inc. ("**MedBASE**"), for a total consideration of $650,000. MedBASE provides OSCAR EMR services to 61 clinics in Ontario.
- On May 7, 2020, WELL converted the outstanding principal and interest of the Insig convertible promissory note in the amount of $2,023,497 into common shares of Insig; thus, becoming the largest shareholder of Insig.
- On May 1, 2020, the Company announced it entered into a Memorandum of Understanding with McMaster University's Department of Family Medicine that authorizes the Company to use the OSCAR brand in perpetuity. Furthermore, the Company assumed responsibility from OSCAR EMR for stewardship of OSCAR 19 as an OntarioMD-certified EMR Offering.

Subsequent Events:

- On August 4, 2020, the Company completed the acquisition of the assets of the Services Division of Cycura Inc. ("**Cycura**"), for $2.55M in an all cash transaction. In the past 12 months Cycura's Services Division has generated over $1.7M revenue and the transaction is expected to be immediately accretive to WELL, contributing double digit EBITDA margins.
- On July 31, 2020, the Company announced it has provided notice to its debenture holders that the Company will convert all outstanding debentures to common shares by the end of August, resulting in WELL having no debt or debt instruments on its balance sheet.
- On July 24, 2020, the Company announced the formation of a new subsidiary WELL Digital Health Apps Inc. solely focused on establishing partnerships and/or investments in leading digital health apps that allow WELL to unlock the value of its EMR and clinical assets.

Outlook:

WELL is currently experiencing a strong rebound of in-clinic physical visits due to Phase 3 re-opening of the economy, while at the same time the Company has also continued to maintain its patient volumes of telehealth consultations including continued growth and momentum behind its VirtualClinic+ telehealth program. Digital services revenue is expected to increase in Fiscal Q3-2020 compared to Fiscal Q2-2020 primarily due to the contribution from the Indivica acquisition, and the Company continues to expect the WELL EMR Group will achieve double-digit growth in 2020.

WELL's goals for 2020, which are unchanged from last quarter, are to: (i) achieve organic revenue growth in its operating businesses; (ii) continue to follow a disciplined acquisition and capital allocation strategy; and (iii) increase market share and awareness of its VirtualClinic+ telehealth service.

Conference Call:

WELL will hold a conference call to discuss its 2020 Second Quarter financial results on Tuesday, August 11, 2020 at 1:00 pm ET (10:00 am PT). Please use the following dial-in numbers: 416-764-8650 (Toronto local), 778-383-7413 (Vancouver local) or 1-888-664-6383 (Toll-Free), with Conference ID: **7161 1016.**

Selected Financial Highlights:

Please see SEDAR for complete copies of the Company's condensed interim consolidated financial statements and MD&A for the three months ended June 30, 2020.

	Three months ended June 30, 2020 $	Three months ended June 30, 2019 $	**Six months ended June 30, 2020 $**	Six months ended June 30, 2019 $
Revenue	**10,578,144**	7,402,271	**20,805,144**	14,790,314
Cost of clinical and digital services	**(6,351,313)**	(5,151,372)	**(12,636,358)**	(10,271,922)
Gross Profit(4)	**4,226,831**	2,250,899	**8,168,786**	4,518,392
Gross Margin(4)	**40.0%**	30.4%	**39.3%**	30.5%
Adjusted EBITDA(2)	**(543,015)**	(556,255)	**(788,947)**	(894,720)
Net loss and total comprehensive loss	**(3,387,579)**	(1,726,517)	**(5,401,954)**	(3,176,765)
Net loss per share - for the period	**(0.03)**	(0.02)	**(0.04)**	(0.04)
Weighted average number of common shares outstanding (basic and diluted)	**126,181,778**	94,462,130	**122,162,548**	89,760,785
Reconciliation of net loss to Adjusted EBITDA(2)				
Net loss for the period	**(3,387,579)**	(1,726,517)	**(5,401,954)**	(3,176,765)
Depreciation and amortization	**826,168**	395,993	**1,554,541**	787,175
Income tax	**113,356**	85,000	**169,005**	85,000
Interest income	**(85,860)**	(39,823)	**(175,307)**	(80,626)
Interest expense	**641,665**	286,703	**1,093,720**	525,208
Rent expense on finance leases	**(516,401)**	(411,253)	**(1,004,053)**	(822,770)
Stock-based compensation	**1,044,102**	511,835	**1,676,093**	1,227,118
Time-based earn-out expense	**510,210**	136,195	**844,625**	272,442
Transaction, restructuring, & integration costs expensed	**311,324**	205,612	**454,383**	288,498
Adjusted EBITDA(2)	**(543,015)**	(556,255)	**(788,947)**	(894,720)

Footnotes:

1. This figure includes all visits delivered via the Company's VirtualClinic+ platform in addition to any medical consultations delivered via telephone by WELL physicians.
2. **EBITDA is a Non-GAAP measure**. Earnings before interest, tax, depreciation and amortization ("**EBITDA**") should not be construed as an alternative to net income/loss determined in accordance with IFRS. The Company defines **Adjusted EBITDA** as EBITDA less net rent expense on premise leases considered to be finance leases under IFRS and before transaction, restructuring, and integration costs, time based earn-out expense and stock based compensation. EBITDA does not have any standardized meanings under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations.

3. Booked Appointments include the total number of appointments booked by patients. Once a booking has taken place, this metric is referred to as a patient visit. There are often a small number of cancellations or no-shows associated with booked appointments.
4. **Gross Profit** and **Gross Margin** are Non-GAAP measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines Gross Profit as revenue less cost of clinical and digital services and Gross Margin as Gross Profit as a percentage of revenue. Gross Profit and Gross Margin should not be construed as an alternative for revenue or net loss determined in accordance with IFRS. The Company believes that Gross Profit and Gross Margin are meaningful metrics in assessing the Company's financial performance and operational efficiency.
5. **OSCAR**, an acronym for "Open Source Clinical Application Resource", is an open-source EMR or "Electronic Medical Records" system developed by McMaster University's Department of Family Medicine to inspire collaboration between the wide spectrum of health professionals with the goal to drive downstream benefits to patient care.

WELL HEALTH TECHNOLOGIES CORP.

Per: "Hamed Shahbazi"

Hamed Shahbazi

Chief Executive Officer, Chairman and Director

About WELL

WELL is an omni-channel digital health company that operates Primary Healthcare Facilities, is the third largest digital Electronic Medical Records (EMR) supplier in Canada and is a national provider of telehealth services. WELL owns and operates 20 medical clinics, provides digital EMR software and services to over 2,000 medical clinics across Canada and is a majority owner of SleepWorks Medical. WELL's overarching objective is to empower doctors to provide the best and most advanced care possible while leveraging the latest trends in digital health. WELL is an acquisitive company that has completed twelve acquisitions and three equity investments. WELL is publicly traded on the Toronto Stock Exchange under the symbol "WELL". WELL was recognized as a TSX Venture 50 Company three years in a row in 2018, 2019 and 2020. To access the Company's telehealth service, visit: virtualclinics.ca and for corporate information, visit: www.WELL.company.

Forward-Looking Statements

This news release may contain "forward-looking statements" within the meaning of applicable Canadian securities laws, including, without limitation: all statements in the "Outlook" section of this news release, including the Company's goals for 2020 and the intention to ramp up the telehealth program, drive efficiencies from clinics, and drive growth from its EMR portfolio; the expectation that the Cycura transaction is expected to be immediately accretive and contribute double digit EBITDA margins; and the anticipation that WDHA initiatives may allow WELL to unlock the value of its EMR and clinical assets. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties, and contingencies. These statements generally can be identified by the use of forward-looking words such as "may", "should", "will", "could", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause future results, performance or achievements to be materially different from the estimated future results, performance or achievements expressed or implied by those forward-looking statements and the forward-looking statements are not guarantees of future performance. WELL's statements expressed or implied by these forward-looking statements are subject to a number of risks, uncertainties, and conditions, many of which are outside of WELL 's control, and undue reliance should not be placed on such statements. Forward-looking statements are qualified in their entirety by inherent risks and uncertainties, including: direct and indirect material adverse effects from the COVID-19 pandemic; adverse market conditions; risks inherent in the primary healthcare sector in general; regulatory and legislative changes; that future results may vary from historical results; inability to obtain future financing on suitable terms; and that market competition may affect the business, results and financial condition of WELL. Except as required by securities law, WELL does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise.

Neither the TSX nor its Regulation Services Provider (as that term is defined in policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

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