

WELL Health to Boost its Digital Health SaaS Revenue and to Expand EMR Business to International Markets with Proposed Acquisition of Intrahealth

- Intrahealth is an enterprise class EMR⁽¹⁾ provider with a deep IP portfolio and a highly customizable platform that supports a myriad of healthcare settings including health authorities, hospitals, public health outpatient centres, community health, home care, ambulatory care and diverse health care professionals.
- Intrahealth supports approximately 15,000 clinicians providing care for millions of patients in its combined databases across its global network of Canada, Australia and New Zealand.
- Over the past 12 months Intrahealth generated approximately \$9M in revenues with over 20% in EBITDA margin⁽²⁾. Over 80% of Intrahealth's revenue is high margin recurring revenue.
- Intrahealth will be a transformational acquisition for the WELL EMR Group as it will transition the business unit from solely providing OSCAR⁽³⁾ EMR services to being a provider of multiple EMR product offerings in global markets.
- WELL also anticipates integrating Intrahealth to the [apps.health](#) marketplace in the coming months, paving the way for third party app developers to have their digital health applications available on both OSCAR Pro and Intrahealth platforms.

VANCOUVER, BC, March 8, 2021 - **WELL Health Technologies Corp.** (TSX: WELL) ("**WELL**" or the "**Company**"), a company focused on consolidating and modernizing clinical and digital assets within the healthcare sector, is pleased to announce it has entered into a share purchase agreement dated March 7, 2021 (the "**Agreement**") with the shareholders of Intrahealth Systems Limited, a New Zealand company ("**Intrahealth**"), whereby WELL has agreed to acquire all of the issued and outstanding shares of Intrahealth (the "**Transaction**") for total consideration of approximately \$19,250,000. Intrahealth is a provider of enterprise class EMR⁽¹⁾ and clinical healthcare software with customers in Canada, New Zealand and Australia.

"The proposed acquisition of Intrahealth expands WELL into a multi-product EMR company that can service small primary healthcare clinics right up to large hospitals and health authorities," said Hamed Shahbazi, Chairman and CEO of WELL. "We are very excited about the prospect of initially expanding our global footprint into New Zealand and Australia through this acquisition and pursuing further global expansion. Intrahealth

is a highly complementary acquisition which will be immediately accretive to WELL's revenue and profitability."

Founded in New Zealand, and now headquartered in Vancouver, BC, Intrahealth is engaged in the business of providing a suite of flexible software solutions to a wide variety of customers including health authorities, hospitals, public health outpatient centres, community health, home care, ambulatory care and diverse health care professionals. Intrahealth provides highly configurable software solutions that also support mobile platforms and seamless access to virtual care/telehealth solutions. Intrahealth's solutions for hospitals include patient administration system, bed management, waiting list management, enterprise-wide scheduling, case management, medication management, emergency room operations and ward management, among many other features. Intrahealth supports approximately 15,000 healthcare professionals across its global network of Canada, Australia and New Zealand providing care for millions of patients in its combined databases. Over the past 12 months, Intrahealth generated more than \$9M in revenues with over 20% in EBITDA margin⁽²⁾. Over 80% of Intrahealth's revenue is high margin recurring revenue.

Dr. Mark Matthews, CEO of Intrahealth commented, "We are very pleased with the prospect of joining WELL Health, as this will allow us to continue to serve our customers and enhance our product offering while being a part of the larger WELL Health ecosystem and shared services platform. We believe there are many synergies and cross selling opportunities with WELL's broader product offerings being made available to all Intrahealth customers."

Post-closing, Intrahealth is anticipated to continue to operate as a stand-alone business within the WELL EMR Group and be operated by its current CEO, Dr. Mark Matthews. Intrahealth's Profile EMR is an integrated practice management and EMR package which will be marketed and sold alongside WELL's OSCAR⁽³⁾ Pro product. The proposed acquisition is a key milestone for the WELL EMR Group as it expands its addressable market to a previously unrealizable level with the restructuring to a multi-product business unit with customers worldwide. WELL also anticipates integrating Intrahealth to the [apps.health](#) marketplace in the coming months, paving the way for third party app developers to have their digital health applications available on both OSCAR Pro and Intrahealth.

Arjun Kumar, Head of WELL EMR Group commented, "We're excited to welcome Mark and the talented team at Intrahealth to the WELL EMR Group family. This transformational acquisition will firmly position WELL as an international EMR operator with multiple industry leading products. We have plans to substantially grow the WELL EMR Group organically

and inorganically into additional markets. Our market opportunity will expand globally with the addition of Intrahealth to the portfolio.”

Transaction Details:

WELL has agreed to pay a purchase price of approximately \$19,250,000 to complete the Transaction consisting of: (i) \$10,683,750 payable in cash on the closing date, subject to standard closing adjustments; (ii) \$3,850,000 in WELL common shares issuable upon the closing date at the 5 day volume weighted average trading price prior to the closing of the Transaction; (iii) a holdback of \$866,250 payable by WELL in cash within 90 days after the closing date, subject to a working capital adjustment; and (iv) up to \$3,850,000 payable by WELL as a 3-year time-based earn-out payable in cash or WELL common shares at the election of WELL and subject to adjustment based on achievement of annual recurring revenue targets of Intrahealth on a post-closing basis. The closing of the Transaction is subject to a number of conditions and is expected to be completed in early Q2-2021.

Toronto based M&A advisory firm WD Capital Markets is advisor to Intrahealth and arranged the transaction with WELL.

Footnotes:

1. **EMR** is an acronym for “Electronic Medical Records”.
2. **EBITDA** is a Non-GAAP measure. Earnings before interest, taxes, depreciation and amortization (“**EBITDA**”) should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company believes that 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. **EBITDA margin** is EBITDA as a percentage of total revenue.
3. **OSCAR** is an acronym for “Open Source Clinical Application Resource”, which is an EMR platform originally developed by McMaster University’s Department of Family Medicine.

WELL HEALTH TECHNOLOGIES CORP.

Per: “Hamed Shahbazi”

Hamed Shahbazi

Chief Executive Officer, Chairman and Director

About WELL Health Technologies Corp.

WELL is an omni-channel digital health company whose overarching objective is to empower doctors to provide the best and most advanced care possible while

leveraging the latest trends in digital health. As such, WELL owns and operates 27 primary healthcare clinics, is Canada's third largest digital Electronic Medical Records (EMR) supplier serving approximately 2,200 healthcare clinics, operates a high-quality telehealth service in Canada and the United States and is a provider of digital health, billing and cybersecurity related technology solutions. WELL is an acquisitive company that follows a disciplined and accretive capital allocation strategy. WELL is publicly traded on the Toronto Stock Exchange under the symbol "**WELL**". To access the Company's telehealth service, visit: tiahealth.com, 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: the closing of the Transaction, with such closing occurring early Q2-2021; the expectation of Intrahealth being immediately accretive to WELL; the expansion of the business into new markets and globally; the expectation that Intrahealth will be operated as a stand-alone business under the leadership of Dr. Mark Matthews; and the integration of Intrahealth into the apps.health marketplace. 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 the inherent risks and uncertainties surrounding the Transaction, including: that WELL's assumptions in making forward-looking statements may prove to be incorrect; adverse market conditions; risks inherent in the primary healthcare sector in general; the inability of WELL to complete the Transaction and related transactions at all or on the terms announced; risks relating to the satisfaction of the conditions to closing the Transaction; that future results may vary from historical results; and that market competition may affect the outcome of the Transaction and the business, results and financial condition of WELL following the closing

of the Transaction. 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.

For further information:

Pardeep S. Sangha
Vice President Corporate Strategy and Investor Relations
investor@well.company
604-572-6392