

WELL Health Completes Acquisition of Intrahealth - Boosting its Digital Health SaaS Revenue and Expanding its EMR Business to International Markets

- Intrahealth is a transformational acquisition for the WELL EMR Group as it transitions the business unit from solely providing OSCAR EMR⁽¹⁾ services to being a provider of multiple EMR product offerings in global markets.
- Intrahealth is an enterprise class EMR provider supporting approximately 15,000 clinicians providing care for millions of patients from small clinics to large health delivery organisations in its global network across 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.
- 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, - April 5, 2021 /CNW/ - **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 closed the share purchase agreement dated March 7, 2021 with the shareholders of Intrahealth Systems Limited, a New Zealand company ("**Intrahealth**"), and acquired 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 and clinical healthcare software with customers in Canada, New Zealand and Australia.

"We are pleased to welcome the talented Intrahealth team to WELL Health," said Hamed Shahbazi, Chairman and CEO of WELL. "We are very excited about this highly complementary and accretive acquisition as it expands WELL into a multi-product EMR company, boosts our digital health revenue, increases our global footprint and creates numerous cross-selling opportunities. This is a transformational acquisition for our WELL EMR Group as it positions WELL as a leading international EMR operator."

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. Over the past 12 months, Intrahealth generated more than \$9M in revenues with over 20% in EBITDA margin⁽²⁾. Approximately two-thirds of Intrahealth's revenue is generated in Canada and over 80% of Intrahealth's revenue is high margin recurring revenue.

Dr. Mark Matthews, CEO of Intrahealth commented, "We look forward to being a part of the larger WELL Health ecosystem, which enables us to leverage the management, capital allocation and shared services expertise of WELL while continuing to grow and serve our customers. WELL is aligned with our vision of global expansion and provides Intrahealth with additional products and services for our customers."

Intrahealth will 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 Pro product. The 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.

Transaction Details:

WELL paid a purchase price of approximately \$19,250,000 to complete the Transaction consisting of: (i) \$10,683,750 paid in cash on the closing date, subject to standard closing adjustments; (ii) \$3,850,000 paid in 477,667 WELL common shares issued on the closing date at the 5 day volume weighted average trading price prior to the announcement 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.

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

Footnotes:

1. **EMR** is an acronym for "Electronic Medical Records". **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.
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.

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 expectation of Intrahealth being immediately accretive to WELL; the expansion of the business into new markets and globally; the Transaction positioning WELL as a leading international EMR operator; 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; 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.

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