

WELL Health Continues US Expansion with Proposed Acquisition of Majority Stake in WISP, a Rapidly Growing National Telehealth Leader Specializing in Women's Health

- Silicon Valley based WISP is a leading national provider of telehealth and e-pharmacy solutions specializing in Women's Health, delivering solutions for female reproductive and sexual health ailments to patients across all 50 states in the US.
- WISP has served more than 200,000 patients to date.
- WISP's current annual revenue run-rate is approximately US\$30 million⁽¹⁾ and represents greater than 100% YoY organic growth. WISP has gross margins exceeding 65% and achieved positive EBITDA over the last few quarters.
- WELL's US\$41 million control investment in WISP is fully funded via a combination of US\$27.7 million in cash from treasury, US\$6.2 million in WELL shares (issued at a price of \$9.80/share) and includes a multi-year performance earnout up to a maximum of US\$7.4 million.

Vancouver, B.C. – September 2, 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 definitive stock purchase agreement dated September 1, 2021 (the "**Agreement**") with the shareholders of WISP, Inc. ("**WISP**"), a US technology leader and innovator in the delivery of quality telehealth and e-pharmacy experiences specializing in women's health to acquire a majority of the issued and outstanding shares of WISP (the "**Transaction**") for total a total transaction value of approximately US\$41 million, which includes a future conditional earn-out of up to approximately US\$7.4 million.

Hamed Shahbazi, Chairman and CEO of WELL commented, "Until recently, there has been a chronic under-supply of female focused healthcare services designed by female physicians, we know that the global women's health market is a \$30B+ industry growing at 6% annually. We are very pleased to report that this proposed transaction is expected to position WELL as an emerging provider of women's health services in the United States and that we plan to leverage the impactful success and know-how of the WISP operations in the US to launch similar services in other countries, starting with Canada. WISP's strong value proposition has filled a critical gap in women's health which represents a large and growing opportunity for WELL."

Matthew Swartz, founder and CEO of WISP commented, "WELL has a compelling history of growth, innovation and serving the underserved, and for this reason, we are thrilled to be joining the WELL family. Our patient centric online experience has provided care for hundreds of thousands of patients when they've needed support, and we look forward to continuing to rapidly scale our products and services to women and all humans, both in the United States and other countries starting in Canada."

Dr. Laura Purdy, M.D. and WISP Medical Director states, “WISP started off by providing discreet herpes care and has grown to offer a comprehensive range of treatments including contraception delivery and primary care consultations. WISP's core values of discretion, affordability, convenience, and immediacy has resonated with our customers. We are providing an appreciated service in a sex positive manner - sexual health is universal and nothing to be ashamed of.”

WISP Acquisition Highlights

With the proposed acquisition of WISP, WELL is building on its US telehealth presence, having previously entered the US market with the majority stake acquisition of Circle Medical. Combined with Circle Medical, WELL is approaching US\$45 million in its current US-based telehealth revenue run-rate⁽¹⁾.

Founded in 2018, WISP has created a national telehealth and e-pharmacy presence, serving all 50 of the US states. WISP has served 200,000 patients to date, and offers both telehealth medical consultations, as well as prescription and natural medications. By offering discrete, timely access to treatments for ailments such as yeast infections, UTI's, herpes, and other ailments related to sexual health, WISP has created a strong relationship with its customers, resulting in greater than 50% returning/subscription revenue, and NPS scores of 79. WISP has experienced strong, profitable revenue growth, with its current annualized run-rate of approximately US\$30 million⁽¹⁾, representing over 100% year-over-year organic revenue growth. WISP's rapidly growing digital revenue strengthens WELL's digital portfolio and organic growth profile.

The combination of growing demand for e-pharmacy and virtual care services offers robust market tailwinds that the WISP platform is poised to benefit from. For instance, WISP operates in the online pharmacy industry that according to IBISWorld is anticipated to showcase 16% CAGR and reach over \$60 billion on a global basis by 2025. Furthermore, telehealth services have seen a nearly 40x increase from pre-pandemic levels according to recent studies from McKinsey.

Transaction Details:

Under the terms of Agreement, the total consideration payable by WELL in connection with the Transaction is up to approximately US\$41 million, which will be paid as follows: (i) approximately US\$27.7 million in cash on the closing date; (ii) approximately US\$6.2 million through the issuance of common shares in the capital of the Company on the closing date at a deemed issue price per share of \$9.80 (**the “Issue Price”**); and (iii) a multi-year performance-based earn-out of up to approximately US\$7.4 million, which is determined based on the WISP business maintaining its revenue performance post-closing. The Issue Price represents a 26.9% premium to the volume weighted average trading price (“**VWAP**”) of the Company's common shares on the Toronto Stock Exchange (the “**TSX**”) for the fifteen trading days preceding the date of this announcement. If the VWAP of the Company's common shares for the fifteen trading days preceding the closing date of

the transaction is higher or lower than \$7.72, then the number of common shares issuable on the closing date will be adjusted in direct inverse proportion to the such difference in price. These consideration shares will be subject to certain volume based voluntary resale restrictions as provided in the Agreement.

It is expected that at the close of the Transaction, WELL will own approximately 53% of the issued and outstanding share capital of WISP on a fully diluted basis. The original securityholders of WISP, which includes the existing WISP senior management team, will mostly own the remaining balance of the shares of WISP and will continue to operate WISP on a post-closing basis. Pursuant to the terms of the Transaction, WELL shall have the right to acquire the remaining shares of WISP it does not already own as part of the Transaction pursuant to a call option.

Closing of the Transaction is expected to be completed in early Q4-2021 and is subject to a number of customary and other conditions, including receipt of requisite regulatory and exchange approvals.

D.A. Davidson is serving as WISP's exclusive financial advisor and Goodwin Proctor LLP is acting as legal counsel to WISP. Dentons Canada LLP and Dentons US LLP are acting as legal counsel to WELL.

Footnotes:

(1) Revenue run-rate refers to the annualized result of the last month's revenue performance.

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 primary and executive healthcare clinics in both Canada and the US, operates a global digital Electronic Medical Records (EMR) business serving thousands of healthcare clinics and health systems of all sizes and operates a multi-national portfolio of telehealth services which includes one of the largest telehealth service providers in Canada. WELL is also a provider of digital health, billing and cybersecurity related technology solutions. WELL's wholly owned subsidiary CRH Medical provides various products and services that have supported thousands of Gastroenterology physicians in the US. 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 Canadian telehealth service, visit: tiahealth.com, and for corporate information, visit: www.well.company.

About WISP

Founded in 2018, WISP offers budget-friendly telehealth access for primary care, prescription medication and natural remedies to all humans regardless of health insurance. WISP specializes in female focused online reproduction and sexual health treatment. WISP offers an easier, more accessible, and more satisfying sexual healthcare experience to its customers. WISP began by offering discreet sexual health treatment and has grown to offer a comprehensive menu of online products and services, including prescription treatment, OTC prevention, primary care consultations, contraception delivery, and more, visit: www.hellowisp.com.

Notice Regarding Forward-Looking Statements:

Certain statements in this news release related to the Company are forward-looking statements and are prospective in nature including the statements regarding the completion and timing of the proposed acquisition, growth of the global women's health market and online pharmacy industry and the Company's expansion plans and the expected impact and benefits of the acquisition on the Company. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. These statements generally can be identified by the use of forward-looking words such as "may", "should", "could", "would", "intend", "estimate", "plan", "anticipate", "expect", "believe" or the negative thereof or similar variations. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking statements, including: risks that the conditions to completion of the acquisition will not be satisfied as contemplated or at all; business disruption risks relating to COVID-19; regulatory risks, including those related to healthcare, privacy and data security; integration risks relating to the acquired business on a post-closing basis; and other risks outlined in the Company's publicly filed documents available on SEDAR. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking statements are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this notice. Except as required by law, the Company does not intend to update these forward-looking statements.

For further information:

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

Media inquiries:

Lauren Arnold
Talkshop Media
lauren@talkshopmedia.com
647-869-1438