

WELL Health Completes Majority Stake Acquisition of WISP, a Rapidly Growing Digital Health Leader Specializing in Women's Health

- Silicon Valley based WISP, Inc. ("**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.
- WELL's US\$41.3 million control investment in WISP was fully funded via a combination of US\$27.7 million in cash from treasury, US\$6.2 million in WELL common shares (issued at a price of \$9.80/common share) and includes a multi-year performance earn-out up to a maximum of US\$7.4 million.
- WISP's current annual revenue run-rate is approximately US\$30 million 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 cash investment and shared services support is anticipated to help the company significantly scale its growth over the coming quarters.

Vancouver, B.C. – October 1, 2021 - WELL Health Technologies Corp. (TSX: WELL) ("**WELL**" or the "**Company**"), a company focused on empowering healthcare practitioners and their patients with best in class tech enabled healthcare services, is pleased to announce that it has completed the previously announced acquisition of a majority interest in WISP, a US technology leader and innovator in the delivery of quality virtual care and e-pharmacy experiences specializing in women's health, for a total transaction value of approximately US\$41.3 million, which includes a future conditional earn-out of up to approximately US\$7.4 million (the "**Transaction**").

Hamed Shahbazi, CEO and Founder of WELL commented, "Serving the rapidly growing women's health market with the inclusive, dignified, accessible, high quality and patient centric level of care WISP provides, is directly in line with WELL's purpose and we are very pleased to complete this transaction and work with management to help drive the next level of growth."

Matthew Swartz, CEO and Founder of WISP commented, "WELL has a compelling history of growth, innovation and serving the underserved, and we're thrilled to be joining their family. We are humbled to be able to provide care to so many patients when they've needed support, and we're excited to continue serving women and all humans, both in the US and internationally, as we grow."

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 Transaction, the total consideration paid by WELL in connection with the Transaction equaled approximately US\$41.3 million and consisted of the following: (i) approximately US\$27.7 million was paid in cash on the closing date, subject to customary post closing adjustments and holdbacks; (ii) approximately US\$6.2 million through the issuance of common shares in the capital of the Company (the "**Consideration Shares**") on the closing date at a deemed issue price per share of \$9.80; 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 aggregate number of Consideration Shares issued at closing were subject to an adjustment that was inversely proportional to the difference in the fifteen trading day volume weighted average trading price ("**VWAP**") of the Company's common shares on the Toronto Stock Exchange (the "**TSX**") immediately prior to the closing date from the fifteen trading day VWAP immediately preceding the date of announcement of the Transaction (the "**Adjustment**"). This Adjustment resulted in WELL issuing an aggregate of 830,797 common shares on the closing date, which are subject to certain volume based voluntary resale restrictions as provided under the terms of the Transaction.

Effective as of the closing of the Transaction, WELL's equity ownership in WISP equaled approximately 53% on a fully diluted basis. The original securityholders of WISP, which included the existing WISP senior management team, 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 acquired a call option to acquire the remaining shares of WISP it does not already own as part of the Transaction.

D.A. Davidson served as WISP's exclusive financial advisor and Goodwin Procter LLP acted as legal counsel to WISP. Dentons Canada LLP and Dentons US LLP acted as legal counsel to WELL.

Footnotes:

(1) Revenue run-rate based on August 2021 revenue annualized, according to previous announcement on September 2, 2021.

WELL HEALTH TECHNOLOGIES CORP.

Per: "Hamed Shahbazi"

Hamed Shahbazi

Chief Executive Officer, Chairman and Director

About WELL Health Technologies Corp.

WELL is a technology enabled healthcare company whose overarching objective is to positively impact health outcomes to empower and support healthcare practitioners and their patients. WELL has built an innovative practitioner enablement platform that includes comprehensive end to end practice management tools inclusive of virtual care and digital patient engagement capabilities as well as Electronic Medical Records (EMR), Revenue Cycle Management (RCM) and data protection services. WELL uses this platform to power healthcare practitioners both inside and outside of WELL's own omni-channel patient services offerings. As such, WELL owns and operates Canada's largest network of outpatient medical clinics serving primary and specialized healthcare services and is the provider of a leading multi-national, multi-disciplinary telehealth offering. WELL is publicly traded on the Toronto Stock Exchange under the symbol "**WELL**" and is part of the TSX Composite Index. To learn more about the Company, please 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. 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", "intend", "estimate", "plan", "anticipate", "expect", "believe" or "continue", or the negative thereof or similar variations. Forward looking statements in this news release include statements regarding the expectation that WISP is

and will continue to be accretive to WELL; that WISP will continue to be a strong commercial business; that WISP has continued prospects for growth and that WISP will be able to continue servicing the same number of clients going forward. There are numerous risks and uncertainties that could cause actual results and WELL's plans and objectives to differ materially from those expressed in the forward-looking information, including: (i) adverse market conditions; (ii) risks inherent in the primary healthcare sector in general and other factors beyond the control of the Company. Actual results and future events could differ materially from those anticipated in such information. These and all subsequent written and oral forward-looking information 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