



**WELL Health**  
TECHNOLOGIES CORP

# Q2 2024 Earnings Presentation

August 14, 2024



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# WELL Q2 2024 Financial Highlights

**Q2 Revenue -  
\$243.1M, +42% Y/Y**

**Q2 Adj. EBITDA<sup>1</sup> of  
\$30.9M, +11% Y/Y**

**Increased guidance for  
FY2024 Revenue  
to \$970-990M.  
Adj. EBITDA and FCFA2S  
Guidance Reaffirmed**

**Q2 Organic Revenue  
Growth of 21%**

**Net Debt to Shareholder  
EBITDA decreased to  
2.67x in Q2  
vs 2.75x in Q1**

**Paid down \$13.9m of  
debt facilities in Q2**



# WELL Q2 2024 Operational Highlights

**Over 37,000 unique  
Providers supported by  
WELL's Technology**

**Over 3,900 Providers in  
WELL's Clinic Network**

**1.4M patient visits,  
+38% YoY  
2.1M patient  
interactions, +48% Y/Y**

**Organic growth at CAN  
clinics was 25.5% Y/Y inc  
Absorptions**

**Same Clinic Organic  
Growth rate at CAN  
Clinics = 11.4% Y/Y (ex-  
Absorptions)**

**CAN patient visits grew  
by 41% Y/Y  
US patient visits grew by  
34% Y/Y**

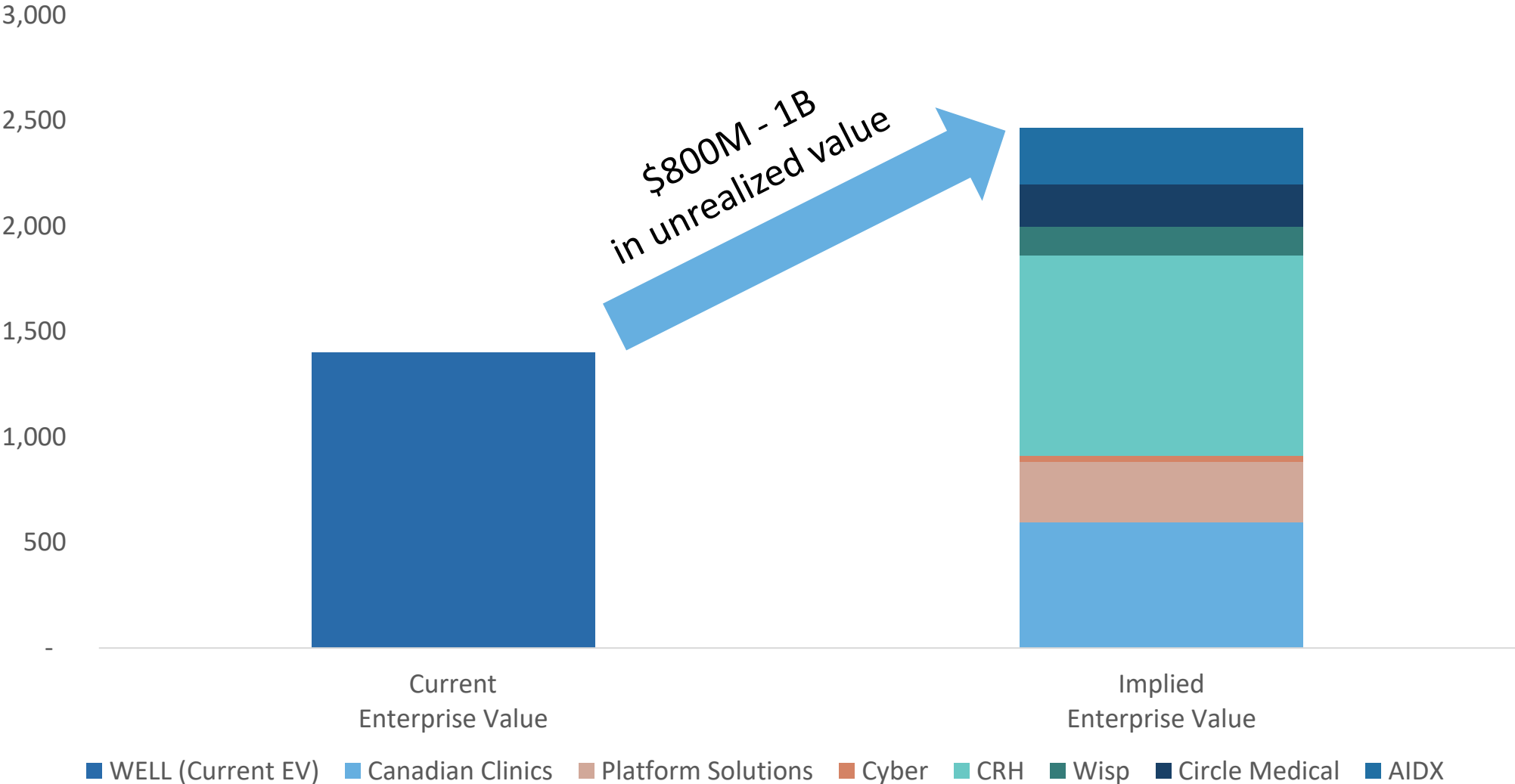
# Q2 2024 Earnings Presentation Themes

We will be presenting key updates as it relates to the following themes:

1. Our Various Strategies to unlock sum of the parts value
2. Our plans to spin out our SaaS and Services "Provider Solutions" line of business as a controlled public company
3. Our efforts to improve per share metrics, by reducing dilution and stock-based compensation, improving profitability and shareholder value
4. Important commentary about our Clinic Consolidation Program and Progress thereto

# Seeking to Unlock Value from Sum-of-Parts

(C\$ in millions)



# Strategic Spinout of WELL's Provider Solutions (WPS)

## Canada's Premiere Provider of Physician Software

### Financial Profile

- In Q2, excluding cybersecurity WPS generated \$10.4M in revenues at 86% Gross Margins and 30% EBITDA margins with organic growth of 24% YoY*

### Recurring Revenues

- Over 90% of WPS's revenues are contractual and recurring in nature resulting in predictable high margin cash flows for the long-term*

### One-Stop Solution

- 1/3 of all doctors in Canada purchase products/services from WPS across our EMR, Apps and Billing Solutions*

### Industry Tailwinds

- Physician burnout and increasing adoption of technology serve as long-term tailwinds for WPS to continue to capture market share via new and existing product offerings*



**37,000+**

Practitioners



**4,000+**

Clinics



**55**

Digital Apps



**25M+**

Annual Patient  
Engagements








**WELL Health**  
TECHNOLOGIES CORP



# Market Leadership in Software to Support Care Providers

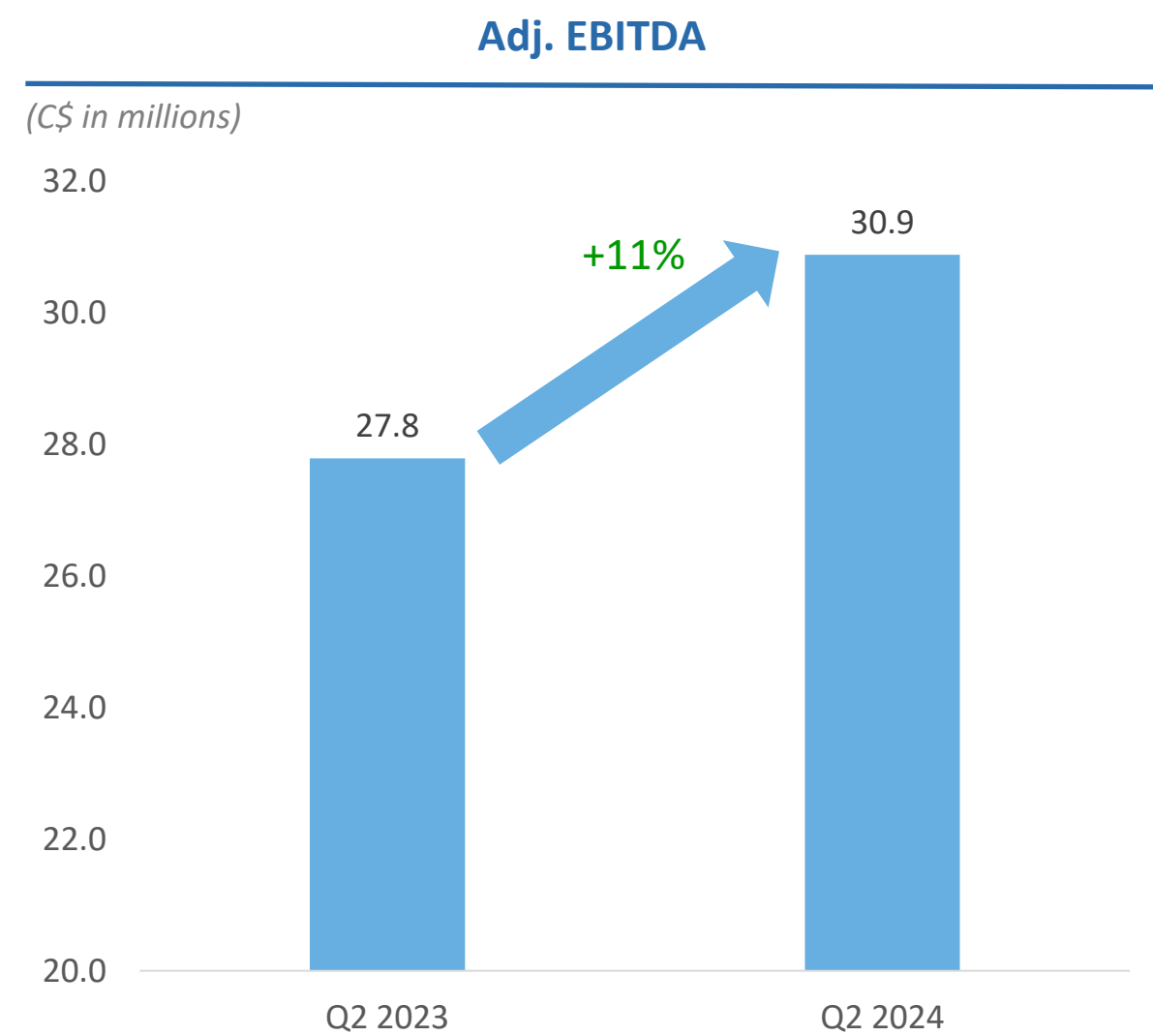
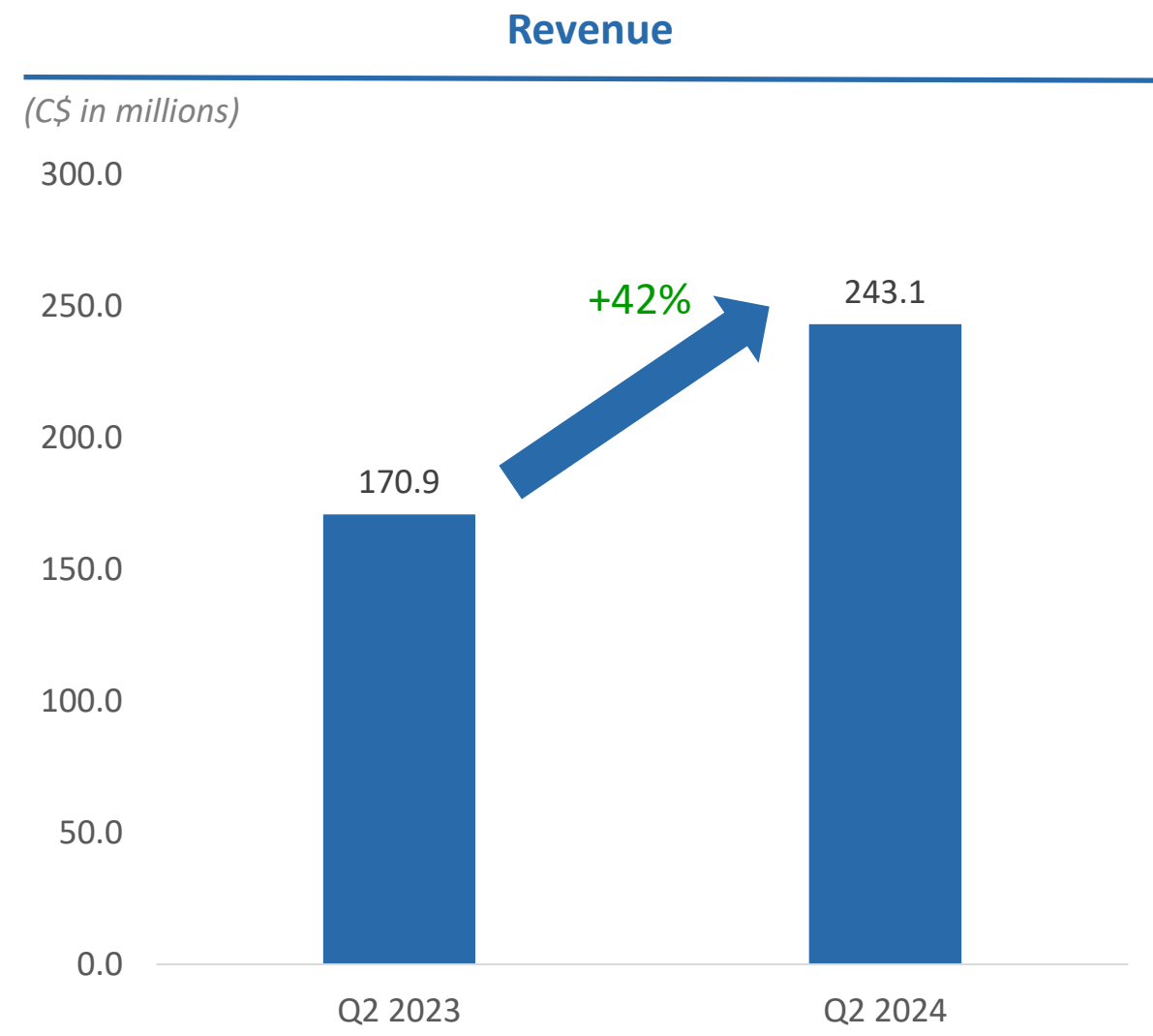
WPS is the de facto market share leader for tech enabling clinicians in Canada

WELLSTAR Platform	Category	Position	YOY Org Growth	Reach
	WELL EMR GROUP			
	 EMR	# 3	~10%	<ul style="list-style-type: none"><li>SaaS-based EMR services to over 3,200 clinics supporting 13,000 physicians</li><li>#1 Cardiology-based EMR in Canada</li></ul>
	WELL HEALTH DIGITAL APPS			
	 Digital Apps & AI Tooling	# 1	~50%	<ul style="list-style-type: none"><li>Leading AI solutions, #1 digital app ecosystem</li></ul>
	 Patient Engagement & eReferral	# 1	~50%	<ul style="list-style-type: none"><li>#1 in eReferrals across 4 provinces with 41k+ users<sup>1</sup> and 1.4M+ eReferrals<sup>2</sup></li><li>#1 in patient engagement / online booking with 25M+ engagements<sup>2</sup></li></ul>
	 Telehealth	# 1	~10%	<ul style="list-style-type: none"><li>Leading Canadian telehealth marketplace platform</li></ul>
	WELL BILLING & RCM			
	 Billing & RCM	# 1	~10%	<ul style="list-style-type: none"><li>Largest billing provider to physicians in Canada with \$700M+ annual claims supported, 10,000+ Doctors and 1500+ clinics</li></ul>

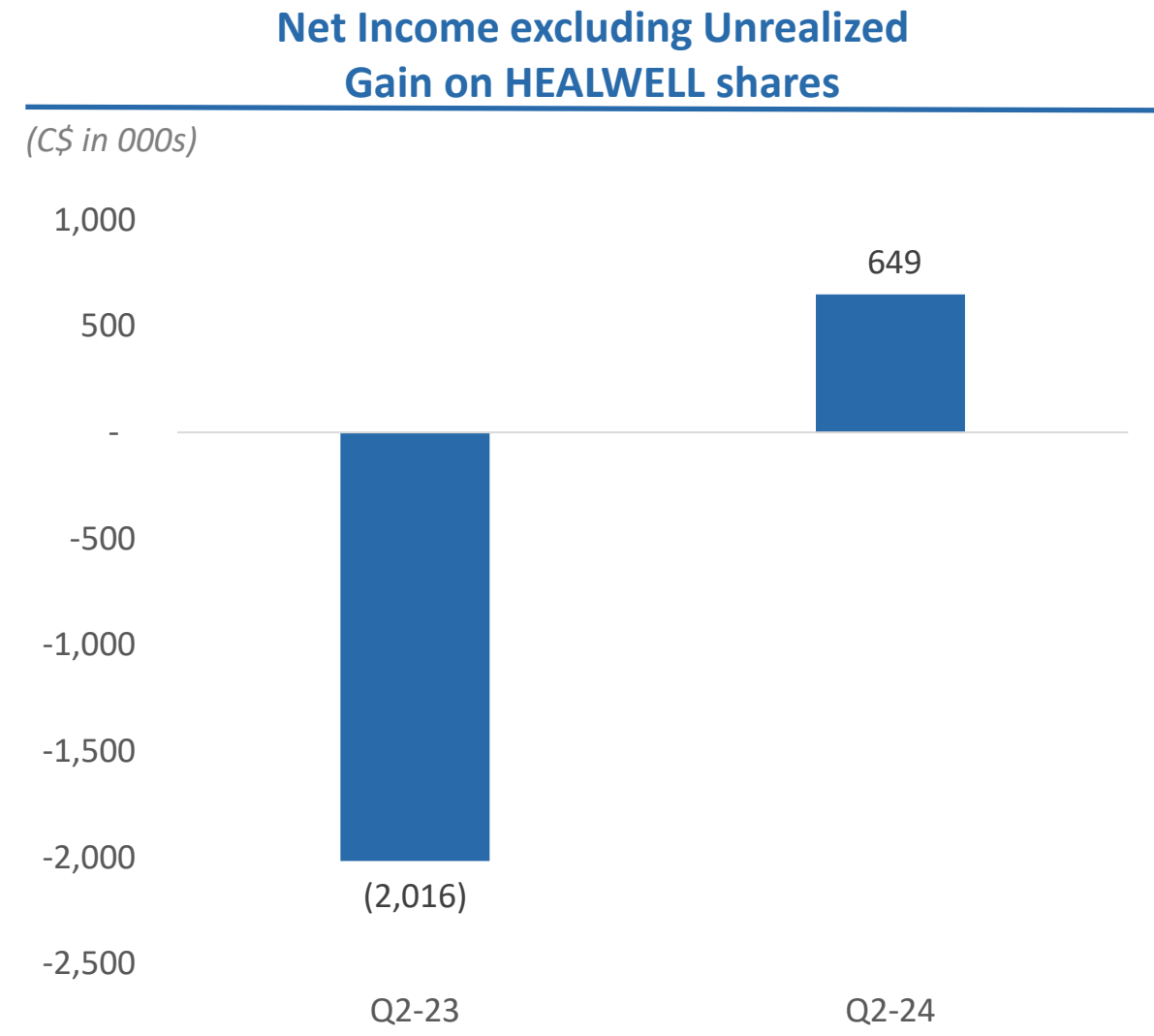
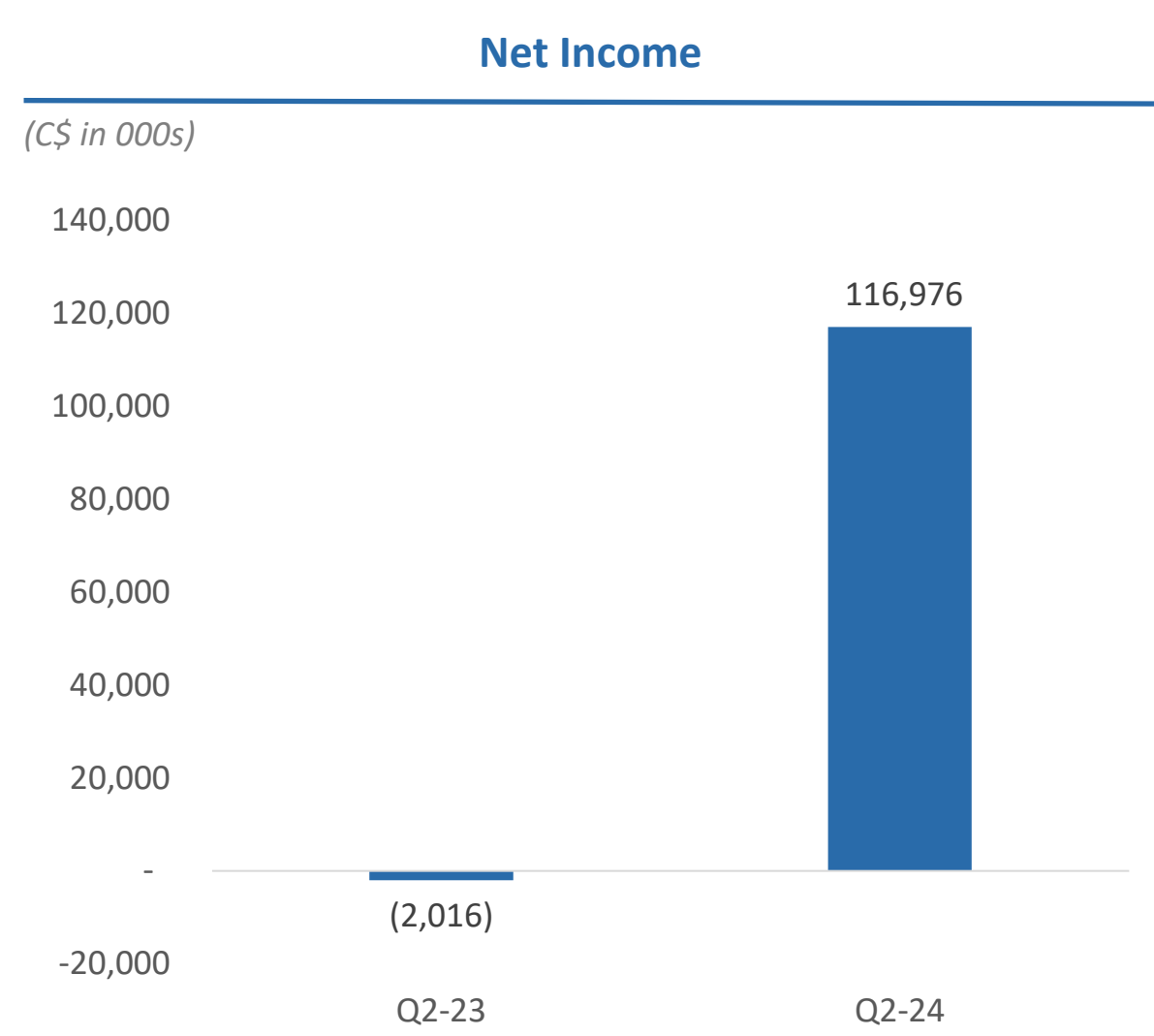
1) Users include non-physician clinicians  
2) eReferral and engagement figures represent annualized data based on Q2-24 counts.



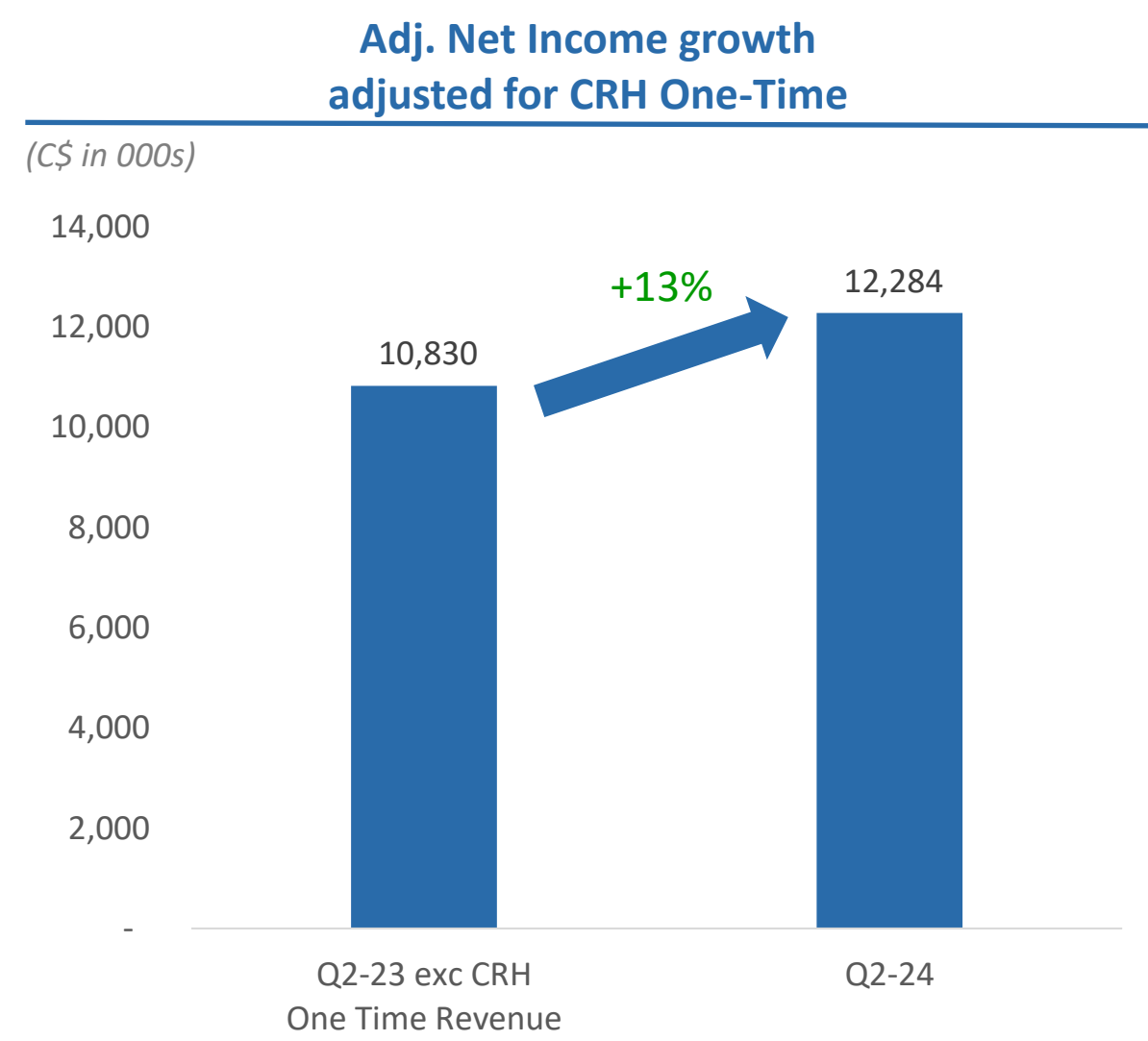
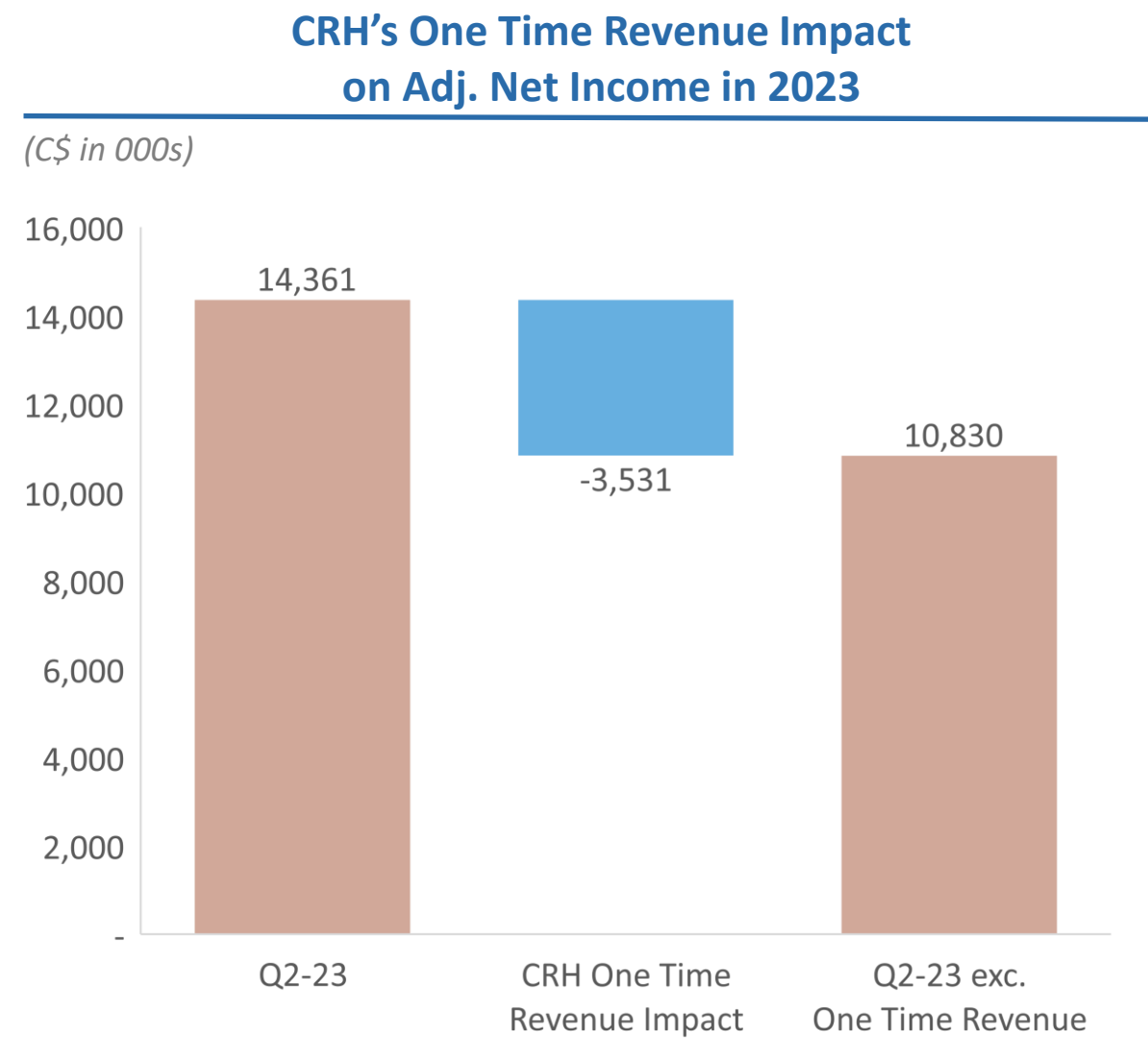
# Q2 2024 Financial Highlights – Revenue and Adjusted EBITDA



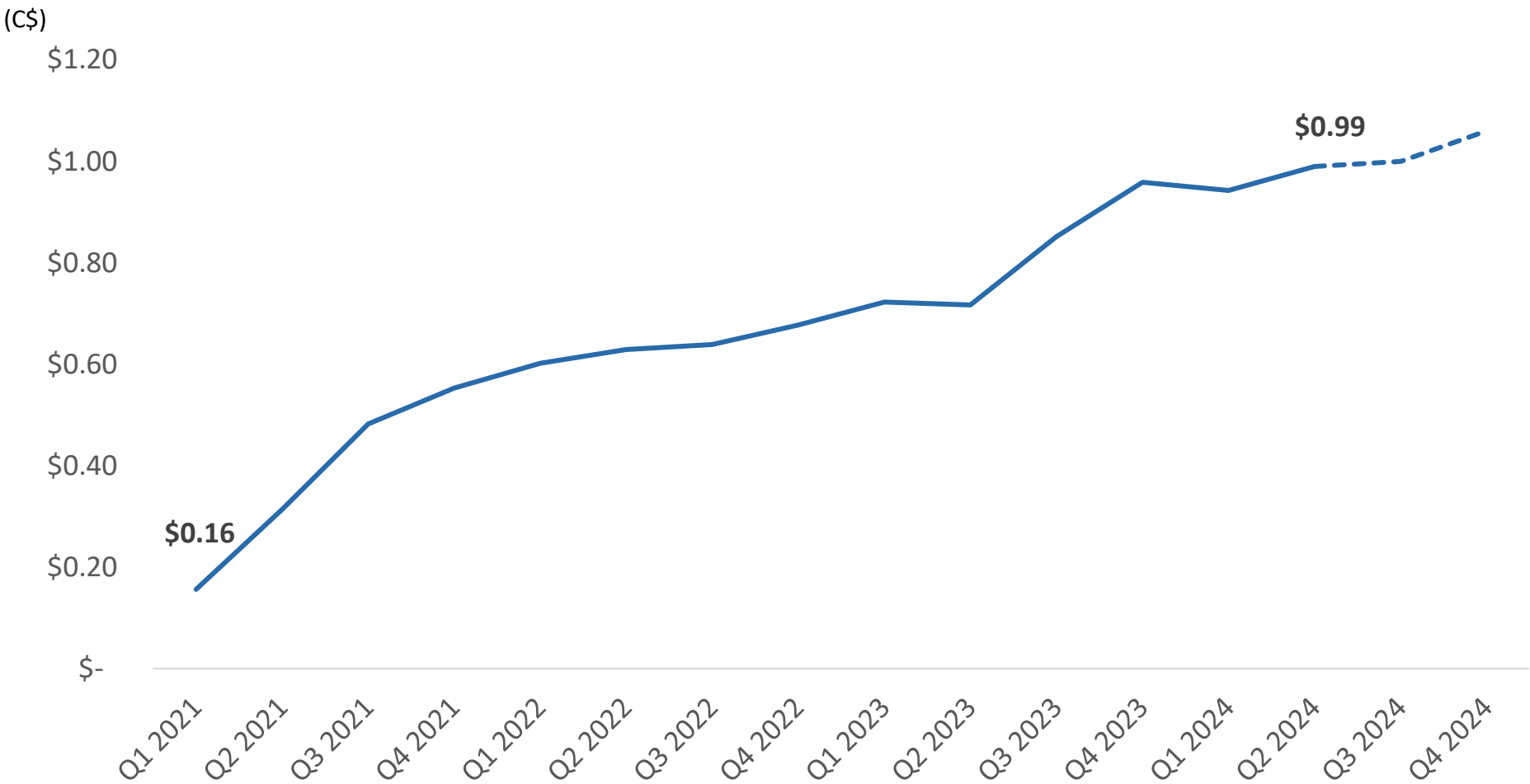
# Q2 2024 Financial Highlights – Net Income



# Q2 2024 Financial Highlights – Adjusted Net Income

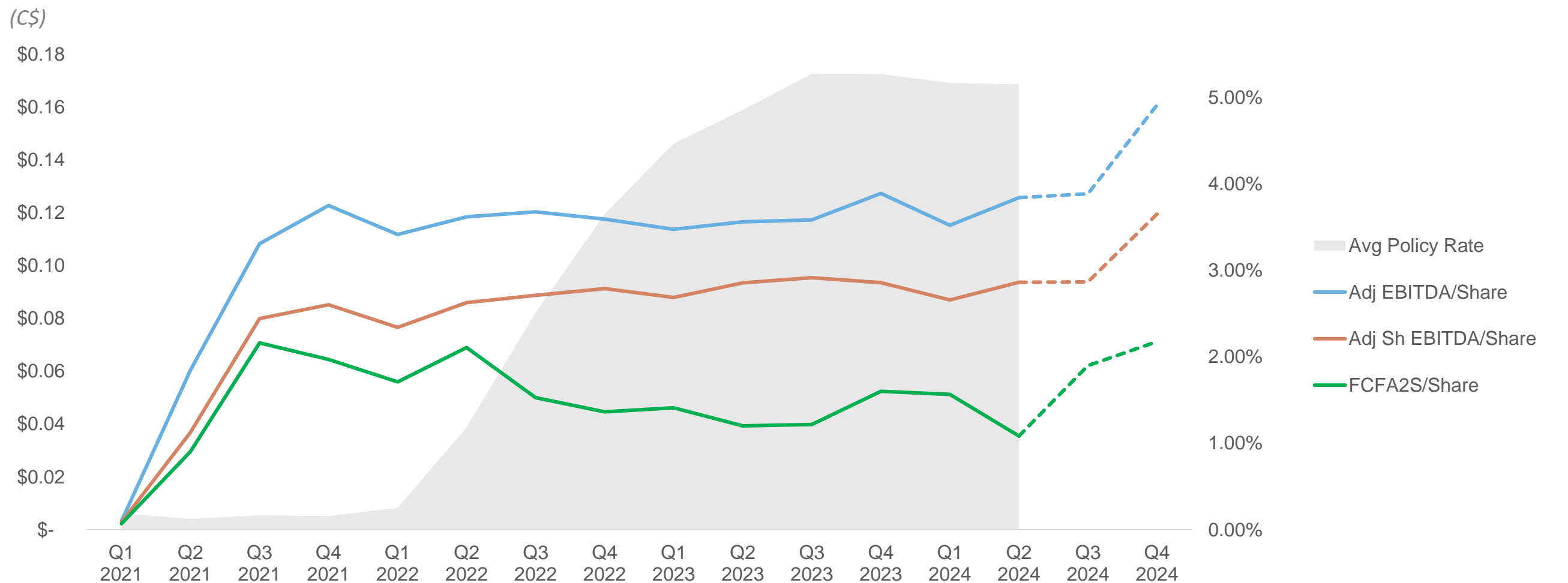


# Revenue Per Share



1) 2024 guidance from the press release dated Aug 14, 2024.

# Adjusted EBITDA and FCFA2S Per Share

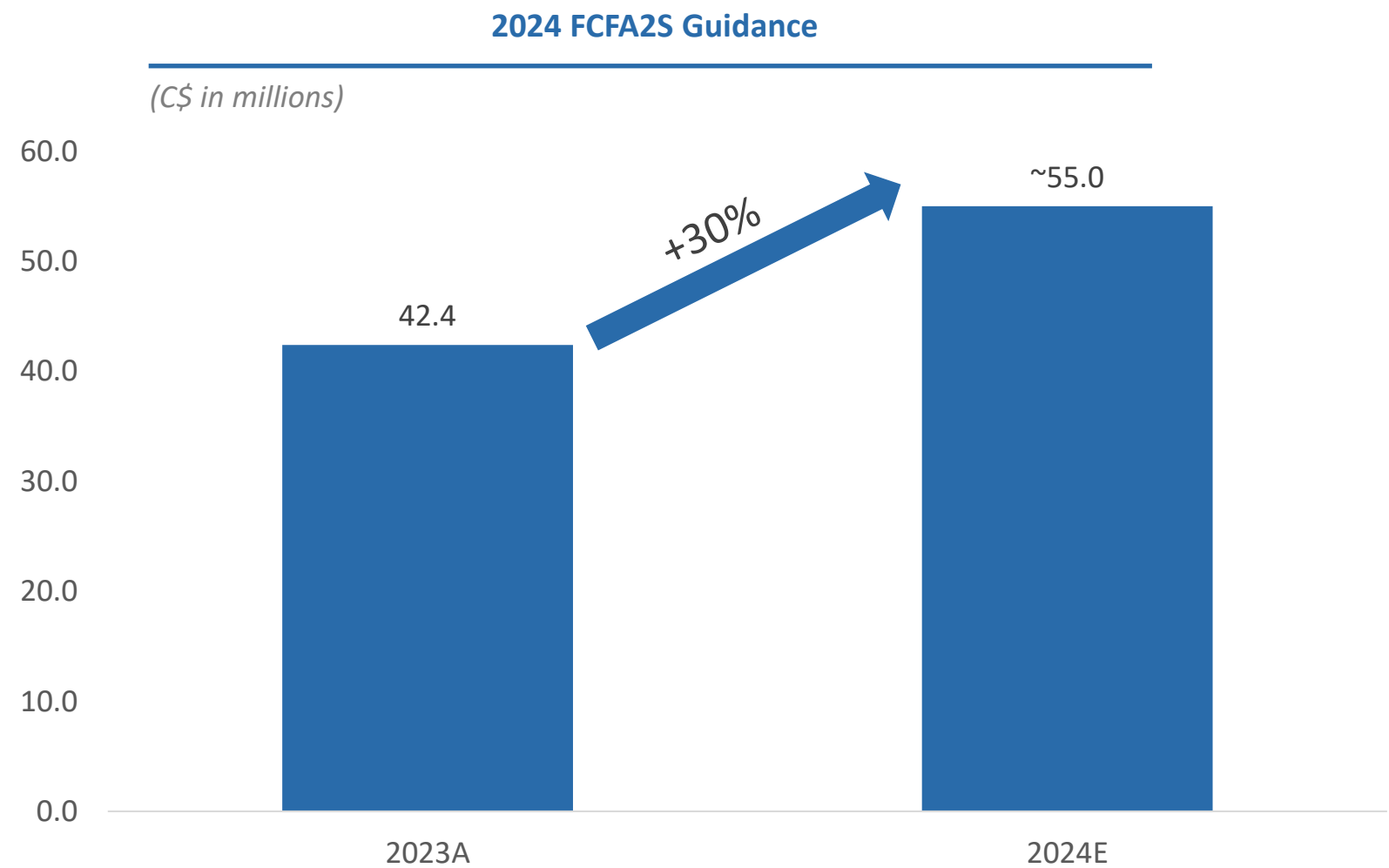


1) Adj EBITDA, Adj. Shareholder EBITDA and FCFA2S quarterly estimates in the graph are approximate quarterly values derived from WELL's stated annual guidance. These estimates should not be used as official projections or replace WELL's stated guidance.

2) The Average Policy Rate is calculated as the weighted average of the average Bank of Canada's policy rate and the U.S. Federal Reserve's Federal Funds Rate for each quarter, with the weighting based on the proportion of WELL's drawn down balances from its US and Canadian credit facilities.

# Free Cashflow Available to Shareholders

WELL reiterates guidance of ~C\$55 million in FCFA2S<sup>1</sup> in 2024.

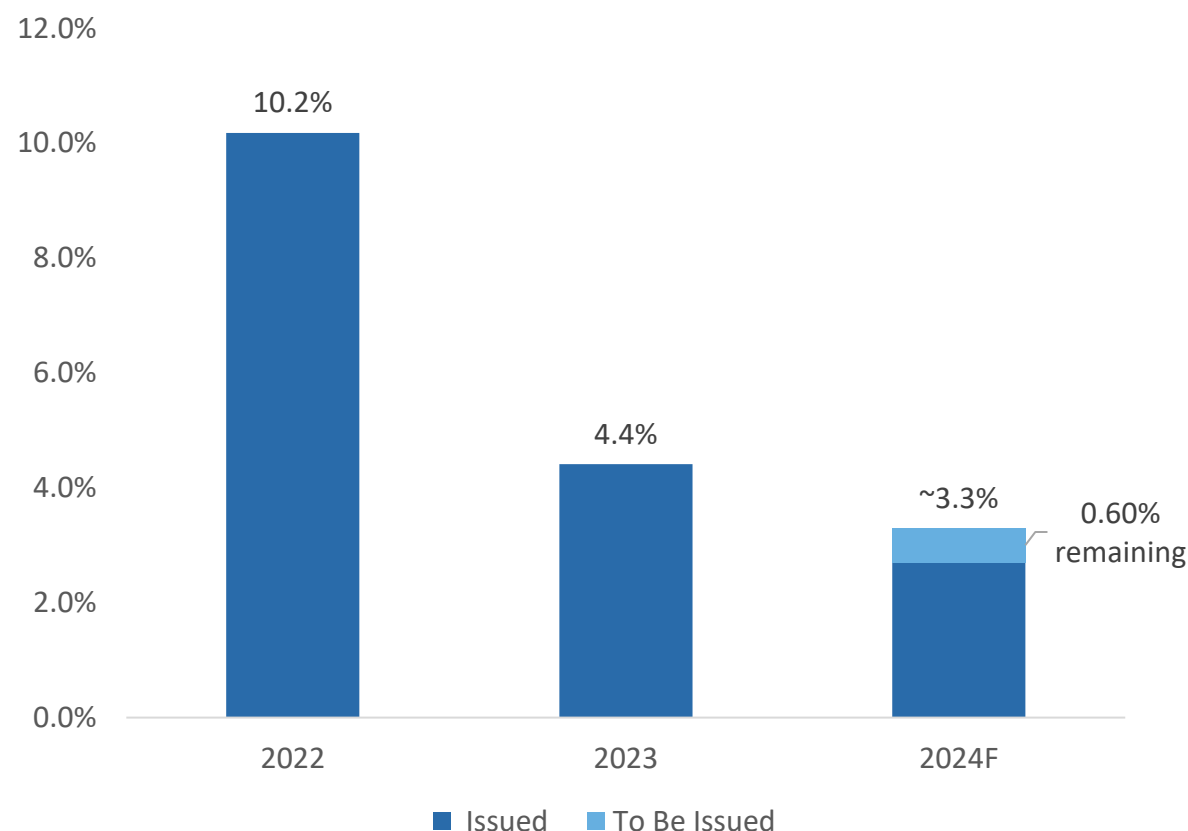


1) FCFA2S is defined as Adjusted EBITDA available to Shareholders less cash tax, cash interest and cash capex.



# WELL's Focus on Reducing Share Dilution

WELL Share Dilution

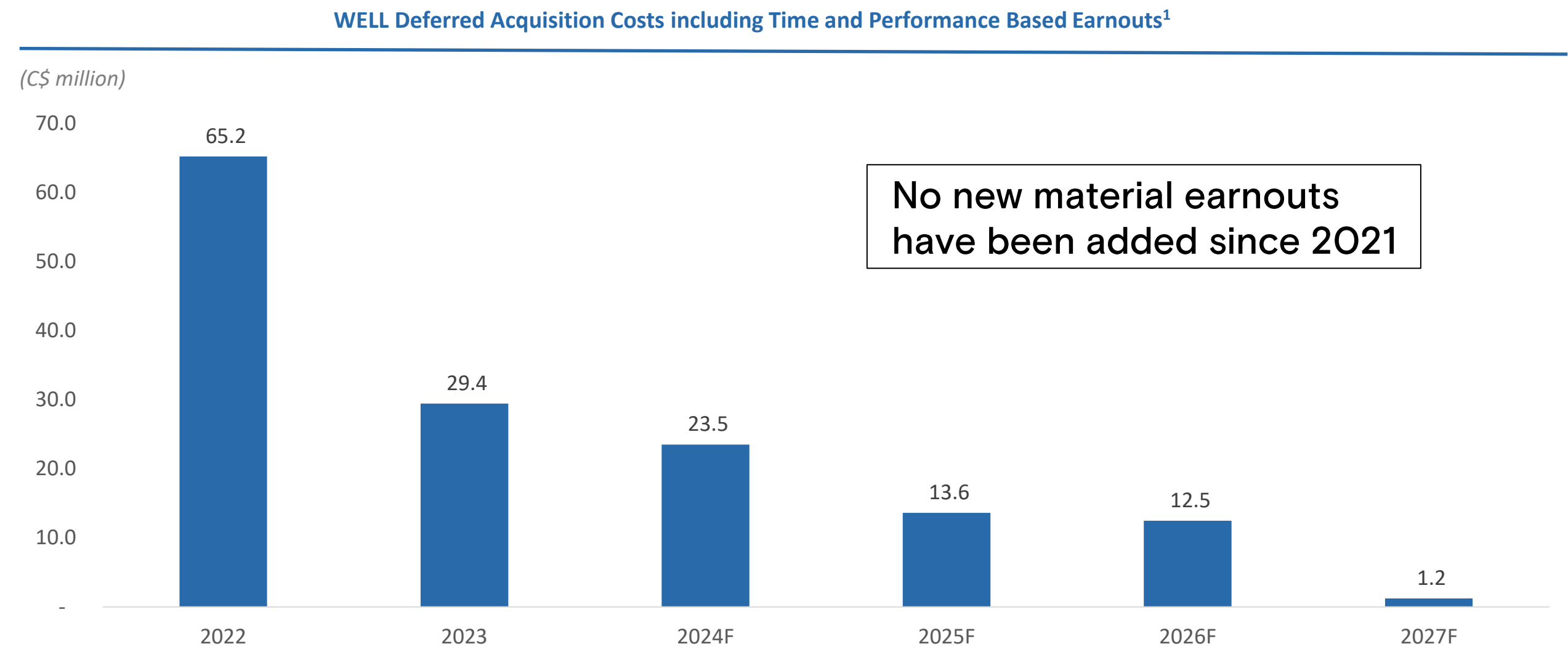


Key Drivers of Future Share Dilution

- **2024 Dilution:** 2.7% of the ~3.3% dilution expected in 2024 has already been realized in H1 2024.
- **Earnouts Rolling Off:** The earnouts from older acquisitions are rolling off and will not be a source of dilution going forward.
- **Smaller Recent Acquisitions:** More recent acquisitions have been far smaller, resulting in less dilution.
- **Reduction in Share-based Incentives:** Share-based compensation will be reduced, with a shift towards cash compensation and an Employee Stock Purchase Plan (ESPP).

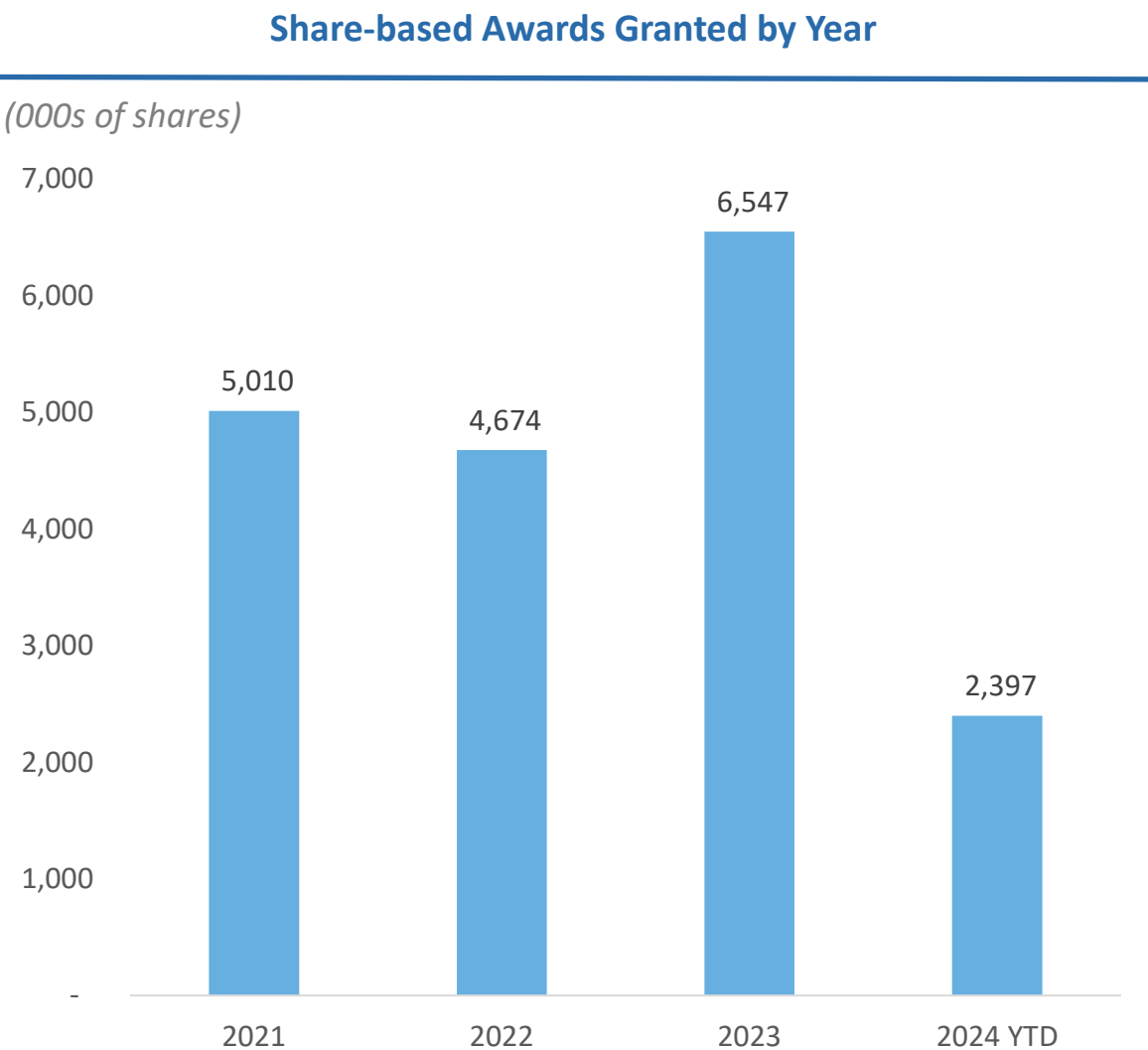


# Earnout Payments are Decreasing



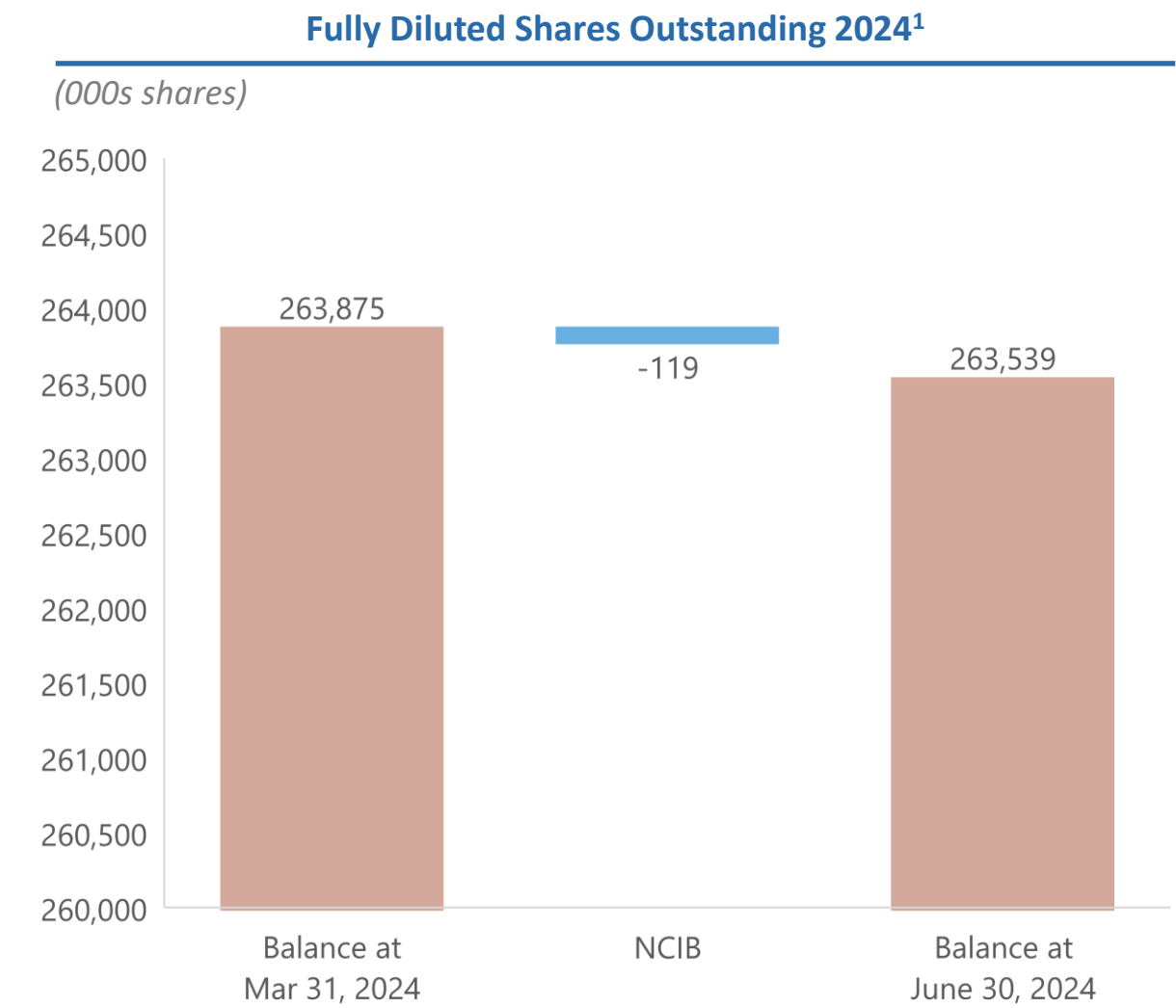
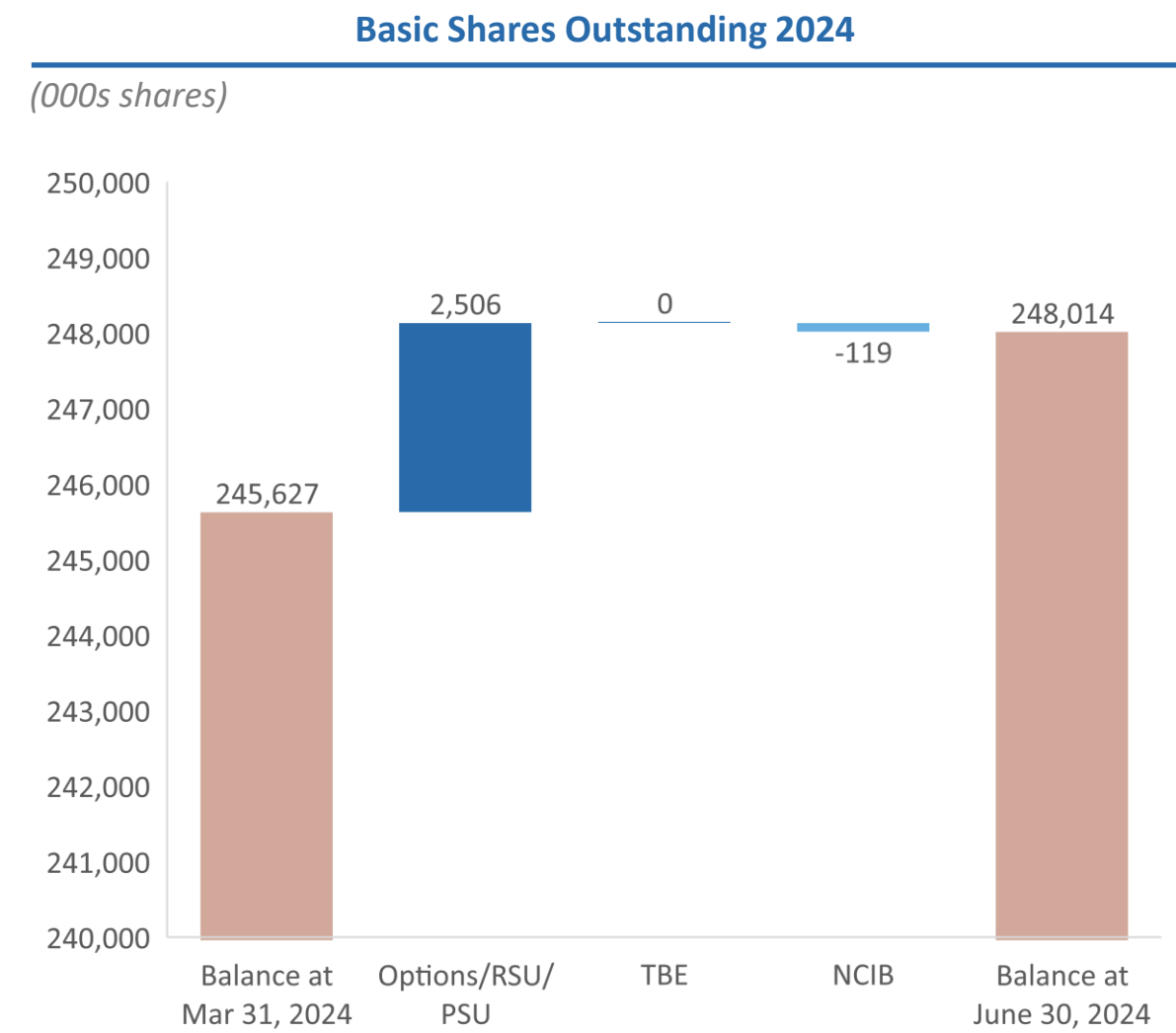
1) Figures do not include any unannounced M&A

# Performance Pay Moving Increasingly from Shares to Cash



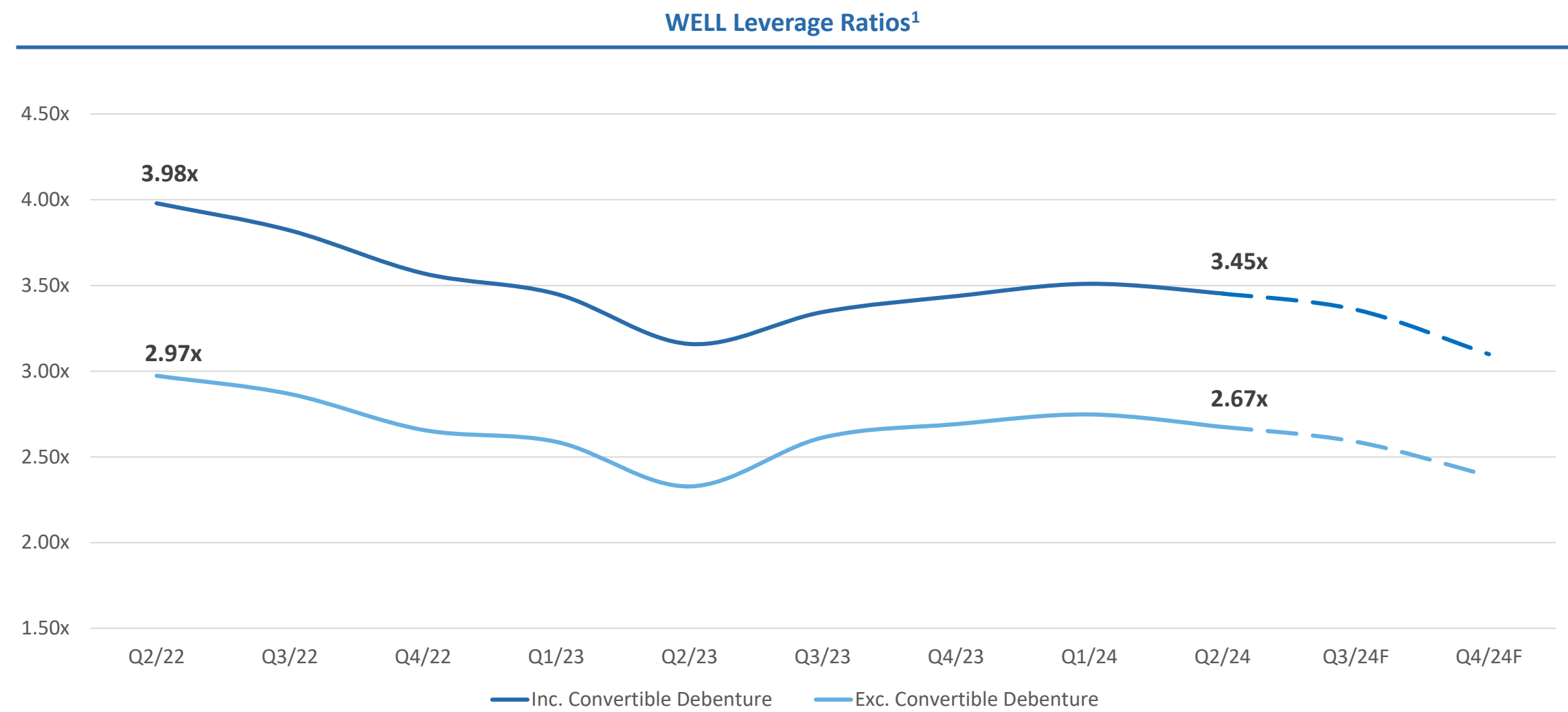
- Comments
- **Significant Decrease from 2023 to 2024:** The number of share-based awards granted has significantly decreased from 6,547 in 2023 to 2,397 in 2024 year-to-date (YTD), reflecting a reduction of approximately 63%.
  - **No Share-Based Awards Granted in Q2-24**
  - **Majority of Share-Based Awards Granted in Q1:** Most awards are typically granted in Q1 of each year, setting the pace for the total annual issuance.

# Our Focus on Share Dilution Reduction is Working



1) The remaining difference between Mar 31, 2024 and June 30, 2024 is due to equity grants forfeited throughout the quarter.

# Net Debt to Shareholder EBITDA Ratio is Improving



1) Leverage ratio is defined as net debt divided by TTM Adj. EBITDA attributable to WELL Shareholders

# Updates on Different Lines of Business



# HEALWELL AI Progress

- **AI-enabled clinical decision support** is the future of healthcare.
- HEALWELL provides leading AI tools and software to healthcare providers, with the **ability to screen and detect hundreds of rare, complex and chronic diseases** .
- **Established Commercial clients**. Inclusive of 6 of the top 10 big pharma companies.
- **Robust M&A strategy and pipeline**; announced four since debut including: Pentavere Research Group, Intrahealth Systems, VeroSource Solutions, BioPharma Services. Increasing scale through M&A with a growing pipeline of opportunity.
- Experienced team in healthcare, technology, M&A, and capital markets, with a **proven track record** of success and execution.

Headquarters:	Toronto, ON
Number of Employees:	390+
Revenue (Est. Run-Rate):	\$65M+
Cash (as of June 30):	\$14.5M
# of Connected Providers:	19,000+
# of Pharma Clients*	250+

\*Reflects estimated number of pharmaceutical and life science companies since inception that have transacted with HEALWELL and its subsidiaries (inclusive of BioPharma and VeroSource)

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