



**WELL HEALTH TECHNOLOGIES CORP.
INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED MARCH 31, 2022**

BACKGROUND

This Interim Management's Discussion and Analysis ("**Interim MD&A**") for WELL Health Technologies Corp. (TSX: WELL) should be read in conjunction with the Company's condensed interim consolidated financial statements as at and for the three months ended March 31, 2022, and the Company's audited annual consolidated financial statements as at and for the years ended December 31, 2021 and 2020. Except as otherwise indicated or where the context so requires, references to "WELL" or the "Company" include WELL Health Technologies Corp. and its subsidiaries. The Company prepares its interim financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. See notes 2 and 3 of the March 31, 2022 condensed interim consolidated financial statements and the December 31, 2021 audited annual consolidated financial statements for further information. **All dollar figures stated herein are expressed in thousands of Canadian dollars (\$'000 or Cdn\$'000), unless otherwise specified, except share and per share amounts. Certain 2020 and 2021 figures have been restated, please refer to note 19 of the March 31, 2022 condensed interim consolidated financial statements for details.**

This Interim MD&A contains non-GAAP financial measures and ratios, including Adjusted EBITDA, Adjusted Gross Profit, Adjusted Gross Margin, Adjusted Net Income, and Adjusted Net Income Per Share. See "Overall Performance – Selected Financial Information" for more information.

The date of this Interim MD&A is May 11, 2022, the date on which it was approved by the Board of Directors.

Additional information relevant to the Company's activities, including the Company's Annual Information Form ("**AIF**"), can be found on SEDAR at www.sedar.com.

This Interim MD&A contains forward-looking information. See "Forward-Looking Information" for further information.

The Company was incorporated under the Business Corporations Act (British Columbia) on November 23, 2010. The Company's headquarters are located at Suite 550 - 375 Water Street, Vancouver, BC, V6B 5C6. WELL's healthcare clinics in Canada are located within the provinces of British Columbia, Ontario and Quebec while its healthcare clinics in the U.S. are located in the state of California.

COMPANY OVERVIEW

WELL is a practitioner-focused digital healthcare company. WELL's overarching mission is to positively impact health outcomes by leveraging technology to empower healthcare practitioners and their patients globally. WELL exists to enable healthcare practitioners with best-in-class technology and services.

The Company has built a comprehensive practitioner enablement platform which includes technology enabled solutions and services for medical clinics and healthcare practitioners including: Electronic Medical Records (“**EMR**”), telehealth platforms, practice management, billing, Revenue Cycle Management (“**RCM**”), digital health apps and data protection solutions. WELL’s practitioner enablement platform enabled the Company to become a comprehensive end-to-end healthcare system across Canada. Meanwhile, in the United States, WELL provides omni-channel healthcare services and solutions targeting specialized markets (such as gastrointestinal market, women’s health, primary care and mental disorders).

WELL provides practitioners the choice to either join WELL’s network or purchase technology solutions from WELL. There are over 2,100 practitioners who are part of WELL’s “Fully Managed” service model in which the practitioner practices at one of WELL’s owned and operated clinics and gets access to the full suite of WELL’s products and services. In this scenario, the Company manages all aspects of the clinic operations and receives a portion of the practitioner’s medical billings under a revenue share contractual arrangement. In addition, there are over 21,000 practitioners who purchase technology solutions while practicing at non-WELL owned clinics. The physicians pick and choose “a-la carte” solutions offered on WELL’s practitioner enablement platform.

WELL is an acquisitive company that follows a disciplined and accretive capital allocation strategy. The Company’s mergers and acquisitions (“**M&A**”) strategy is based on acquiring additional clinical and digital assets that are highly accretive and synergistic to WELL. The Company generally seeks to acquire cash generating companies which lead to increased cash flows that are then re-invested to make additional new cash generating acquisitions. WELL operates under a shared services model which results in obtaining cost efficiencies, technology improvements and synergies across the acquisitions and the various business units where possible. The Company is focused on the implementation of digital technology solutions in its own clinic network and then selling solutions to other practitioners and medical clinics worldwide.

WELL unlocks value from its platform via two revenue streams: (i) an omni-channel patient services offerings powered by its own practitioners; and (ii) a virtual services offering that includes Software-as-a-Service (SaaS) technology and other offerings.

Omni-channel Patient Services

The Company’s end-to-end omni-channel patient services platform includes primary care, allied care, specialized care, diagnostics, and telehealth offerings. The Company’s omni-channel patient services revenue is derived from four key business units: (i) WELL Health Clinic Network Inc. (“**WELL Clinic Network**”); (ii) WELL Health Allied Care Inc. (“**WELL Allied**”); (iii) CRH Medical Corporation (“**CRH**”); and (iv) MyHealth Partners Inc. (“**MyHealth**”).

WELL Clinic Network acts as a consolidation point for the Company’s primary care clinics. As of March 31, 2022, the Company had 30 total primary care and executive care clinics including: (i) 19 wholly-owned clinics and one majority-owned clinic in the province of British Columbia; (ii) five wholly-owned clinics in the province of Quebec through ExcelleMD Inc. (“**ExcelleMD**”); (iii) three clinics in the province of Ontario consisting of one clinic under ExecHealth Inc. (“**ExecHealth**”) and two clinics under Uptown Health Management Inc. (“**Uptown Medical**”); and (iv) two clinics providing hemorrhoid treatments using the CRH O’Regan System (“**Banding Clinics**”).

WELL Allied is focused on operating, investing in and unlocking opportunities associated with allied health offerings such as physiotherapy, occupational therapy, chiropractic, dietary, mental health counselling and sleep related services. WELL Allied assets include: (i) the Company’s 51% majority stake ownership in SleepWorks Medical Inc. (“**SleepWorks**”); (ii) a 51% majority stake ownership of Easy Allied Health Corporation (“**Easy Allied**”); and (iii) a wholly-owned clinic in the province of Ontario through Uptown Physical Rehabilitation, Chiropractic and Massage Therapy Centre Inc. (“**Uptown Allied**”).

CRH provides specialized care services focused on providing gastroenterologists throughout the United States with innovative services and products for the treatment of gastrointestinal (GI) diseases. CRH provides WELL with deep access to the U.S. healthcare system, including anesthesia services for patients undergoing endoscopic procedures at 90 Ambulatory Surgery Centers (ASCs) and GI clinics across 16 states as of March 31, 2022. The acquisition of CRH, completed in April 2021, meaningfully enhanced WELL's free cash flow profile, enabling future reinvestment, capital compounding, and capital allocation opportunities across other attractive healthcare and healthcare-technology segments.

MyHealth is a leading provider of primary care, specialty care and accredited diagnostic health services that owns and operates 49 locations across Ontario as of March 31, 2022. MyHealth offers primary care consultations both in-person and through telehealth, as well as diagnostic services related to cardiology, women's health, bone/muscle health and cancer diagnostics. With the acquisition of MyHealth, WELL became the largest owner-operator of outpatient medical clinics in Canada providing primary, allied, specialized and diagnostic healthcare services.

Virtual Services

The Company's Virtual Services revenue is derived from four key business units: (i) WELL EMR Group Inc. ("**WELL EMR Group**"); (ii) WELL Digital Health Apps Inc. ("**WELL Digital Apps**"); (iii) DoctorCare Inc. ("**Billing and RCM**"); and (iv) Cycura Data Protection Corp. ("**WELL Cybersecurity**").

WELL EMR Group's growth has been primarily driven by eleven EMR related acquisitions or transactions to date as follows: NerdEMR Services Ltd. ("**NerdEMR**"), OSCARprn – Treatment Solutions Ltd. ("**OSCARprn**"), Kela Atlantic Inc. dba KAI Innovations ("**KAI Innovations**"), OSCARwest EMR Services ("**OSCARwest**"), Trinity Healthcare Technologies ("**THT**"), MedBASE Software Inc. ("**MedBASE**"), Indivica Inc. ("**Indivica**"), ClearMedica Corporation ("**ClearMedica**"), Open Health Software Solutions Inc. ("**Open Health**"), Intrahealth Systems Limited ("**Intrahealth**"), and Aware MD Inc. ("**AwareMD**").

WELL EMR Group is the provider of OSCAR Pro, an EMR platform based on McMaster University's popular web-based open-source OSCAR EMR system (OSCAR is an acronym for "**Open Source Clinical Application Resource**").

The WELL Digital Apps business unit includes the acquisitions of Insig Corporation ("**Insig**"), a majority interest in Circle Medical Technologies Inc. ("**Circle Medical**"), Adracare Inc. ("**Adracare**"), a majority interest in Wisp Inc. ("**Wisp**"), and CognisantMD (referred to as "**Ocean**"). This business unit also encompasses all of the Company's telehealth platforms including Tia Health, VirtualClinic+, VirtuelMed, Adracare and Circle Medical.

Apps.health is a digital health app marketplace whose mission is to connect healthcare professionals with new and pioneering solutions or "apps" which integrate securely and seamlessly with a clinic's EMR software. It currently features approximately 41 digital health applications provided by 25 app publishers.

WELL's Billing and RCM Solutions business unit is the national category leader for billing and back-office services including "Billing-as-a-Service" (BaaS) outsourcing services to doctors in Canada. Billing and RCM Solutions includes the acquisition of DoctorCare Inc. ("**DoctorCare**"), and DoctorCare's subsequent majority stake acquisition of Doctor Services Group Limited ("**DSG**"). Billing and RCM Solutions helps practitioners grow their practice by minimizing errors, ensuring compliance with complicated medical billing claim codes and improving patient care.

WELL Cybersecurity provides cybersecurity protection and patient data privacy solutions across all the

Company's business units. In addition, WELL Cybersecurity continues to service its external customers across a broad array of industries including healthcare clients. This business unit was formed through the acquisition of the Services Division of Cycura Inc. ("**Cycura**"), and Source 44 Consulting Incorporated ("**Source 44**").

WELL Ventures

WELL Ventures was created to formalize WELL's commitment to invest in and advance the digitization and modernization of healthcare in Canada and around the globe. WELL Ventures' current portfolio companies include Phelix AI Inc. ("**Phelix.ai**"), Simpill Health Group Inc. ("**Pillway**"), Twig Fertility Co. ("**Twig**"), 10432423 Canada Ltd. dba Bright ("**Bright**"), Focus Mental Wellness Inc. ("**Focus**") (formerly known as Hasu Behavioral Health Inc.), 10432423 Canada Limited 9338-7900 Quebec Inc. dba Tap Medical ("**Tap Medical**"), 11855760 Canada Inc. dba Tali.ai ("**Tali.ai**"), and Cherry Health Inc. ("**Cherry Health**").

COVID-19 Update

As a result of the COVID-19 global pandemic, the Company formed a crisis management team which continues to constantly review and monitor the situation and actively communicate with physicians and staff. WELL's corporate owned clinics have generally remained open throughout the COVID-19 pandemic as they are considered an essential service. WELL executed its business continuity plan in March 2020, which included a mandatory work from home policy for the majority of its non-clinical employees. Today, WELL's non-clinical employees have generally formed a hybrid approach to work with employees working from home as well as in the office.

SIGNIFICANT HISTORICAL EVENTS

On March 7, 2022, the Company entered into an asset purchase agreement to acquire a 100% interest in GCAA, a gastroenterology anesthesia services provider in Connecticut, USA. The purchase consideration, to be paid via cash and holdback liability, for the acquisition of the Company's 100% interest was US\$12,500.

During the first quarter of 2022, WELL announced and exceeded its goal of donating \$100 towards relief efforts to support Ukraine. The total amount donated included donations from WELL corporate and the employees at WELL. The donations will be made to UNICEF Canada and will contribute towards supporting Ukrainian children who have been harmed or may be in immediate danger.

On December 1, 2021, the Company completed the acquisition of CognisantMD whose Ocean platform is the category leader in digital patient engagement technology and eReferral software in Canada. Ocean's platform supports over 8,000 physicians, and approximately 35,000 referrals and consults are sent electronically through the platform monthly.

On November 25, 2021, the Company completed its bought deal offering of \$70 million aggregate principal amount of convertible senior unsecured debentures of the Company with a maturity date of December 31, 2026 at a price of one thousand dollars per debenture.

On November 1, 2021, the Company completed the acquisitions of Uptown Medical and Uptown Allied, consisting of two medical clinics and one allied health clinic in the greater Toronto area.

On November 1, 2021, the Company completed the acquisition of AwareMD, an enterprise class EMR provider with a focus on cardiology in addition to other disease specialties including radiology, endocrinology and rheumatology.

On October 1, 2021, the Company completed the acquisition of a majority interest in Silicon Valley based Wisp, 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.

On July 15, 2021, the Company acquired all of the issued and outstanding shares of MyHealth. MyHealth has over 760 physicians and other healthcare professionals providing primary care, specialty care, telehealth services and accredited diagnostic health services in 48 locations across Ontario at the time of acquisition.

On May 1, 2021, the Company completed the acquisition of ExecHealth, an omni-channel healthcare provider located in Ottawa, Ontario, specializing in corporate and executive health, primary care and integrated health services.

On April 22, 2021, the Company 's subsidiary CRH, entered into an amended senior credit arrangement administered by JPMorgan Chase Bank and a syndicate of lenders, for an aggregate amount of US\$300 million, including revolving credit facilities of US\$175 million and access to a US\$125 million accordion feature.

On April 22, 2021, the Company completed the acquisition of CRH, a company focused on delivering high quality healthcare services and has emerged as a leading provider of anesthesia services to the GI (Gastroenterologist) community.

On April 1, 2021, the Company completed the acquisition of Intrahealth, a provider of enterprise class EMR and clinical healthcare software with customers in Canada, New Zealand and Australia.

On February 17, 2021, the Company completed an equity offering of \$302.5 million of subscription receipts at \$9.80 per subscription receipt. The equity offering included Hong Kong businessman and investor, Mr. Li Ka-shing, WELL's CEO, board and senior management team as well as a number of significant institutional investors. All subscription receipts were converted to 30,867,324 WELL shares and issued to the subscription receipt holders on April 22, 2021.

OVERALL PERFORMANCE

Key Metrics

	Three months ended				
	March 31, 2022 \$ '000	restated December 31, 2021 \$ '000	restated September 30, 2021 \$ '000	restated June 30, 2021 \$ '000	restated March 31, 2021 \$ '000
Revenue					
Public insured	41,923	39,353	35,029	14,460	7,668
Non-public and other	46,506	45,017	46,290	34,846	4,014
Omni-channel Patient Services⁽¹⁾	88,429	84,370	81,319	49,306	11,682
Virtual Services⁽¹⁾	38,079	31,310	17,972	12,487	13,878
Total Revenue	126,508	115,680	99,291	61,793	25,560
Adjusted gross profit⁽²⁾	69,388	63,483	49,969	30,204	10,039
Net profit (loss)	(2,310)	(4,181)	(7,677)	(11,517)	(7,520)
Cash and cash equivalents	36,055	61,919	38,726	70,614	83,250
Other KPIs					
WELL clinics	83	82	77	28	27
Provide services to ambulatory surgical centers ("ASC")	90	88	78	75	-
EMR network clinics	3,100	3,000	2,800	2,800	2,300

Notes:

- (1) **Omni-channel Patient Services** consists of clinical operations and Allied health, delivered in person or through one of WELL's telehealth platforms, CRH and MyHealth. **Virtual Services** includes EMR, SaaS, telehealth service offerings such as Tia Health or Circle Medical, billing and RCM solutions, digital apps, and cybersecurity related revenue.
- (2) **Non-GAAP financial measure. Adjusted gross profit** does not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted gross profit as revenue less cost of sales (excluding depreciation and amortization). Adjusted gross profit should not be construed as an alternative for revenue or net loss determined in accordance with IFRS. The Company does not present gross profit in the financial statements as it is a non-GAAP financial measure. The Company believes that adjusted gross profit and adjusted gross margin are meaningful metrics that are often used by readers to measure the Company's efficiency of selling its products and services.

The increase in the number of clinics in 2021 and 2022 is attributable to the following:

- In Q2 2021, the Company added one clinic through the acquisition of ExecHealth.
- In Q3 2021, the Company added 48 clinics in the acquisition of MyHealth and one clinic was added in MyHealth's acquisition of Durham Nuclear Imaging Inc. ("**Durham**").
- In Q4 2021, the Company added five clinics including two Uptown Medical clinics, one Uptown Allied clinic and two Banding Clinics in Canada.
- In Q1 2022, the Company added one Pemberton Marine Allied clinic

The increase in number of ASCs served in 2021 and 2022 is attributable to the following:

- In Q2 2021, the Company added 75 ASCs through the acquisition of CRH, New England Anesthesia Associates LLC ("**NEAA**"), Northern Indiana Anesthesia Associates ("**NIAA**") and FDHS Anesthesia Associates ("**FDHS**").
- In Q3 2021, the Company added three ASCs through the acquisition of Greater Washington Anesthesia Associates LLC ("**GWAA**") and Destin Anesthesia LLC ("**Destin**").
- In Q4 2021, the Company added ten ASCs through the acquisitions of Pinellas County Anesthesia Associates LLC ("**PCAA**"), Jasper Anesthesia Care Associates LLC ("**JACA**"), Utah Anesthesia LLC ("**UA**") and an increase to the existing ASC clinic network.
- In Q1 2022, the Company added two ASC through the acquisition of Greater Connecticut Anesthesia Associates ("**GCAA**"), and the management of an additional ASC in Sarasota, Florida through FDHS.

The increase in EMR network clinics in 2021 and 2022 is attributable to the following:

- In Q1 2021, from organic growth.
- In Q2 2021, the Company completed the acquisition of Intrahealth.
- In Q4 2021, the Company completed the acquisition of AwareMD.
- In Q1 2022, from organic growth

Selected Financial Information

Please find the following selected financial information for the three months ended March 31, 2022 and 2021. The results of acquisitions are included from their respective dates of acquisition. Non-IFRS measures are defined below.

	restated	restated	
	Three months ended March 31, 2022	Three months ended December 31, 2021	Three months ended March 31, 2021
	\$ '000	\$ '000	\$ '000
Revenue	126,508	115,680	25,560
Cost of sales (excluding depreciation and amortization)	(57,120)	(52,197)	(15,521)
Adjusted gross profit ⁽¹⁾	69,388	63,483	10,039
Adjusted gross margin ⁽¹⁾	54.8%	54.9%	39.3%
Adjusted EBITDA ⁽²⁾	23,493	25,679	527
Net (loss)/income	(2,310)	(4,181)	(7,520)
Adjusted net income (loss) ⁽³⁾	8,648	9,754	(2,404)
Net (loss) income per share, basic and diluted (in \$)	(0.04)	(0.05)	(0.05)
Adjusted Net (loss)/income per share, basic and diluted (in \$) ⁽³⁾	0.04	0.05	(0.01)
Weighted average number of common shares outstanding, basic and diluted	210,014,960	208,101,672	163,123,252
Reconciliation of net loss to Adjusted EBITDA⁽²⁾			
Net (loss)/income for the period	(2,310)	(4,181)	(7,520)
Depreciation and amortization	12,739	13,324	2,029
Income tax expense (recovery)	2,123	1,448	215
Interest income	(102)	(69)	(320)
Interest expense	5,154	4,059	458
Rent expense on finance leases	(2,152)	(1,899)	(810)
Stock-based compensation	5,139	4,263	2,993
Foreign exchange (gain) loss	(41)	282	11
Time-based earn-out expense	2,521	1,805	891
Change in fair value of investments	(602)	-	-
Share of net loss of associates	148	56	64
Revenue precluded from recognition under IFRS 15	-	3,110	-
Transaction, restructuring, & integration costs expensed	876	3,481	2,516
Adjusted EBITDA⁽²⁾	23,493	25,679	527
Attributable to WELL shareholders	16,096	17,811	463
Attributable to Non-controlling interests	7,397	7,868	64
Adjusted EBITDA⁽²⁾			
Canada and others	1,484	1,177	1,111
US operations	22,009	24,502	(584)
Adjusted EBITDA⁽²⁾ attributable to WELL shareholders			
Canada and others	1,295	955	870
US operations	14,801	16,856	(407)
Adjusted EBITDA⁽²⁾ attributable to Non-controlling interests			
Canada and others	189	222	241
US operations	7,208	7,646	(177)
Reconciliation of net loss to Adjusted Net Income/(loss)⁽³⁾			
Net (loss)/income for the period	(2,310)	(4,181)	(7,520)
Amortization of intangible assets	9,609	9,942	1,186
Time-based earn-out expense	2,521	1,805	891
Stock-based compensation	5,139	4,263	2,993
Change in fair value of investments	(602)	-	-
Non-controlling interest included in net income	(5,709)	(5,185)	46
Revenue precluded from recognition under IFRS 15	-	3,110	-
Adjusted Net Income/(loss)⁽³⁾	8,648	9,754	(2,404)
Adjusted Net Income (loss) per share⁽³⁾	0.04	0.05	(0.01)

Notes:

- (1) **Non-GAAP financial measure and ratio.** Adjusted gross profit and adjusted gross margin do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted gross profit as revenue less cost of sales (excluding depreciation and amortization) and adjusted gross margin as adjusted gross profit as a percentage of revenue. Adjusted gross profit and adjusted gross margin should not be construed as an alternative for revenue or net loss determined in accordance with IFRS. The Company does not present gross profit in the financial statements as it is a non-GAAP financial measure. The Company believes that

adjusted gross profit and adjusted gross margin are meaningful metrics that are often used by readers to measure the Company's efficiency of selling its products and services.

- (2) **Non-GAAP financial measure.** Earnings before interest, taxes, depreciation and amortization ("**EBITDA**") and Adjusted EBITDA should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA and Adjusted EBITDA do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines **Adjusted EBITDA** as EBITDA (i) less net rent expense on premise leases considered to be finance leases under IFRS and (ii) before transaction, restructuring, and integration costs, time-based earn-out expense, change in fair value of investments, share of loss of associates, foreign exchange gain/loss, and stock-based compensation expense, and (iii) Revenue precluded from recognition under IFRS 15 that relates to certain patient services revenue that the Company believes should be recognized as revenue based on its contractual relationships. For the three months ended December 31, 2021, the Company was precluded from recognizing certain potential patient services revenue under IFRS 15 - Revenue from contracts with customers. The Company determined that there was insufficient certainty regarding a customer's intent to pay \$3,110 and therefore did not recognize the revenue.—The Company will recognize these amounts as revenue only if and when they are ultimately collected. The Company considers Adjusted EBITDA a financial metric that measures cash that the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives.
- (3) **Non-GAAP financial measure and ratio.** The Company defines **Adjusted Net Income** as net income, after excluding the effects of stock-based compensation expense, amortization of acquired intangibles, time-based earnout expense, change in fair value of investments, non-controlling interests, and revenue precluded from recognition under IFRS 15 that relates to certain patient services revenue that the Company believes should be recognized as revenue based on its contractual relationships. For the three months ended December 31, 2021, the Company was precluded from recognizing certain potential patient services revenue under IFRS 15 - Revenue from contracts with customers. IFRS 15 requires that certain conditions be met in order to recognize revenue, including that it is probable that the Company will collect the amount recognized, which is based upon a customer's ability and intention to pay. The Company determined that there was insufficient certainty regarding a customer's intent to pay \$3,110 and therefore did not recognize the revenue. The Company has an agreement setting fixed reimbursement rates for the provision of anesthesia services for which collections have not been received as a result of what the Company believes to be an administrative issue. **Adjusted Net Income Per Share** is Adjusted Net Income dividend by weighted average number of shares outstanding. The Company believes that these non-GAAP financial measure and ratio provide useful information to analyze our results, enhance a reader's understanding of past financial performance and allow for greater understanding with respect to key metrics used by management in decision making. More specifically, WELL believes Adjusted Net Income is a financial metric that tracks the earning power of the business that is available to WELL shareholders. Adjusted Net income and Adjusted Net income Per Share are not recognized measure and ratio for financial statement presentation under IFRS and do not have a standardized meaning. As such, these measures may not be comparable to similar measures or ratios presented by other companies. Adjusted Net Income and Adjusted Net Income Per Share should be considered a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with IFRS.

Quarterly Financial Highlights

The following quarterly financial highlights have been derived from the Company's condensed interim consolidated financial statements and should be read in conjunction with those financial statements and related notes.

	restated Q1 2022	restated Q4 2021	restated Q3 2021	restated Q2 2021	restated Q1 2021	restated Q4 2020	restated Q3 2020	restated Q2 2020
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Total revenue	126,508	115,680	99,291	61,793	25,560	17,189	12,246	10,578
Net income (loss)	(2,310)	(4,181)	(7,677)	(11,517)	(7,520)	5,792	(3,601)	(3,388)
Income (Loss) per share attributable to WELL Health Technologies Corp., basic and diluted (in \$)	(0.04)	(0.05)	(0.05)	(0.08)	(0.05)	0.04	(0.03)	(0.03)

The growth in the Company's quarterly revenue is primarily attributed to acquisitions but also includes organic growth which varies by business unit.

WELL's quarterly revenue is susceptible to seasonality which varies depending on each business unit.

- For the clinic network, the winter months historically have higher patient visits due to increased cases of flu and illness in those months, resulting in an increase in revenue in Q4 and Q1, whereas

the months of July and August have the least amount of patient visits resulting in lower clinical revenue in those two months.

- For CRH, Q1 is the weakest quarter and Q4 is the strongest seasonal quarter, in terms of revenue per procedure, gross margin and EBITDA margins, since many patients with commercial insurance tend to have endoscopic procedures in the latter half of the year, at a time when their deductibles have generally been met.
- Almost all of MyHealth revenue arises from referrals from the physicians, as such Q2 is the seasonally strongest quarter as there are more working days in Q2 compared to the slowdown in the summer months and around the holiday season.
- Revenue generated from the Company's WELL EMR Group primarily consists of monthly recurring revenue and is less susceptible to seasonal increases and decreases in revenue.

DISCUSSION OF OPERATIONS

Revenue

The following table shows a breakdown of revenue for the three months ended March 31, 2022 and 2021:

	Three months ended			
	March 31, 2022		March 31, 2021	
	\$'000		\$'000	
Public insured	41,923	33%	7,668	30%
Non-public and other	46,506	37%	4,014	16%
Omni-channel Patient Services	88,429	70%	11,682	46%
Virtual Services	38,079	30%	13,878	54%
Total Revenue	126,508	100%	25,560	100%

For the three months ended March 31, 2022, the Company generated revenue of \$126,508, an increase of 395%, compared to revenue of \$25,560 for the three months ended March 31, 2021. This increase in revenue is primarily attributable to the Company's acquisitions, \$48,180 of which was from CRH and \$24,154 from MyHealth.

Omni-channel Patient Services revenue accounted for 70% of Total Revenue for the three months ended March 31, 2022, compared to 46% of Total Revenue for the three months ended March 31, 2021. Omni-channel Patient Services revenue increased 657% to \$88,429 during the three months ended March 31, 2022, compared to \$11,682 for three months ended March 31, 2021.

Omni-channel Patient Services revenue is derived from in-person clinic visits as well as online consultations/bookings available via telehealth platforms. Omni-channel Patient Services revenue, consisting of both public insured and non-public and other revenue, is typically affected by seasonality as the fall and winter months will have higher patient visits resulting in an increase in revenue in those months. Public insured refers to revenue generated for providing publicly accessible healthcare services that are reimbursed by the provincial or federal health authorities. Meanwhile, non-public and other includes revenue generated from services that are not eligible for government reimbursement, and as such are charged directly to patients and/or third-party insurance providers.

Virtual Services revenue accounted for 30% of Total Revenue for the three months ended March 31, 2022, as compared to 54% for the three months ended March 31, 2021. Virtual Services revenue increased 174% to \$38,079 for the three months ended March 31, 2022, compared to \$13,878 for the three months

ended March 31, 2021. Virtual Services revenue includes: (i) revenue from all of the Company's EMR businesses which is primarily high margin recurring revenue; (ii) telehealth services revenue from WELL's telehealth programs: Tia Health virtual marketplace and Circle Medical; (iii) monthly SaaS revenue from WELL's VirtualClinic+ telehealth platform for health practitioners; (iv) digital app revenue from WELL's apps.health marketplace; (v) revenue from the Company's DoctorCare and Doctor Services billing and RCM software and services; (vi) practice management software revenue from the Adracare; and (vii) cybersecurity revenue from the Company's Source 44 and Cycura.

Adjusted Gross Profit⁽¹⁾ and Adjusted Gross Margin⁽¹⁾

The following table summarizes adjusted gross profit⁽¹⁾ and adjusted gross margin⁽¹⁾ for the three months ended March 31, 2022 and 2021:

	Three months ended	
	March 31, 2022	March 31, 2021
	\$'000	\$'000
Revenue	126,508	25,560
Cost of sales (excluding depreciation and amortization)	(57,120)	(15,521)
Adjusted gross profit ⁽¹⁾	69,388	10,039
Adjusted gross margin ⁽¹⁾	54.8%	39.3%

Note:

- (1) **Non-GAAP financial measure and ratio.** Adjusted gross profit and adjusted gross margin do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines adjusted gross profit as revenue less cost of sales (excluding depreciation and amortization) and adjusted gross margin as adjusted gross profit as a percentage of revenue. Adjusted gross profit and adjusted gross margin should not be construed as an alternative for revenue or net loss. The Company does not present gross profit in the financial statements as it is a non-GAAP financial measure. The Company believes that adjusted gross profit and adjusted gross margin are meaningful metrics that are often used by readers to measure the Company's efficiency of selling its products and services.

Adjusted gross profit⁽¹⁾ increased 591% to \$69,388 for the three months ended March 31, 2022, compared to \$10,039 for the three months ended March 31, 2021. The increase in adjusted gross profit⁽¹⁾ is primarily due to the higher revenue from CRH and MyHealth in three months ended March 31, 2022 which also generated higher gross margin percentage.

Adjusted Gross margin⁽¹⁾ percentage increased to 54.8% for the three months ended March 31, 2022 compared to 39.3% for the three months ended March 31, 2021. The increase in adjusted gross margin⁽¹⁾ percentage is driven by the Company's acquisitions, primarily due to the addition of higher margin CRH, MyHealth, and Virtual Services revenue.

General and Administrative ("G&A") Expenses

The following is a breakdown of the Company's G&A expenses for the three months ended March 31, 2022 and 2021:

	Three months ended	
	March 31, 2022	March 31, 2021
	\$'000	\$'000
Wages and benefits	23,800	5,849
Professional and consulting fees	4,816	3,416
Office expenses	3,082	522
Marketing and promotion	9,907	682
Others	2,571	763
	44,176	11,232

G&A expenses increased to \$44,176 for the three months ended March 31, 2022, compared to \$11,232 for the three months ended March 31, 2021. Increases were primarily due to an increase in wages as a result of acquisitions, an increase in headcount in the Company's headquarters, as well as increased professional, and consulting expenses to support the Company's growth and M&A activities. The Company has established several shared services cost centers to support its various clinics and subsidiaries and increased headcount which resulted in higher G&A expenses than the comparative period.

For the three months ended March 31, 2022, the Company expensed \$876 of transaction, restructuring and integration costs related to its M&A activities, compared to \$2,516 for the three months ended March 31, 2021. The transaction and restructuring costs are included in general and administrative expenses as professional and consulting fees.

Marketing and promotion expenses increased to \$9,907 for the three months ended March 31, 2022, compared to \$682 for the three months ended March 31, 2021. This significant increase is mainly due to Circle Medical's and WISP's marketing expenses during the three months ended March 31, 2022.

Stock-based compensation

For the three months ended March 31, 2022, the Company recognized \$5,139 of stock-based compensation expense, compared to \$2,993 for the three months ended March 31, 2021. The increase in expense is the result of stock options, restricted share units ("**RSUs**") and performance share units ("**PSUs**") issued in 2021 and 2020. The fair value of the options, RSUs and PSUs, as determined on the date of grant, is recognized as an expense over the vesting periods of such instruments. See note 16 of the March 31, 2022 condensed interim consolidated financial statements for further information.

Depreciation and amortization

For the three months ended March 31, 2022, the Company recognized \$12,739 of amortization and depreciation, mainly related to the right-of-use assets (under IFRS 16) and intangible assets acquired via business combinations and asset acquisitions, as compared to \$2,029 of depreciation and amortization for the three months ended March 31, 2021.

Interest income and expense

For the three months ended March 31, 2022, the Company recognized \$102 of interest income, and \$5,154 of interest expense. For the three months ended March 31, 2021, the Company recognized \$320 of interest income, and \$458 of interest expense. For the three months ended March 31, 2022 and 2021, Interest income was mainly related to interest on cash and cash equivalents. For interest expense, \$657 (2021 - \$269) was related to accretion on lease liability, \$609 (2021 - \$53) was related to accretion on deferred acquisition costs, and \$2,165 (2021 - \$136) was related to notes payable and other borrowings. See note 7 of March 31, 2022 condensed interim consolidated financial statements for further information.

Time-based earn-out expense

For the three months ended March 31, 2022, the Company expensed \$2,521 of time-based earn-outs incurred from vendors of acquired companies on condition of operating performance and ongoing engagement with the Company, as compared to \$891 for the three months ended March 31, 2021.

Net loss

Net loss for the three months ended March 31, 2022 was \$2,310, compared to net loss of \$7,520 for the three months ended March 31, 2021.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents

As at March 31, 2022 and December 31, 2021, the Company had \$36,055 and \$61,919 respectively, of cash and cash equivalents.

Operating activities

During the three months ended March 31, 2022, the Company generated \$13,400 of cash on operating activities. Comparatively, during the three months ended March 31, 2021, the Company generated \$1,198 of cash on operating activities.

Investing activities

During the three months ended March 31, 2022, the Company spent \$5,919 of cash on investing activities, as compared to \$3,351 for the three months ended March 31, 2021. These included:

- (i) \$1,075 on the acquisition of property and equipment for the three months ended March 31, 2022 (2021 - \$105);
- (ii) \$111 on business and asset acquisitions for the year ended three months ended 31, 2022 (2021 - \$4,033);
- (iii) \$13 of cash inflow on working capital holdbacks settlements for the three months ended March 31, 2022 (2021 - \$2,301 cash outflows); and
- (iv) \$4,746 on deferred acquisition costs for the three months ended March 31, 2022 (2021 - \$308).

Financing activities

During the three months ended March 31, 2022, the Company used \$33,345 in financing activities (2021 - \$1,487). The cash outflows during the period were primarily from repayments of the credit facilities.

Summary

Net cash used for the three months ended March 31, 2022, was \$25,864 (2021 - \$3,640 net cash used for the three months ended March 31, 2021).

Based on the current cash position, its operating budget and cash flow forecast, the Company believes that it is capable of meeting its working capital needs through available cash and cash flow generated from its operating and financing activities.

Summary of contractual obligations

	<i>Undiscounted payments due by period</i>				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
At March 31, 2022	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred acquisition costs and time-based earnouts	124,530	54,689	51,887	17,954	-
Lease obligations' minimum payments	72,471	9,721	17,981	15,884	28,885
Accounts payable and accrued liabilities	38,369	38,369	-	-	-
Working capital holdbacks	898	898	-	-	-
Other current and non-current liabilities	8,612	8,536	76	-	-
Notes payable and other borrowings	270,809	35,331	396	235,082	-
Convertible debentures	89,635	4,235	7,700	77,700	-
Other operating commitments	1,134	1,134	-	-	-
	606,458	152,913	78,040	346,620	28,885

Update on prior use of proceeds disclosure

The Company anticipated that it would use the net proceeds from the convertible debentures, special warrants and bought deal private placements for future acquisitions, deferred acquisition costs and time-based earnout payments ("**DAC/TBE**") associated with its acquisitions, interest payments, working capital and general corporate purposes. To date, the Company continues to proceed towards its original business objectives for such funds.

Equity/Debt financing	Date	Purposes	Proposed use of proceeds	Actual use of proceeds
			\$'000	\$'000
Convertible debentures	Mar 20	Acquisition purposes	7,000	6,996 ⁽¹⁾
		DAC/TBE	2,000	2,000 ⁽²⁾
Bought deal financing	May 20	Acquisition purposes	7,830	7,632 ⁽³⁾
		Interest payments	1,100	658 ⁽⁴⁾
Private placement	Sep 20	Acquisition purposes	20,000	19,182 ⁽⁵⁾
		DAC/TBE	2,000	2,000 ⁽⁶⁾
Bought deal financing	Oct 20	Acquisition purposes	65,000	61,506 ⁽⁷⁾
		DAC/TBE	4,000	4,000 ⁽⁸⁾
Convertible debt	Nov 21	Acquisition purposes	20,000	- ⁽⁹⁾
		Debt repayment	32,500	3,889 ⁽¹⁰⁾

Notes:

- (1) Acquisitions of DoctorCare and Circle Medical.
- (2) Payment for second to fourth quarters 2020, and first quarter 2021. Remaining amount for future use.
- (3) Acquisitions of Indivica, Cycura and Easy Allied. Equity investment in Twig.
- (4) Payments related to 2020. Lower than anticipated as all convertible debentures were fully converted before maturity.
- (5) Acquisitions of Source 44 and ExcelleMD. Exercise of Insig warrants. Payments of first quarter 2021 working capital holdback. Equity investment in Phelix (first quarter 2021). Acquisitions of Adracare, Open Health and Doctor Services Group.
- (6) Payment for first, second and third quarters 2021. Remaining amount for future use.
- (7) Acquisitions of Intrahealth and ExecHealth, and all Q4 2021 acquisitions and investments.
- (8) Payment for third and fourth quarters 2021, and first quarter of 2022.
- (9) For future use
- (10) Payment of first quarter 2022 TBE and DAC. Remaining amount for future use.

TRANSACTIONS WITH RELATED PARTIES AND KEY MANAGEMENT

Key Management Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's Board of Directors and members of the senior executive team. The remuneration of the Company's key management personnel during the three months ended March 31, 2022 and 2021 was as follows:

	Three months ended	
	March 31,	March 31,
	2022	2021
	\$'000	\$'000
Wages ⁽¹⁾	220	145
Consulting fees	-	45
Stock-based compensation expense ⁽²⁾	1,406	415
	1,626	605

Notes:

- (1) \$113 to CEO, \$62 to CFO and \$45 to COO for the three months ended March 31, 2022
- (2) Reflects the amount recorded as an expense in the interim consolidated statements of loss. The fair value of stock-based compensation is measured at the grant date using an option pricing model and is recognized as an expense over the vesting period. \$796 to CEO, \$418 to CFO, \$106 to COO, and \$86 to the Board of Directors for the three months ended March 31, 2022.

Included in other current assets as at March 31, 2022 and December 31, 2021 is \$2,789 (\$901 from CEO, \$857 from CFO, \$997 from COO, and \$34 from Board of Directors) and \$1,049, respectively, of receivables from related parties. These receivables were primarily due to payroll tax on stock issuance with respect to the RSUs for the related parties.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the December 31, 2021 annual consolidated financial statements.

Going concern

Judgement is required in determining if disclosure of a material uncertainty related to events or conditions which might cast significant doubt on the Company's ability to continue as going concern is required in the notes to the condensed interim consolidated financial statements. In management's judgement, such disclosure is not required. This judgement is dependent on management's expectations of revenue, future net cash flows for the year ending December 31, 2022, existing borrowing capacity, availability of overdraft facility and financial obligations due within the next 12 months.

FINANCIAL INSTRUMENTS

a. Classification of financial instruments

The following table summarizes the Company's financial instruments and their carrying amounts:

	March 31, 2022	December 31, 2021
	\$'000	\$'000
Financial assets at amortized cost		
Cash and cash equivalents	36,055	61,919
Accounts and other receivables	74,350	66,592
Lease receivable	2,596	2,730
Other current and non-current assets	9,652	13,728
	122,653	144,969
Financial assets at fair value through profit or loss ("FVPL")		
Equity and debt investments	5,106	5,392
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	38,369	38,669
Notes payable and other borrowings	270,077	299,039
Deferred acquisition costs	97,091	85,603
Convertible debentures	43,314	41,709
Lease liability	59,404	61,188
Other current and non-current liabilities	9,510	12,751
	517,765	538,959

b. Fair value measurements

The fair value hierarchy establishes three levels to reflect the significance of the inputs used in making the measurements:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's convertible debentures are categorized within Level 1 of the fair value hierarchy. As at March 31, 2022 the fair value of the convertible debenture, including the equity component, is \$6,860, which is based on the closing trade price of the convertible debentures on March 31, 2022.

The Company does not have any fair value measurements categorized within level 2 of the fair value hierarchy.

The carrying value of the Company's financial instruments approximate their fair value, except where stated below.

The Company's notes payable and other borrowings balance, which is mainly comprised of the JPM facility, the RBC facility, and the promissory note with the former shareholders of MyHealth, are floating rate instruments which are based on LIBOR/CDOR plus 1.25% to 3.25% dependent on CRH's total leverage ratio and MyHealth's total funded debt to EBITDA ratio. The Company has estimated the fair value of these financial instruments to be US\$146,313 (\$182,833) for the JPM facility, \$71,650 for RBC facility, and \$10,000 for the promissory note with the former shareholders of MyHealth as at March 31, 2022 based on Level 3 unobservable inputs.

The investments in Phelix, Twig, Bright, Tap Medical, Tali.ai, Cherry Health and an anesthesia revenue cycle management organization are classified as financial assets at FVPL. The fair value measurements of the investments are categorized within Level 3 of the fair value hierarchy. As at March 31, 2022 and December 31, 2021, in the absence of observable market data and any facts to suggest otherwise, management concluded that the fair value of the investments approximated the cost.

c. Risk management

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligation. Credit risk arises from the Company's financial assets. The carrying value of the financial assets represents the maximum exposure to credit risk. The Company limits its exposure to credit risk on cash and cash equivalents by placing these financial instruments with high-credit quality financial institutions and only investing in liquid, investment grade securities.

No one customer accounts for more than 10% of the Company's consolidated revenue. The Company establishes an estimate for expected credit losses on accounts receivable if it is determined that all or part of the outstanding balance is uncollectable. Collectability is reviewed regularly and an estimate is established or adjusted, as necessary, using a combination of the specific identification method, historic collection patterns and existing economic conditions. Estimates are subject to change as they are impacted by the nature of collectability, which may involve delays and the current uncertainty in the economy.

The Company's exposure to credit risk is considered to be low, given the size and nature of the various counterparties involved and their history of performance. The Company's revenue from clinic operations is from billings for insured services paid for by the provincial health authorities. The Company recognizes anesthesia service revenues, net of contractual adjustments and implicit price concessions, which are estimated based on the historical trend of cash collections and contractual adjustments. As a result, anesthesia related receivables reflect the amount the Company expects to receive from patients and third-party insurers at the reporting period end and thus credit risk is considered to be limited.

As at March 31, 2022, the Company had \$74,350 (December 31, 2021 - \$66,592) of accounts and other receivables.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due and remain solvent. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. To date, the Company has generated operating losses and net cash outflows from operations, and has relied on equity, convertible debentures, and bank borrowings to fund its operations and acquisitions and will need to continue to secure additional funding for operations.

Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that financing will be on terms advantageous to the Company.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

As at March 31, 2022, the Company's major interest bearing liability is its JPM facility, RBC facility, and promissory note issued to the former shareholders of MyHealth. With all other variables held constant, a 10% increase in the interest rate would have reduced net income by approximately \$197 (2021 – nil) for the three months ended March 31, 2022. There would be an equal and opposite impact on net income with a 10% decrease in the interest rate.

Foreign currency risk

The Company's parent company presentation and functional currency is the Canadian dollar. With the acquisition of Circle Medical Technologies, Inc. in November 2020, CRH in April 2021 and the acquisition of WISP, Inc. ("WISP") in October 2021 (functional currency is the US dollar), a majority part of the business operations is in the U.S. and these subsidiaries are exposed to foreign currency translation risk. A 10% movement in foreign exchange rates versus the United States dollar would result in approximately \$1.3 million change in the Company's net income.

WELL's ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") PROGRAM

In 2021, WELL developed and launched its ESG Program that is an integral part of the Company's growth strategy and reflects its ongoing commitment to delivering on its mission, vision and purpose. In 2022, WELL will embark on ESG strategy implementation, including publishing an inaugural ESG Report and establishment of an ESG committee comprised of key management, to oversee delivery of WELL's ESG commitments.

The Company's emerging ESG strategy has established a number of ESG priorities which support its overall growth strategy:

- **Safeguarding Patient Data** by elevating the privacy and security posture of patient data through WELL's risk management processes.
- **Digital Practitioner Enablement** by supporting practitioners to provide timely, accessible and high quality patient care while reducing environmental impacts through use of digital solutions.
- **A Healthy Place to Work** by upholding a culture of respect, prioritizing health and well-being and taking targeted actions to support diversity, equity, and inclusion within the workplace environment.
- **Disciplined Governance and Risk Framework** that provides strong and effective corporate governance, oversight and transparency across its business activities.

WELL is a well-diversified, fast growing digital health and tech enabled healthcare company delivering on a strong ESG program and building societal value. WELL is a purpose-driven business that aims to transform the world for the better, and as such the Company has embarked on an ongoing ESG program. The Company plans on publishing a report in the coming weeks highlighting WELL's ESG strategy, reporting initiatives and targeted actions.

SUBSEQUENT EVENTS

On April 26, 2022, the Company filed its Notice of Intention to Make a Normal Course Issuer Bid ("NCIB") with the Toronto Stock Exchange ("TSX"). The NCIB remains subject to approval by the TSX and would be a renewal of its current NCIB expiring May 11, 2022. Since March 31, 2022, WELL purchased 50,000 Shares, at an average price of \$4.85 on the TSX pursuant to its expiring NCIB.

On May 9, 2022 the Company entered into a forward contract to sell US\$5 million at a fixed foreign exchange rate from August 10 to November 8, 2022.

On May 11, 2022, the Company settled the third tranche of the promissory note issued to the former shareholders of MyHealth including accrued interest with an issuance of 2,320,897 units of common shares.

OUTLOOK

WELL's outlook for 2022 remains strong and resilient. The Company's performance is very positive across all its business units and for the entire Company as a whole. The cashflows generated by the Company will continue to be re-invested in the business and allocated in a disciplined manner, which may come in the form of further acquisitions, share repurchases, or to accelerate organic growth. As a result of WELL's strong organic growth profile, the Company is increasing its guidance for 2022 annual revenue to exceed \$525 million, from the previous guidance of over \$500 million in annual revenue. Furthermore, WELL expects to generate Adjusted EBITDA approaching \$100 million in 2022.

WELL remains on track to achieve its goals for 2022 to:

- (i) build out and refine its practitioner enablement platform and deploy its services both internally to WELL healthcare practitioners as well as offer its services to healthcare practitioners outside of the Company;
- (ii) achieve organic growth across all of its operating business units;
- (iii) follow a disciplined capital allocation strategy designed to continue to activate organic growth; and
- (iv) WELL expects to be profitable for the full year 2022, on an Adjusted Net Income basis.

In Canada, WELL is quickly expanding on what it has built -- the most consequential network of non-governmental healthcare assets across the country with significant operations and interoperability between its outpatient clinics, EMR, Diagnostics and Telehealth businesses.

Meanwhile, WELL's strategy in the US is to focus on key specialty areas such as: Gastroenterology, Women's health, and Primary care with a focus on specialty niches such as mental health. WELL's US-based virtual patient services businesses, which includes Circle Medical and Wisp, continued to demonstrate robust growth in Q1-2022. Based on March 2022 results, the combined businesses generated positive Adjusted EBITDA³ with the revenue run-rate exceeding \$100 million. It is expected that the combined businesses will exceed \$130 million on a run-rate basis later this year.

Despite the current geo-political, inflationary, and turbulent economic environment, the Company does not see any material influences or challenges that would impair its ability to deliver on a strong outlook in 2022. Many of the key variables inherent in the execution of WELL's business are firmly in its own grasp and not dependent on outside factors.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at May 11, 2022, the Company had the following securities issued and outstanding:

Description of Security	Number of Securities Outstanding	Additional Comments
Common Shares	212,760,904	
Stock Options	6,156,913	Exercisable at prices ranging from \$0.25 to \$6.94
RSUs	5,178,714	
PSUs	3,486,561	
Convertible debentures	7,583,966	
Total, Fully Diluted	235,167,058	

RISKS AND UNCERTAINTIES

The Company's management believes that the following risks are among the most important in order to understand the issues that face its financial performance, business and its approach to risk management:

- 1. The COVID-19 pandemic and other general risks and uncertainty related to natural disasters, pandemics or other catastrophic events** - Catastrophic events in general can have a material impact on the potential continuity of the business. The continued spread of COVID-19 globally could adversely affect our patient care operations, as healthcare providers may have heightened exposure to COVID-19 if an outbreak occurs in their geography. Our ability to provide health care services may be adversely affected or disrupted as a result of changing patient intake patterns and needs as well as reduced availability of physicians and/or support staff. Furthermore, the COVID-19 outbreak could result in adverse effects on our business and operations due to prioritization of clinic resources toward the outbreak or if quarantines and/or restrictions (such as travel restrictions) impede physician, staff or patient movement or interrupt healthcare services. In addition, we rely on third-party service providers to assist us in managing, monitoring and otherwise carrying out aspects of our business and operations, and the outbreak may affect their ability to devote sufficient time and resources to our programs or to travel to sites to perform work for us. Our third-party contract supplier organizations' ability to deliver on a timely basis our required medical and other supplies such as personal protective equipment may also be limited or affected materially. Such events may result in a period of business disruption, reduced operations, any of which could materially affect our business, financial conditions and results of operations. Our ability to serve patients remotely via telehealth services could be affected by technology vulnerabilities and/or glitches that could impede the ability for physicians and patients to access and/or utilize the software reliably.

The spread of COVID-19, which has caused a broad impact globally, may materially affect us economically. While the potential economic impact brought by, and the duration of, COVID-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect our business and the value of our common shares.

The global outbreak of COVID-19 continues to evolve rapidly. The extent to which COVID-19 may impact our business, operations and financial performance will depend on future developments, including but not limited to, matters such as (a) the duration and/or severity of the outbreak, (b) government policies, restrictions and requirements as it relates to social distancing, forced quarantines and other requirements, (c) non-governmental influences or challenges such as the failure of banks

and/or (d) any kind of ripple effect caused by the substantial economic damage that can be inflicted on society by a pandemic like COVID-19 such as lawlessness. The ultimate long-term impact of COVID-19 is highly uncertain and cannot be predicted with confidence.

- 2. Business Concentration by region** - The Company processes a significant amount of primary patient services transactions and earns a majority of its revenue stream from two geographic locations, being the Provinces of British Columbia and Ontario, Canada. In the U.S., revenues are spread across 16 states. If economic, regulatory, legislative, or other factors affecting the Company's business were to adversely change, the revenues of the Company would be negatively impacted.
- 3. The Company is reliant on its key personnel** – The Company's success depends substantially on its small number of officers and executives, including Hamed Shahbazi as CEO and Chairman, Eva Fong as CFO, and Amir Javidan as COO. If the Company lost the services of one or more key executive members, its ability to implement its business plan could be severely impaired. The Company's executives and/or workforce are susceptible to COVID-19 related infections and other concerns.
- 4. Cybersecurity** – The Company relies on digital and internet technologies to conduct and expand its operations, including reliance on information technology to process, transmit and store sensitive and confidential data, including protected health information, personally identifiable information, and proprietary and confidential business performance data. As a result, the Company and/or its customers are exposed to risks related to cybersecurity. Such risks may include unauthorized access, use, or disclosure of sensitive information (including confidential patient health records), corruption or destruction of data, or operational disruption resulting from system impairment (e.g., malware). Third parties to whom the Company outsources certain functions, or with whom their systems interface, are also subject to the risks outlined above and may not have or use appropriate controls to protect confidential information. A breach or attack affecting a third-party service provider or partner could harm the Company's business even if the Company does not control the service that is attacked.

The Company's operations depend, in part, on how well it protects networks, equipment, information technology systems and software against damage from a number of threats, including, but not limited to, damage to hardware, computer viruses, hacking and theft. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, information technology systems and software, as well as pre-emptive expenses to mitigate the risks of failures. A compromise of the Company's information technology or confidential information, or that of the Company's patients and third parties with whom the Company interacts, may result in negative consequences, including the inability to process patient transactions, reputational harm affecting patient and/or investor confidence, potential liability under privacy, security, consumer protection or other applicable laws, regulatory penalties and additional regulatory scrutiny, any of which could have a material adverse effect on the Company's business, financial position, results of operations or cash flows. As the Company has access to sensitive and confidential information, including personal information and personal health information, and since the Company may be vulnerable to material security breaches, theft, misplaced, lost or corrupted data, programming errors, employee errors and/or malfeasance (including misappropriation by departing employees), there is a risk that sensitive and confidential information, including personal information and personal health information, may be disclosed through improper use of Company systems, software solutions or networks or that there may be unauthorized access, use, disclosure, modification or destruction of such information. The Company's ongoing risk and exposure to these matters is partially attributable to the evolving nature of these threats. As a result, cybersecurity and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage, malfunction, human error, technological error or unauthorized access is a priority. As cyber threats continue to evolve, the Company may be required to expand additional resources to continue to modify

or enhance protective measures or to investigate and remediate any security vulnerabilities. There could also be elevated risk associated with cybersecurity matters as a result of COVID-19.

- 5. Use of Open Source Software** – The Company’s operations depend, in part, on how it makes use of certain open source software products, such as those utilized by NerdEMR, OSCARprn, KAI, OSCARwest, THT, MedBASE, Indivica, ClearMedica and OpenHealth. These open source software products are developed by third parties over whom the Company has no control. The Company has no assurances that the open source components do not infringe on the intellectual property rights of others. The Company could be exposed to infringement claims and liability in connection with the use of these open source software components, and the Company may be forced to replace these components with internally developed software or software obtained from another supplier, which may increase its expenses. The Company has conducted no independent investigation to determine whether the sources of the open source software have the rights necessary to permit the Company to use this software free of claims of infringement by third parties. The developers of open source software may be under no obligation to maintain or update that software, and the Company may be forced to maintain or update such software itself or replace such software with internally developed software or software obtained from another supplier, which may increase its expenses. Making such replacements could also delay enhancements to the Company’s services. Certain open source software licenses provide that the licensed software may be freely used, modified and distributed to others provided that any modifications made to such software, including the source code to such modifications, are also made available under the same terms and conditions. As a result, any modifications the Company makes to such software may be made available to all downstream users of the software, including its competitors. Open source software licenses may require us to make source code for the derivative works available to the public. In the event that we inadvertently use open source software without the correct license form, or a copyright holder of any open source software were to successfully establish in court that we had not complied with the terms of a license for a particular work, we could be required to release the source code of that work.
- 6. The Company relies on third parties to provide some of its services and its business will be harmed if it is unable to provide these services in a cost-effective manner** - The Company relies heavily on third parties such as its IT and EMR vendors/partners, medical supplies vendors to provide some of its goods and services. If these third parties were unable or unwilling to provide these goods and services in the future due to COVID-19 or other events that cause an anomalous in supply or demand of such goods and services, WELL would need to obtain such goods or services from other providers if they are available. This could cause the Company to incur additional costs or cause material interruptions to its business until these goods and services are replaced, if possible.
- 7. Acquisitions and integration of new businesses create risks and may affect operating results** - The Company may acquire additional businesses. The Company’s M&A strategy involves a number of risks related to the realization of synergies and overall integration of the Company’s operations, including but not limited to, human resources, company culture, product pricing, information technology, data integrity, information systems, business processes and financial management. COVID-19 may affect the ability of the Company to find new attractive acquisition opportunities and/or could impact the Company’s ability to execute on the integration of pending acquisition opportunities.
- 8. General Healthcare Regulation** - Healthcare service providers in Canada and the U.S. are subject to various governmental regulation and licensing requirements and, as a result, the Company’s businesses operate in an environment in which government regulations and funding play a key role. The level of government funding directly reflects government policy related to healthcare spending, and decisions can be made regarding such funding that are largely beyond the businesses’ control. Any change in governmental regulation, delisting of services, and licensing requirements relating to

healthcare services, or their interpretation and application, could adversely affect the business, financial condition, accounting treatment and results of operations of these business units. In addition, the Company could incur significant costs in the course of complying with any changes in the regulatory regime. Non-compliance with any existing or proposed laws or regulations could result in audits, civil or regulatory proceedings, fines, penalties, injunctions, recalls or seizures, any of which could adversely affect the reputation, operations or financial performance of the Company. See Section 1 above for additional commentary on the potential adverse effects of regulation within the context of COVID-19.

9. Uncertainty of Liquidity and Capital Requirements - The future capital requirements of the Company will depend on many factors, including all matters relating to COVID-19 (see Section 1 above for more information), the number and size of acquisitions consummated (if any), rate of growth of its client base, the costs of expanding into new markets (if any), the growth of the market for healthcare services and the costs of administration. In order to meet such capital requirements, the Company may consider additional public or private financing (including the incurrence of debt and the issuance of additional common shares) to fund all or a part of a particular venture, which could entail dilution of current investors' interest in the Company. There can be no assurance that additional funding will be available or, if available, that it will be available on acceptable terms. If adequate funds are not available, the Company may have to reduce substantially or otherwise eliminate certain expenditures. There can be no assurance that the Company will be able to raise additional capital if its capital resources are depleted or exhausted. Further, due to regulatory impediments and lack of investor appetite, the ability of the Company to issue additional common shares or other securities exchangeable for or convertible into common shares to finance acquisitions may be restricted.

10. Reliance on Physicians and other Healthcare Professionals - The Company relies heavily on the availability of physicians and other healthcare professionals to provide services at its facilities. If physicians and other healthcare professionals were unable or unwilling to provide these services in the future due to any sort of reason including infection due to COVID-19, this would cause interruptions in the Company's business until mitigated accordingly. As such, vacancies and disabilities relating to the Company's current medical staff may cause interruptions in the Company's business and result in lower revenues. As the Company expands its operations, it may encounter difficulty in securing the necessary professional medical and skilled support staff to support its expanding operations. There is currently a shortage of certain physicians in Canada and the U.S. and this may affect the Company's ability to hire physicians and other healthcare practitioners in adequate numbers to support its growth plans, which may adversely affect the business, financial condition and results of operations.

11. Confidentiality of Personal and Health Information - The Company and its subsidiaries' employees and consultants have access, in the course of their duties, to personal information of clients of the Company and specifically their medical histories. There can be no assurance that the Company's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients, whether or not such a breach of privacy were to have occurred as a result of the Company's employees or arm's length third parties. If a client's privacy is violated, or if the Company is found to have violated any law or regulation in any jurisdiction in which it operates, it could be liable for damages or for criminal fines and/or penalties.

12. Directors and Officers May Have Conflicts of Interest - Certain of the directors and/or officers of the Company may also serve as directors and/or officers of other companies and consequently there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers involving the Company is being made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company.

- 13. The Company Needs to Comply with Financial Reporting and Other Requirements as a Public Company** - The Company is subject to reporting and other obligations under applicable Canadian securities laws and TSX rules, including National Instrument 52-109. These reporting and other obligations place significant demands on the Company's management, administrative, operational and accounting resources. Moreover, any failure to maintain effective internal controls could cause the Company to fail to meet its reporting obligations or result in material misstatements in its consolidated financial statements. If the Company cannot provide reliable financial reports or prevent fraud, its reputation and operating results could be materially harmed, which could also cause investors to lose confidence in the Company's reported financial information, which could result in a lower trading price of its securities. Management does not expect that the Company's disclosure controls and procedures and internal controls over financial reporting will prevent all error and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that its objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Due to the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within a company are detected. The inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Controls can also be circumvented by individual acts of some persons, by collusion of two or more people or by management override of the controls. Due to the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected. Material disruption caused by events of COVID-19 on the business could adversely affect the Company's ability to meet its financial reporting obligations.
- 14. Reliance on third parties for Real Estate and/or commercial leases that the Company operates in** - The Company acts both as a tenant, sub-tenant and a sub-landlord within the context of the commercial spaces that it operates in. The Company does not own real property. There is a risk that these leases may not be renewed at the end of term, and a risk that an alternative location cannot be found. Moreover, these leased properties are managed by third parties and as such there is no assurance that they will be managed and maintained to meet any required environmental and safety standards. There are a number of potential risks related to COVID-19 such as the Company's sub-tenants not paying leases and/or deferring rents and other lease obligations.
- 15. Technological change** - The Company operates in a highly competitive environment where its software and other products and services are subject to rapid technological change and evolving industry standards. The Company's future success partly depends on its ability to acquire, design and produce new products and services, deliver enhancements to its existing products and services, accurately predict and anticipate evolving technology and respond to technological advances in its industry and its customers' increasingly sophisticated needs.
- 16. Potential for software system, database or network related failures or defects** - The Company relies on software systems, databases and networks to process, transmit and store digital information. The Company also relies on technological solutions from a number of vendors and business units to effectively work together in order to deliver its digital solutions and services to its customers. A software bug, failure or defect may negatively impact software systems, databases and networks from operating properly which could result in the inability of our customers from receiving our products for an indeterminate period of time.
- 17. The Company may be subject to a variety of regulatory investigations, claims, lawsuits, and other proceedings** - Due to the nature of the Company's business, including without limitation the Company's public listing, operations in the medical industry, omni-channel patient services and virtual services, the Company may be subject to a variety of regulatory investigations, claims, lawsuits

and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on our business.

18. If there is a change in U.S. federal or state laws, rules, regulations, or in interpretations of such federal or state laws, rules or regulations, our subsidiary may be required to redeem its physician partners' ownership interests in anesthesia companies under the savings clause in its joint venture operating agreements – Our wholly-owned subsidiary, CRH, has operating agreements with its physician partners which contain a savings clause that is triggered upon an adverse governmental action, including a change in U.S. federal or state laws, rules or regulations or an interpretation of such U.S. federal or state laws, rules or regulations (each an "**Adverse Governmental Action**"). Upon the occurrence of an Adverse Governmental Action, the savings clause will require divestiture of the physicians' ownership in the anesthesia company and CRH would be required to redeem the physicians' ownership interest. If an Adverse Governmental Action occurs under a particular state's law, CRH would be required to redeem the ownership interests of each physician partner in such state. If an Adverse Governmental Action occurs under U.S. federal law, CRH would be required to redeem the ownership interest of each physician partner in the United States. The redemption price of each anesthesia company is based upon a predetermined multiple of such anesthesia company's EBITDA, which reflects the fair market value of the redeemed interests. This could impact our cash flow during the redemption period. The redemption occurs over a period of four or five years depending on each applicable operating agreement.

19. Stock market volatility - There can be no assurance that an active and liquid market for the Company's common shares will maintain and investors may find it difficult to resell the common shares. The market price of the Company's common shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of the Company and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for the Company and its subsidiaries, general economic conditions, legislative changes, the impacts of any short selling activities on supply and demand for the Company's common shares, and other events and factors outside of the Company's control. In addition, stock markets have from time-to-time experienced extreme price and volume fluctuations, which could adversely affect the market price for the Company's common shares. As the Company operates a highly accretive M&A program with acquisitions partly funded by the Company's common shares, a decline in the Company's share price could adversely affect the Company's pace of acquisitions and M&A activity.

20. Changes to payment rates or methods of third-party payors may adversely impact profitability – Changes in payment rates, including U.S. government healthcare programs, changes to the United States laws and regulations that regulate payments for medical services, the failure of payment rates to increase as costs increase, or changes to payor mix, could adversely affect operating margins and revenues. The Company provides anesthesia services primarily through fee for service payor arrangements. Under these arrangements, the Company collects fees directly through the entities at which anesthesia services are provided, and assumes financial risks related to changes in third-party reimbursement rates and changes in payor mix. The Company's revenue decreases if the volume or reimbursement decreases, but the expenses may not decrease proportionately. The Company depends primarily on U.S. government, third party commercial and private and governmental third-party sources of payment for the services provided to patients. The amount that the Company receives for our services may be adversely affected by market and cost factors, as well as other factors over which it has no control, including changes to the Medicare and Medicaid payment systems. U.S. health reform efforts at the federal and state levels may increase the likelihood of

significant changes affecting U.S. government healthcare programs and private insurance coverage. U.S. Government healthcare programs are subject to, among other things, statutory and regulatory changes, administrative rulings, interpretations and determinations concerning patient eligibility requirements, funding levels and the method of calculating payments or reimbursements, all of which could materially increase or decrease payments that the Company receives from these government programs.

21. The Company may write off intangible assets or carrying value may be impaired - The carrying value of our intangible assets is subject to periodic impairment testing. Under current accounting standards, intangible assets are tested for impairment on a recurring basis and WELL may be subject to impairment losses as circumstances change after an acquisition. If WELL records an impairment loss related to our intangible assets, it could have a material adverse effect on the business, financial condition, results of operations, cash flows and the trading price of our common shares.

22. Impact of current international climate and WELL's approach to mitigate risks - The conflict between Ukraine and the neighboring countries has led the United States of America ("U.S.") to impose certain sanctions on countries such as Russia, Belarus and other involved countries. As such, the Company is making sure to take the appropriate steps to comply with newly imposed sanctions. Although WELL is not considered a U.S. entity as defined by Office of Foreign Assets Control ("OFAC"), we are taking the conservative approach in ensuring the implementation of the appropriate policies to mitigate any potential risks in breaching sanctions regimes. As related sanctions regimes expanded to Canada, the UN, and other jurisdictions, the Company is continuously monitoring the rapid changes of all international sanctions and relevant regulatory bodies and are taking reasonable steps to be fully compliant.

Even though these sanctions are not directly affecting the Company, it is taking pre-emptive steps to wind down an involvement with a company in Belarus, whereby the Company had engaged with contractors providing us software-related services. The relationship was inherited through our acquired subsidiaries and it continued until recently. As part of WELL's recently developed policy, due diligence is run through on each member of this entity regularly and on an ongoing basis, making sure that the Company and all its members are clear of the Specially Designated Nationals or Blocked Persons or Entities' List ("SDN List") as defined by OFAC or any other lists of individuals or entities produced by Canada, UN or other relevant countries. As part of the winding down process, the Company will no longer be wiring funds to Belarus. The Company will continue to work with the individuals, subject to the ongoing due diligence clearance.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

FORWARD-LOOKING INFORMATION

Certain statements in this Interim MD&A constitute forward-looking information within the meaning of applicable securities laws. Forward-looking information includes, but are not limited to, the Company's goals, expected costs, objectives, growth strategies, merger and acquisition program, improving the patient experience, obtaining operational efficiency, improving overall care performance, the intention to be an active acquirer within the healthcare services and digital health technologies, maximizing income potential from health clinics, the acquisition of additional health clinics and technologies, the ability to obtain cost efficiencies and improvements through synergies, the use of technology in the Company's business activities, opportunities to leverage its investments in third party technology platforms, the benefits of using open source based technology solutions, the share purchase agreements in respect of its acquisitions, expectations of future revenue and adjusted gross margins, as well as information with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking information reflects the management's current beliefs and are based on information currently available to management.

Forward-looking information involves risks and uncertainties that could cause actual results to differ materially from those contemplated by such information. Factors that could cause such differences include the highly competitive nature of the Company's industry, material adverse consequences of the COVID-19 pandemic, government regulation and funding and other such risk factors described herein and in other disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking information. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking information. The factors underlying current expectations are dynamic and subject to change.

Although the forward-looking information contained in this Interim MD&A is based upon what management believes is reasonable assumptions, there can be no assurance that actual results will be consistent with this forward-looking information. All forward-looking information in this Interim MD&A is qualified by this cautionary information. Other than specifically required by applicable laws, we are under no obligation and we expressly disclaim any such obligation to update or alter the forward-looking information whether as a result of new information, future events or otherwise except as may be required by law. This forward-looking information is made as of the date of this Interim MD&A.