

WELL Health to acquire majority stake in US Silicon Valley-Based Circle Medical in Move to Become North America's Leading Provider of Telehealth Services

[WELL Health](#) (TSX: WELL) is expanding into the \$3.6 trillion dollar US healthcare market through a \$14M USD control investment in [Circle Medical](#), a US technology leader and innovator in the delivery of quality telehealth and in-person healthcare experiences. WELL is a capital allocator and an omni-channel digital health company whose overarching objective is to empower doctors to provide the best and most advanced care possible, using the latest technology. This transaction aligns with WELL's mission to invest in the best technology and entrepreneurs in the industry. It also signals an entrance into the growing US market, which is more than 17 times greater than the Canadian healthcare market.

The deal and WELL's US expansion is being supported by a \$23M investment led by Hong Kong business leader Mr. Li Ka-shing.

"We are excited to have the continued support of Mr. Li Ka-shing. His increased investment level in WELL is a strong endorsement of our ongoing growth strategy and execution." said Hamed Shahbazi, Chairman & CEO of WELL.

WELL's growth strategy aligns with the increasing global demand for telehealth solutions and an overall revolution on outdated healthcare systems. The added pressure of COVID-19, requiring far greater access to remote healthcare, has further intensified the situation with experts predicting the pandemic accelerated the adoption of telemedicine '[by a decade](#)'. WELL fulfilled this increased need for digital solutions through the introduction of its VirtualClinic+ telehealth service, which provides patients with fast and convenient access to virtual medical care. VirtualClinic+ contributed towards a dramatic 730% sequential quarter over quarter growth in WELL's telehealth visits to more than 124,800 telehealth visits in WELL's second fiscal quarter, almost half of which were supported via WELL's VirtualClinic+ telehealth program

Since the service launched in March, WELL has onboarded over 1,000 healthcare practitioners to the telehealth platform. Practitioners currently provide care for patients within their own medical practices and contribute time to serving the 1,000+ virtual patient bookings per day on the VirtualClinic+ telehealth marketplace. Furthermore, WELL's market share as Canada's leading healthcare technology company is increasing, with a record-breaking 1,212% year over year increase in digital services revenue derived by WELL EMR Group the company's EMR (electronic medical records) division.

These strong results support WELL's goal to move the focus of healthcare towards recognizing the needs of both patients and physicians equally. The implementation of telehealth services in the healthcare industry achieves this, offering benefits such as

resource optimization, improved productivity and reduced costs which remove critical barriers and alleviates daily challenges faced by both healthcare professionals and patients.

Circle Medical is a pioneer in delivering a tech-forward, patient-centric healthcare approach which brings the doctor's office to the patient in a safe, secure and cost-effective manner. Their use of artificial intelligence technology has remodelled the patient experience and reduced the cost of care. The technology works by assisting and automating physician's decisions, in order to help deliver better outcomes and provide a more convenient and seamless experience for users who can access healthcare both virtually and at brick and mortar clinics. The results show exceptional customer satisfaction, as Circle consistently achieves industry leading NPS scores of 80-90+ which is significantly higher than competitors. Additionally, the strength of these scores exemplifies the strong desire from customers for technology solutions in healthcare. This established base of satisfied, loyal customers will strengthen WELL's position in becoming the leading provider of telehealth services in the US and Canadian virtual healthcare market, which in the US alone is projected to achieve [revenues over \\$3.5 billion by 2022](#).

Along with being a healthcare technology innovator, Circle Medical is also a graduate of the [Y-Combinator](#) program which provides seed funding for start-ups. Past [Y-Combinator](#) graduates include well-known names such as Airbnb, DoorDash and Stripe. Circle Medical is also affiliated with [UCSF Health](#) to deliver top-quality primary care and improve patient access to health services in the San Francisco Bay Area.

In addition, Circle Medical has built relationships with most US health insurance providers which enables its service to be in-network and accessible to ~200 million Americans. This network represents a large growth opportunity and Circle has begun this expansion by delivering virtual primary healthcare services in 35 states in the last 100 days. The partnership with WELL will make the solution accessible to even more North Americans.

Finally, Circle Medical's current annual revenue run rate is almost \$5M USD, and growing quickly, having recently experienced double-digit monthly growth rates since the start of the pandemic. WELL's cash investment and shared services support will help the company significantly scale its growth over the coming quarters.

For these reasons and many more, "we are thrilled to welcome Circle Medical into the WELL Health family and know that this will continue to drive healthcare innovation, while providing top-tier healthcare experiences to US patients during a time when better healthcare is so desperately needed," said Hamed Shahbazi, Chairman & CEO of WELL. "Circle is amongst the best primary care and telehealth providers in the US and partnering with them is a natural continuation of WELL's focus on investing in the best healthcare products and leaders, while supporting cross-border collaboration with our US expansion."

WELL's decentralized business model is thoughtfully designed towards investing and supporting leading health technology companies with strong operators. WELL has built a strong shared services team, extensive capital allocation expertise and considerable financial strength that enables them to provide their network of companies with the tools and opportunities to thrive in the evolving healthcare landscape. The transaction also provides WELL with an option to activate an exclusive license to use and commercialize Circle Medical's world-class technology in Canada synergistically with WELL's other key healthcare technology and clinical assets.

"We are excited to be partnering with WELL, and its management team, to help us scale our telehealth technology and grow market share in the US, the world's largest healthcare market by spending," said George Favvas, Co-Founder and CEO of Circle Medical. "This acquisition will provide patients with more access to exceptional healthcare experiences during an unprecedented time when omnichannel healthcare innovation is more important than ever."

WELL's overarching goal is to combine Circle Medical's world-class technology and strong leadership with WELL's business strengths. We believe the combination will positively impact the future of healthcare in North America. Moving forward, WELL will strive to continue to match patient demand for enhanced access to omni-channel medical services through disciplined and accretive investments in leading health technology and primary care pioneers.

If you have any questions, please email us at investor@well.company