



# Corporate Presentation

Spring 2024

(all figures in C\$ unless otherwise indicated)

# Forward looking statements

Certain statements in this presentation are forward looking statements which may include, but are not limited to, statements with respect to the future financial or operating performance of NeuPath and its projects, the market conditions, business strategy, corporate plans and objectives and goals. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of NeuPath to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to, the factors discussed in the section entitled “Risk Factors” in the Company’s Annual Information Form for the year ended December 31, 2023 dated March 14, 2024 (“AIF”). Although NeuPath has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this presentation and, other than as required by law, NeuPath disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

This presentation also includes market data and forecasts with respect to the chronic pain, sports medicine, concussion, and workplace health services markets. Although NeuPath is responsible for all of the disclosure contained in this presentation, in some cases NeuPath relies on and refers to market data and certain industry forecasts that were obtained from third-party surveys, market research, consultant surveys, publicly available information and industry publications and surveys that it believes to be reliable. Unless otherwise indicated, all market and industry data and other statistical information and forecasts contained in this presentation are based on independent industry publications, reports by market research firms or other published independent sources and other externally obtained data that NeuPath believes to be reliable. Any such market data, information or forecast may prove to be inaccurate because of the method by which it was obtained or because it cannot always be verified with complete certainty given the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties, including those discussed in the AIF under the heading “Risk Factors”. As a result, although NeuPath believes that these sources are reliable, it has not independently verified the information.

# Non-IFRS Financial Measures

This presentation makes reference to certain financial measures, including non-IFRS financial measures that are historical and non-GAAP or non-GAAP ratios. Management uses these financial measures for purposes of comparison to prior periods and development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of ongoing operations and in analyzing business performance and trends. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and, are therefore, unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of financial information reported under IFRS. The Company uses the following non-GAAP financial measures: EBITDA, adjusted EBITDA, gross margin, adjusted gross margin and loss from operations, and the following non-GAAP ratios: gross margin % and adjusted gross margin %, to provide supplemental measures of operating performance and thus highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management also uses non-IFRS financial measures in order to prepare annual operating budgets and to determine management compensation. See Selected Financial Information and Results of Operations for a quantitative reconciliation of gross margin, adjusted gross margin and loss from operations to its most directly comparable financial measure disclosed in the Condensed Consolidated Interim Financial Statements for the three and twelve months ended December 31, 2023 to which the measure relates.

# NeuPath Health at a Glance

**+\$65M**

Revenue



Canada's Largest  
Provider of Chronic Pain  
Management

**130**

Licensed professionals



Licensed Health Care  
Providers

**~200k**

Patient visits



Patient Visits

**15k**

Referring physicians

# Corporate Highlights

## Private / Public

**Canada's largest provider of category leading chronic pain management and other services in support of, and complementary to, the public system**

## Strong Platform

**Annual revenue run rate of >\$65 million, adjusted EBITDA positive for 20 straight quarters. New leadership is implementing operational improvements to drive EBITDA growth.**

## Multiple Avenues for Growth

**Significant opportunities to grow both organically and inorganically – consistent with recent provincial and federal government initiatives**

## Attractive Valuation

**Currently trading at a highly discounted EV/Revenue and EV/EBITDA vs. peers**

# Helping Canadians with Chronic Pain

NeuPath operates the largest chronic pain network in Canada and addresses ~67% and ~38% of Ontario and Alberta's population, respectively

## Alberta



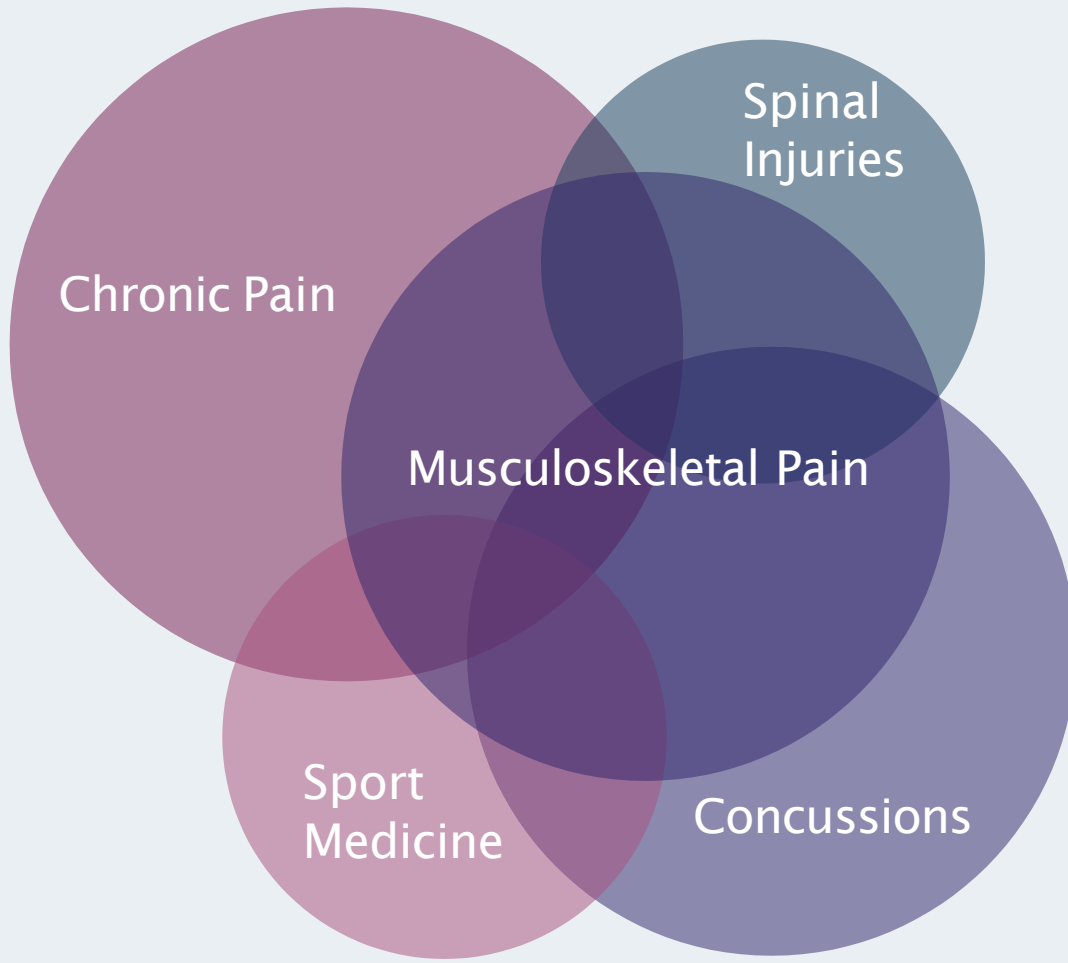
## Southern Ontario



(1) Inclusive of the new Hamilton fluoroscopy suite clinic

(2) The Company owns a 10% minority interest in two physiotherapy and sports medicine clinics located in Edmonton

# Chronic Pain Impacts One in Five Canadians



## **Chronic Pain**

- Costs up to \$40 billion in Canada<sup>(1)</sup>
- Leading cause of disability worldwide

## **Musculoskeletal Conditions**

- Biggest cost driver in organizations' healthcare spend in Canada

# We Treat Patients with Many Drivers of Pain

**NeuPath's physicians cater to individuals who have trouble taking care of themselves or their family due to their condition**

Arthritis & Musculoskeletal Pain	Fibromyalgia	Rotator Cuff Injuries
Back Pain	Head & Neck Pain	Scoliosis
Cervical Radiculopathy (Pinched Nerve)	Herniated Disc	Shoulder and Arm Pain
Chronic Headaches	Lumbar Radiculopathy	Spinal Stenosis
Complex Regional Pain Syndrome (CRPS)	Motor Vehicle Injuries	Spondylosis
Concussion	Myofascial Pain	Sports Injuries
Degenerative Disc Disease	Neuropathic Pain	Trigeminal Neuralgia
Diabetic Neuropathic Pain	Post-Shingles Neuropathic Pain	Whiplash Related Injuries
Facet Joint Syndrome	Post-Surgical Pain Syndromes	Work-Related Injuries





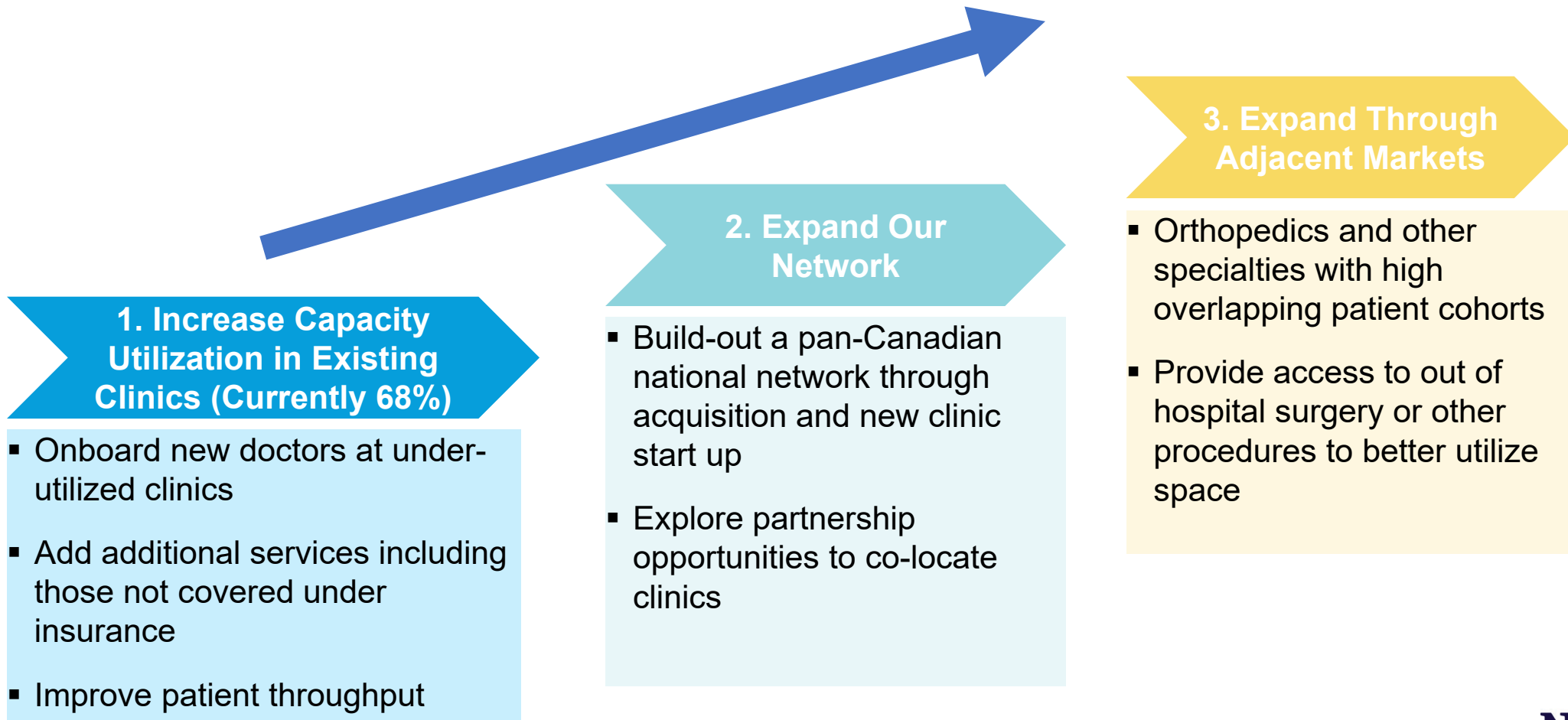
# Attracting Physicians

- ✓ **Regulated treatment facilities**
- ✓ **Access to new technologies and modern equipment**
- ✓ **Built in referral network to rapidly build practice**
- ✓ **Doctors can concentrate on patient care**

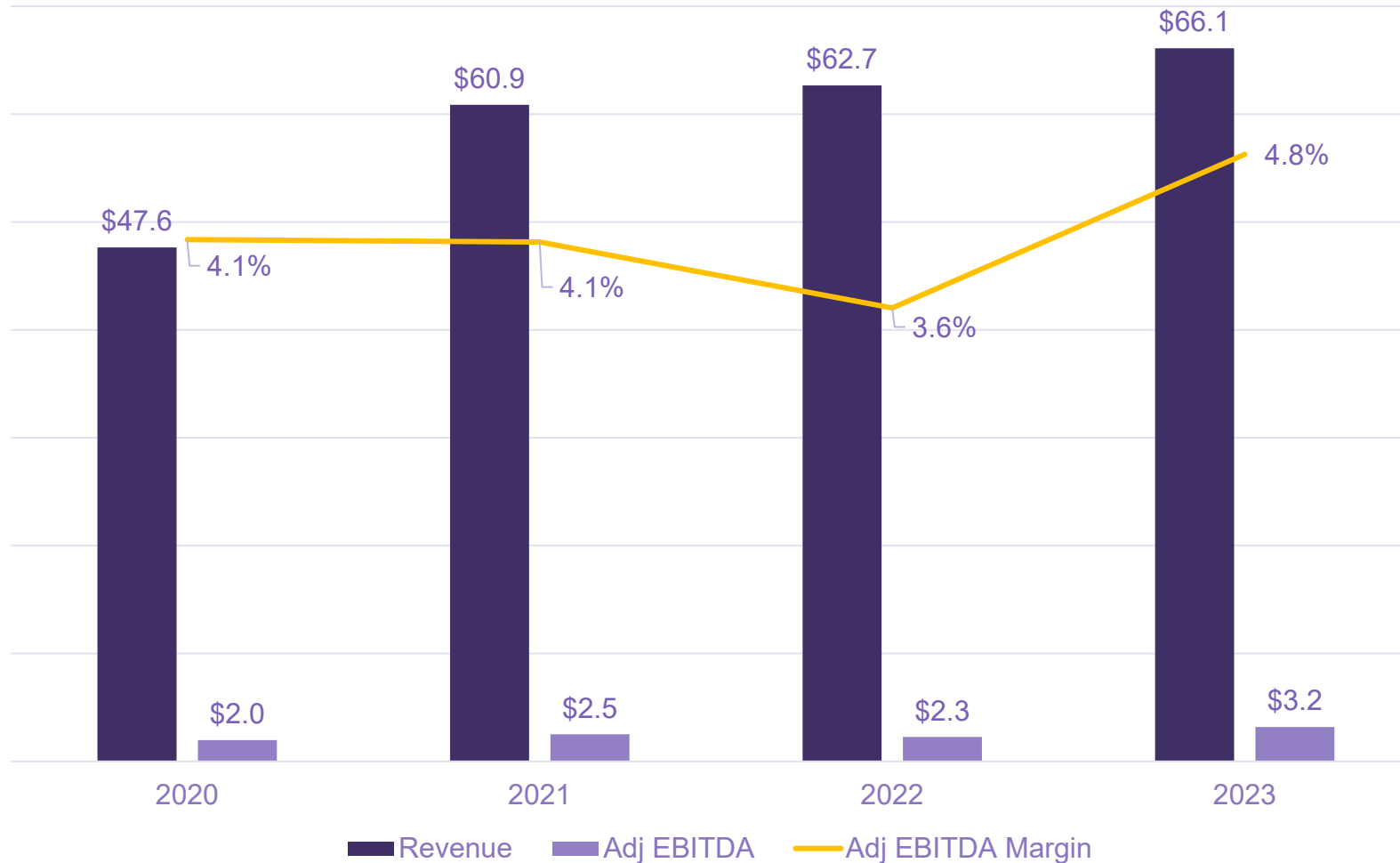


# Multiple Avenues for Growth

NeuPath is well positioned to grow through a variety of organic and inorganic opportunities.



# Financial Overview (\$MM)



Revenue  
CAGR +12%

Adj EBITDA  
CAGR + 17%

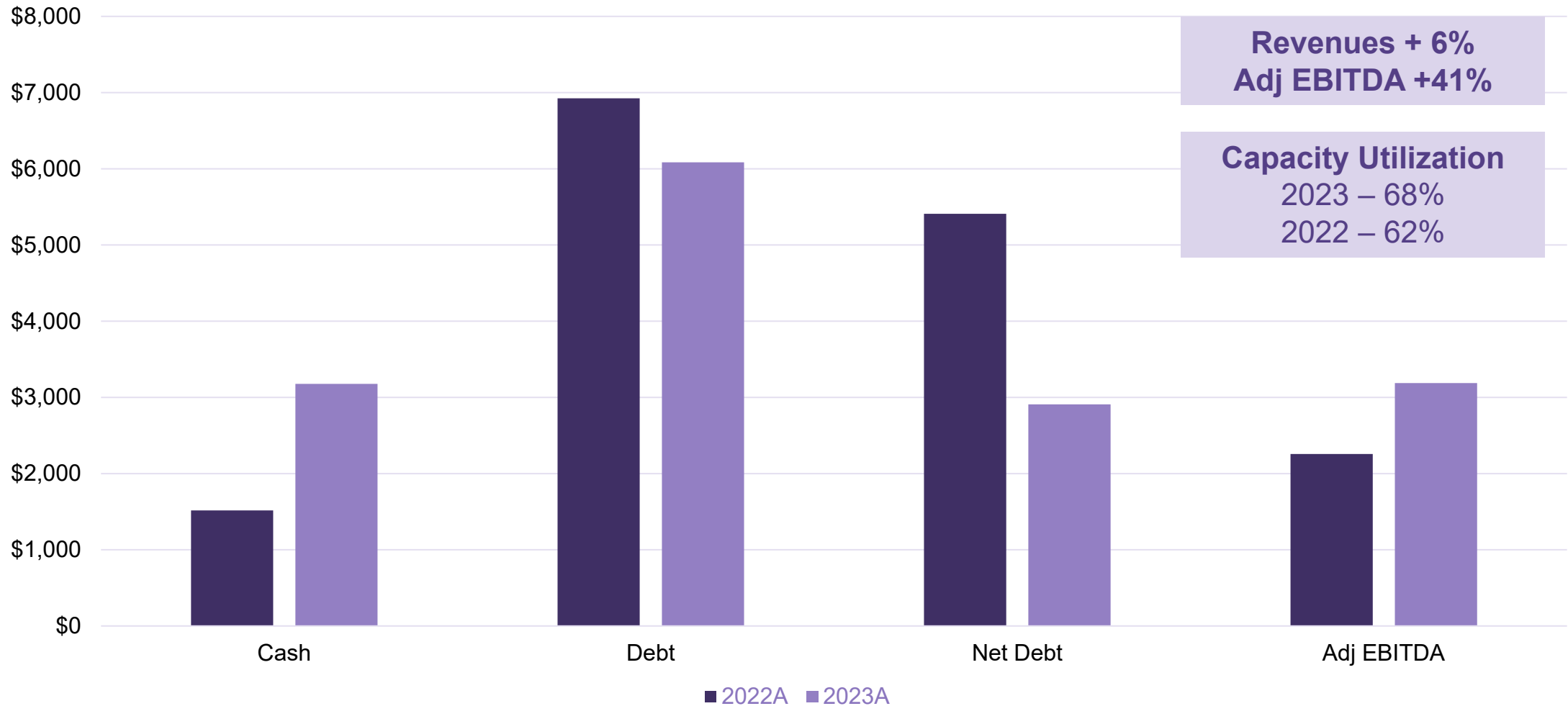
**NeuPath has implemented multiple changes to enhance operational efficiency to better serve our patients, physicians, staff and shareholders.**

# It's Been a Great Year

## Since BBHIC2023, we have:

- ✓ Secured a \$1.4M debenture financing
- ✓ Announced a positive resolution of a CRA matter, \$1.9M returned to NPTH
- ✓ Completed the sale of a company owned facility for \$2M
- ✓ Closed a updated credit facility with a major bank
- ✓ Acquired the assets of the London Spine Institute
- ✓ Reported record revenues of \$66M with adjusted EBITDA up 41%

# Important Improvements in the Business in 2023



# Leadership Team



**Joseph Walewicz**  
**CEO**

- Joined as a Board of Director in 2020
- Became CEO in September 2022
- 25 years in biopharma, including Clementia Pharmaceuticals, MethylGene, Warnex, and Paladin Labs
- MBA, Finance from McGill, CFA charterholder

**Jeff Zygoras CPA, CA**  
**CFO**

- Joined as Corporate Controller in 2019, promoted to CFO in July 2021
- Prior experience as Finance Manager at Miravo Healthcare and Manager FP&A at Crescita Therapeutics
- MMPA from the University of Toronto



**Supported by three Operations VPs and a highly experienced management team**

# Board of Directors

## Daniel Chicoine

*Director (Chair)*

- Currently serves as Executive Chairman of Crescita Therapeutics Inc. (TSX: CTX)
- Previously served as Chairman and Co-CEO at Nuvo Research; also held executive roles at Magna International and PowerCart Systems
- Holds a Commerce degree from the University of Toronto and is a Chartered Professional Accountant

## Jolyon Burton

*Director*

- Co-founder of Bloom Burton & Co.; serves as President and Head of Investment Banking
- Previously served as Head of Healthcare and Biotechnology Investment Banking at an independent investment dealer
- Holds an Honours B.A. from the University of Waterloo

## Sasha Cucuz

*Director*

- Currently serves as CEO of Greybrook Securities and leads the firm's capital markets activities in real estate and healthcare
- Also co-manages Greybrook Realty Partners' asset management and capital markets business
- Holds a B.A. in Economics from York University

## Dan Legault

*Director*

- Currently serves as CEO of Antibe Therapeutics (TSX: ATE); also, served on the board of directors of International Save the Children and Green Shield of Canada
- Holds an LL.B. from Queen's University and a degree in Philosophy and Math from John Abbot College

## Joseph Walewicz

*Director (CEO)*

- 25+ years in biopharma; has held executive roles at MethylGene, Warnex and Paladin Labs
- Previously served as EVP, Business and Corporate Development of Clementia Pharmaceuticals (acquired for US\$1B in 2019)
- Holds an MBA in Finance from McGill, a B.Sc in Biochemistry and B.A. in Economics from Queens University; also a CFA charterholder

# NeuPath is Trading at a Large Discount to Peers

## NeuPath Health - Select Trading Comparables

All \$ amounts in C\$mm, except share prices in local listing currencies as indicated

Data Source: FactSet as of 2024-03-28

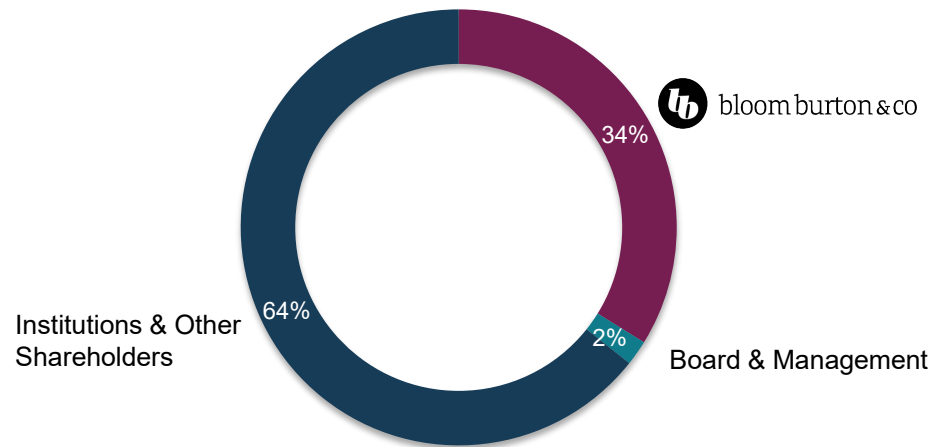
Company (Exch:Ticker)	Last Price	2024 YTD Price	Market Cap	Enterprise Value	Rev. CAGR '22 - '24	Revenue Growth		EBITDA Margin		EV/Revenue		EV/EBITDA		Debt / LTM EBITDA
	3/28/2024	Change				2022	2023	2022	2023	2022	2023	2022	2023	
WELL Health (TSX:WELL)	C\$ 3.67	-5%	881	1,264	29%	88%	36%	18%	13%	2.2x	1.6x	12.1x	11.1x	3.7x
VieMed (NASDAQ:VMD)	US\$ 9.43	23%	495	491	25%	26%	30%	22%	17%	2.6x	2.0x	12.1x	8.5x	0.2x
Medical Facilities (TSX:DR)	C\$ 10.35	15%	259	381	0%	15%	3%	17%	17%	0.7x	0.6x	3.8x	6.6x	2.7x
CareRx (TSX:CRRX)	C\$ 2.05	27%	123	212	-2%	45%	-3%	8%	9%	0.6x	0.6x	6.7x	7.4x	3.3x
Nova Leap Health (TSXV:NLH)	C\$ 0.27	-12%	23	23	2%	43%	-9%	2%	3%	0.6x	0.7x	24.3x	11.6x	0.8x
		<b>Mean</b>			11%	43%	12%	14%	12%	1.3x	1.1x	11.8x	9.0x	2.1x
		<b>Median</b>			2%	43%	3%	17%	13%	0.7x	0.7x	12.1x	8.5x	2.7x
		<b>Min</b>			-2%	15%	-9%	2%	3%	0.6x	0.6x	3.8x	6.6x	0.2x
		<b>Max</b>			29%	88%	36%	22%	17%	2.6x	2.0x	24.3x	11.6x	3.7x
<b>NeuPath Health (TSXV:NPTH)</b>	<b>C\$ 0.17</b>	<b>-11%</b>	<b>9</b>	<b>15</b>	<b>6%</b>	<b>2%</b>	<b>7%</b>	<b>3%</b>	<b>3%</b>	<b>0.2x</b>	<b>0.2x</b>	<b>7.1x</b>	<b>3.6x</b>	<b>4.1x</b>



# Capitalization Table

- ~34% of the Company is owned by Bloom Burton, a Canadian-based investment firm focused in healthcare
- ~2% of the Company is owned by the Board and Management
- 56,292,735 of voting common shares are outstanding
- 5,316,111 of warrants are outstanding and are exercisable at \$0.15 - 0.25
- 4,419,671 of options are outstanding and are exercisable between \$0.14 – \$1.00
- 155,033 RSUs are outstanding; vesting within 4 years

## Fully Diluted Ownership



## Capital Structure

<b>Common Shares Outstanding</b>	<b>56,292,735</b>
<b>Dilutive Instruments:</b>	
Warrants Outstanding	5,316,111
Stock Options	4,419,671
Restricted Share Units	155,033
<b>Fully Diluted Shares</b>	<b>66,183,550</b>

# Key Takeaways

- ✓ **NeuPath provides public healthcare in a private setting, supporting the system by supplying treatment for chronic pain and related conditions**
- ✓ **New leadership in Q3 2022 with significant healthcare and operational experience, immediate improvements implemented and ongoing improvements underway**
- ✓ **Clinic investments in 2022 turned to growth in 2023, better serving patients and adding higher margin services**
- ✓ **Multiple avenues for internal and external growth, discount valuation**
- ✓ **Both provincial and federal government initiatives are aligned with our business plan**

# EBITDA Reconciliation of IFRS

## EBITDA and Adjusted EBITDA

EBITDA refers to net income (loss) determined in accordance with IFRS, before depreciation and amortization, net interest expense (income) and income tax expense (recovery). The Company defines adjusted EBITDA, as EBITDA, excluding stock-based compensation expense, restructuring costs, gain on derecognition of other obligations, fair value adjustments, transaction costs, impairment charges, gain on sale of building, government loan forgiveness and finance income. Management believes EBITDA and adjusted EBITDA are useful supplemental non-GAAP measures to determine the Company's ability to generate cash available for working capital, capital expenditures, debt repayments, interest expense and income taxes. The following table provides a reconciliation of net loss and comprehensive loss to EBITDA and adjusted EBITDA:

	Three months ended December 31		Year ended December 31	
	2023	2022	2023	2022
<i>(in thousands)</i>	\$	\$	\$	\$
<b>Net and comprehensive loss</b>	<b>(368)</b>	(1,860)	<b>(191)</b>	(4,275)
<b>Add back:</b>				
Depreciation and amortization	738	669	2,603	2,665
Interest cost	267	214	928	832
Income tax expense	(13)	29	246	194
<b>EBITDA</b>	<b>624</b>	(948)	<b>3,586</b>	(584)
<b>Add back:</b>				
Stock-based compensation	44	53	183	98
Transaction costs <sup>(1)</sup>	134	202	226	808
Finance income	(1)	(4)	(9)	(22)
Restructuring	-	67	-	519
Gain on sale of building	-	-	(758)	-
Gain on government loans	(40)	-	(40)	-
Gain on derecognition of other obligations	-	(500)	-	(500)
Impairment	-	1,938	-	1,938
<b>Adjusted EBITDA</b>	<b>761</b>	808	<b>3,188</b>	2,257
<b>Attributed to:</b>				
Shareholders of NeuPath Health Inc.	740	829	3,190	2,350
Non-controlling interest	21	(21)	(2)	(93)
	<b>761</b>	808	<b>3,188</b>	2,257

## Gross Margin, Gross Margin %, Adjusted Gross Margin and Adjusted Gross Margin %

Management believes gross margin, gross margin %, adjusted gross margin and adjusted gross margin % are important supplemental non-GAAP measures for evaluating operating performance and to allow for operating performance comparability from period-to-period. Gross margin is calculated as total revenue minus COMS. Gross margin % is calculated as gross margin divided by total revenue. Adjusted gross margin is calculated as gross margin, plus remuneration payment accruals related to the HealthPointe acquisition. Adjusted gross margin % is calculated as adjusted gross margin divided by total revenue.

## Loss From Operations

Management believes loss from operations is an important supplemental non-GAAP measure for evaluating operating performance and to allow for operating performance comparability from period-to-period. Loss from operations is calculated as total revenue, minus cost of medical services, general and administrative ("G&A") expenses, occupancy costs, depreciation and amortization, interest cost and restructuring costs.

<sup>(1)</sup> For the year ended December 31, 2022, \$750 of accrued contingent consideration that under IFRS 3, *Business Combinations* ("IFRS 3") was not permitted to be included in the acquisition cost has been accounted for as remuneration rather than consideration transferred.



# Corporate Presentation

Spring 2024

(all figures in C\$ unless otherwise indicated)