

NEUPATH HEALTH REPORTS FOURTH QUARTER AND YEAR-END 2024 RESULTS

- Fourth quarter total revenue of \$18.9 million, up 12% year-over-year
- Q4 adjusted EBITDA⁽¹⁾ of \$0.9 million, up 18% year-over-year, and our 24th consecutive quarter of positive adjusted EBITDA. Full year adjusted EBITDA up 19% year-over-year
- Positive cash flows, with significant investments in our facilities to support future growth
- In Q1 2025 performed the first-ever injection in North America of Arthrosamid[®] (2.5% iPAAG) at its Mississauga, Ontario clinic
- In Q1 2025 secured a new Credit Facility with National Bank to support growth initiatives

TORONTO, ONTARIO, March 27, 2025 – NeuPath Health Inc. (TSXV:NPTH), (“NeuPath” or the “Company”), owner and operator of a network of clinics delivering category-leading chronic pain treatment, today announced its financial and operating results for the three months and year ended December 31, 2024. All figures are in Canadian dollars, unless otherwise noted.

“We once again delivered strong organic growth while continuing to invest in our facilities,” said Joe Walewicz, NeuPath’s Chief Executive Officer. “These investments, new procedures such as the recently launched Arthrosamid, and our new Credit Facility will accelerate organic and inorganic growth to better serve patients, with more services, in more communities.”

Financial and Operational Highlights

- Total revenue was \$18.9 million and \$72.8 million for the three months and year ended December 31, 2024, up 12% versus the fourth quarter of 2023 and 10% for the year, delivering another record year of revenues;
- Adjusted EBITDA was \$0.9 million and \$3.8 million for the three months and year ended December 31, 2024, up 18% over the prior year fourth quarter and 19% year-over-year;
- For the year ended December 31, 2024, capacity utilization improved to 75%, up from 68% in the prior year;
- As at December 31, 2024, the Company had \$2.9 million in cash and cash equivalents and long-term debt of \$5.9 million, of which \$2.2 million is interest-bearing;
- In Q1 2025 performed the first-ever injection of Arthrosamid (2.5% iPAAG) in North America at its Mississauga, Ontario clinic. Arthrosamid is a unique non-biodegradable hydrogel injection developed by Contura International A/S, a biotechnology company based in Denmark. Unlike traditional osteoarthritis injections, Arthrosamid integrates into the synovial tissue of the knee, helping to cushion the joint and reduce pain with a single dose; and
- In Q1 2025 announced a new \$13.5 million Credit Facility with National Bank, including a Term Loan, a Revolving Facility and an Acquisition Line to support the continued growth of the business.

⁽¹⁾ *Non-International Financial Reporting Standard (“IFRS”) and Other Financial Measures defined by the Company below.*

Q4 2024 Financial Results

Total Revenue

Total revenue is comprised of clinic revenue and non-clinic revenue. Total revenue was \$18.9 million for the three months ended December 31, 2024 compared to \$16.8 million for the three months ended December 31, 2023. Total revenue was \$72.8 million for the year ended December 31, 2024 compared to \$66.1 million for the year ended December 31, 2023.

Clinic Revenue

Clinic revenue is generated through the provision of medical services to patients. Clinic revenue was \$17.5 million for the three months ended December 31, 2024 compared to \$15.3 million for the three months ended December

31, 2023. Clinic revenue was \$67.3 million for the year ended December 31, 2024 compared to \$61.0 million for the year ended December 31, 2023. The increase in clinic revenue for the year ended December 31, 2024 was primarily due to stronger revenues from fluoroscopy and increased patient volumes from existing medical clinics.

Non-clinic Revenue

Non-clinic revenue was \$1.4 million for the three months ended December 31, 2024 compared to \$1.5 million for the three months ended December 31, 2023. Non-clinic revenue was \$5.5 million for the year ended December 31, 2024 compared to \$5.1 million for the year ended December 31, 2023. Non-clinic revenue is earned from physician staffing allocation services where the Company provides physicians for provincial and federal correctional institutions across Canada, and from contract research services provided to pharmaceutical companies and clinical research organizations. This revenue fluctuates depending on the need for physicians in certain institutions and the timing and enrolment of clinical studies that the Company is working on.

Gross margin % was 19.2% for the three months ended December 31, 2024 and December 31, 2023. Gross margin % was 19.0% for the year ended December 31, 2024 compared to 18.6% for the year ended December 31, 2023. The increase in gross margin was primarily driven by higher revenues from fluoroscopy and increased patient volumes at existing medical clinics compared to the year ended December 31, 2023. (see *Non-IFRS Financial Measures - Gross Margin and Gross Margin %*).

Adjusted EBITDA was \$0.9 million and \$3.8 million for the three months and year ended December 31, 2024 compared to \$0.8 million and \$3.2 million for the three months and year ended December 31, 2023.

Liquidity and Capital Resources

As at December 31, 2024, the Company's net debt was \$3.0 million, compared to \$2.9 million as at December 31, 2023. The Company's net debt as at December 31, 2024 consisted of \$2.9 million of cash and cash equivalents and long-term debt of \$5.9 million compared to \$3.2 million of cash and cash equivalents and long-term debt of \$6.1 million as at December 31, 2023.

For more information see Note 12, *Long-Term Debt* in the Company's Consolidated Financial Statements for the three months and year ended December 31, 2024 and 2023.

Non-IFRS Financial and Other Measures

The Company discloses non-IFRS measures (such as EBITDA, adjusted EBITDA, and gross margin) and non-IFRS ratios (such as gross margin %) that do not have standardized meanings prescribed by International Financial Reporting Standards ("IFRS"). The Company believes that shareholders, investment analysts and other readers find such measures helpful in understanding the Company's financial performance. Non-IFRS financial measures and other measures do not have any standardized meaning prescribed by IFRS and may not have been calculated in the same way as similarly named financial measures presented by other reporting issuers and therefore unlikely to be comparable to similar measures presented by other companies. Furthermore, these non-IFRS measures and other measures should not be considered in isolation or as a substitute for measures of performance or cash flows as prepared in accordance with IFRS. These measures should be considered as supplemental in nature and not as a substitute for related financial information prepared in accordance with 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 loans forgiveness, finance income and loss or gain on sale of property, plant and equipment. Management believes EBITDA and adjusted EBITDA are useful supplemental non-GAAP measures to determine the Company's ability to generate cash available for operations, working capital, capital expenditures, debt repayments, interest expense and income taxes.

The following table provides a reconciliation of net and comprehensive loss to EBITDA and adjusted EBITDA:

| | Three months ended December 31 | | Year ended December 31 | |
|--|-----------------------------------|--------------|---------------------------|--------------|
| | 2024 | 2023 | 2024 | 2023 |
| | \$ | \$ | \$ | \$ |
| Net and comprehensive loss | (180) | (368) | (485) | (191) |
| Add back: | | | | |
| Depreciation and amortization | 588 | 738 | 2,297 | 2,603 |
| Interest cost | 224 | 267 | 945 | 928 |
| Income tax expense | 37 | (13) | 212 | 246 |
| EBITDA | 669 | 624 | 2,969 | 3,586 |
| Add back: | | | | |
| Stock-based compensation | 21 | 44 | 102 | 183 |
| Transaction costs | 41 | 134 | 570 | 226 |
| Restructuring | 147 | - | 147 | - |
| Loss (gain) on sale of property, plant and equipment | 20 | - | 20 | (758) |
| Government loan forgiveness | - | (40) | - | (40) |
| Finance income | - | (1) | - | (9) |
| Adjusted EBITDA | 898 | 761 | 3,808 | 3,188 |
| Attributed to: | | | | |
| Shareholders of NeuPath Health Inc. | 812 | 740 | 3,484 | 3,190 |
| Non-controlling interest | 86 | 21 | 324 | (2) |
| | 898 | 761 | 3,808 | 3,188 |

Gross Margin and Gross Margin %

Management believes gross margin and 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 cost of medical services ("COMS"). Gross margin % is calculated as gross margin divided by total revenue.

The following table provides a reconciliation of total revenue to gross margin:

| | Year ended December 31, 2024 | Year ended December 31, 2023 |
|-------------------------------------|---------------------------------|---------------------------------|
| | \$ | \$ |
| Clinic revenue | 67,295 | 60,988 |
| Non-clinic revenue | 5,511 | 5,114 |
| Total revenue | 72,806 | 66,102 |
| Cost of medical services | 58,948 | 53,805 |
| Gross margin⁽¹⁾ | 13,858 | 12,297 |
| Gross margin %⁽¹⁾ | 19.0% | 18.6% |

⁽¹⁾ Gross margin and gross margin % are non-IFRS measures. Please refer to *Non-IFRS Financial Measures* above.

For further details on the results, please refer to NeuPath's Management, Discussion and Analysis and Consolidated Financial Statements for the three months and year ended December 31, 2024, which are available on the Company's website (www.neupath.com) and under the Company's profile on SEDAR+ (www.sedarplus.ca).

About NeuPath

NeuPath operates a network of healthcare clinics and related businesses focused on improved access to care and outcomes for patients by leveraging best-in-class treatments and delivering patient-centered multidisciplinary care. We operate a network of medical clinics in Ontario and Alberta that provide comprehensive assessments and rehabilitation services to patients with chronic pain, musculoskeletal/back injuries, sports related injuries and concussions. In addition, NeuPath provides workplace health services and independent medical assessments to employers and disability insurers through a national network of healthcare providers, as well as contract research

services to pharmaceutical and biotechnology companies. NeuPath is focused on enabling each individual to live their best life. For additional information, please visit www.neupath.com.

Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including, without limitation, the Company's expectation of continued operational improvements in 2025 and the execution of the Company's growth opportunities are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations included in this news release include, among other things, adverse market conditions, risks associated with obtaining and maintaining the necessary governmental permits and licenses related to the business of the Company, increasing competition in the market and other risks generally inherent in the chronic pain, sports medicine, concussion and workplace health services markets. A comprehensive discussion of these and other risks and uncertainties can be found in the Company's annual information form dated March 26, 2025 filed on SEDAR+ under the Company's profile at www.sedarplus.ca.

Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to their inherent uncertainty.

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