newtopia

TSXV: NEWU
OTC: NEWUF

Corporate Overview Presentation

May 2023

Forward Looking Information

Certain statements in this presentation are forward-looking information or forward-looking statements. Such information and statements, referred to herein as "forward-looking statements" are made as of the date of this presentation or as of the date of the effective date of information described in this presentation, as applicable. Forward-looking statements relate to future events or future performance and reflect current estimates, predictions, expectations or beliefs regarding future events. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (generally, forward-looking statements can be identified by use of words such as "outlook", "expects", "intend", "forecasts", "anticipates", "plans", "projects", "estimates", "envisages, "assumes", "needs", "strategy", "goals", "objectives", or variations thereof, or stating that certain actions, events or results "may", "can", "could", "would", "might", or "will" be taken, occur or be achieved, or the negative of any of these terms or similar expressions, and other similar terminology) are not statements of historical fact and may be forward-looking statements. Such forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to: the ability of Newtopia to execute on its business plan; Newtopia's business performances; Newtopia's business prospects and opportunities; and completion of listing on a listing on a stock exchange. Newtopia considers these assumptions to be reasonable in the circumstances, given the time periods for such outlook. However, there can be no assurance that any one or more of the industry, market, operational or financial targets as set out herein will be achieved. Inherent in the forward-looking statements are known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements, or industry results, to differ materially from any results, performance or achievements expressed or implied by such forward-looking statements including, but not limited to, those risk factors set forth in this presentation. Prospective investors and/or current investors should not place undue reliance on these forward-looking statements as a prediction of actual results, as a number of important factors could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, estimates, assumptions, and intentions expressed in such forward-looking statements. The forward-looking statements reflects Newtopia's current expectations and beliefs regarding future events and operating performance of Newtopia and is based on information currently available to Newtopia. Actual results may differ materially from the forward-looking statements contained herein. These risks include, but are not limited to, risks relating to the offering of special warrants, risks related to changes in the regulatory framework applicable to Newtopia's business; risks relating to dependence on key personal; access to capital; the risk of Newtopia's business; the risk of a change in investment return; the potential for a conflict of interest; and tax related risks. The foregoing list of factors that may affect future results is not exhaustive. When relying on forward looking statements, Investors should carefully consider the foregoing factors and other uncertainties and potential events. The forward-looking statements contained herein is current as of the date of this presentation. Except as required by law Newtopia does not have any obligation to advise any person if it becomes aware of any inaccuracy in or omission from any forward-looking statement, nor does it intend, or assume any obligation, to update or revise these forward-looking statements to reflect new events or circumstances. **Any and all forward-looking statement included in this presentation is expressly qualified by this cautionary statement, and except as otherwise indicated, is made as of the date of this presentation.**

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All dollar figures contained in this presentation are in CAD, unless otherwise stated.

Investment Highlights

- **Third-Party Validation:** the only tech-enabled habit change provider with Full-Plus CDC accreditation, incorporating genetic data, leveraging HIPAA-compliant technology
- **Marquee Insurer Partners:** partnering with a growing list of US Fortune 500 employers and health plans
- **Proven Clinical & Financial Outcomes:** scalable, virtual coaching, digital tools, connected devices and actionable data science that deliver high engagement and sustainable clinical and financial outcomes
- **Recurring Revenue Model:** monthly subscription fees provide predictability and visibility while success fees offer additional opportunity for top-line growth
- **Industry Leading Engagement:** 70% engagement at 12 months; 58% engagement at 24 months
- **Massive & Growing Addressable Market:** 320M+ people at risk in North America, 80% of population with a least one physical or mental chronic disease risk factor
- **New Class of Drugs for Obesity & Diabetes:** new class of expensive GLP-1 drugs for obesity and diabetes that require effective behavior change for sustained weight loss and economic viability for insurers
- **Collection of Valuable Industry Data:** deep and proprietary anonymized genetic and phenotypic data enabling real-time analytics and research & development
- **Highly Experienced Management Team:** strong leadership with industry expertise and a passion to scale the platform

MEET NEWTOPIA

Making Healthy Living & Medical Plans a Habit

Tech-enabled habit change provider for disease prevention

Reducing cost of care and optimizing revenues for health insurers

The only tech-enabled habit change provider with Full-Plus CDC recognition, incorporating genetic data and leveraging HIPAA-compliant technology with industry leading engagement

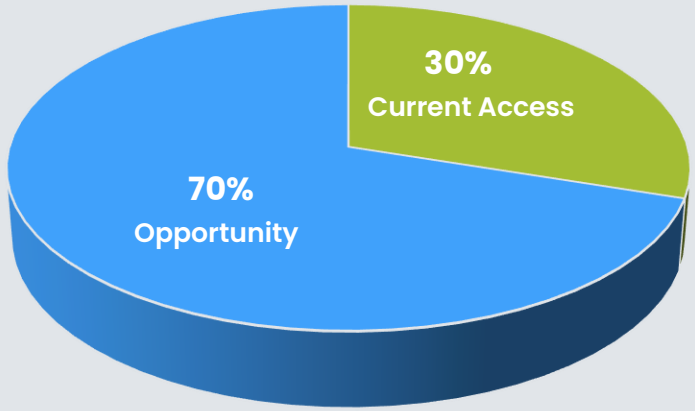
A growing list of partnerships with US Fortune 500 employers & health plans



80% of the North American population has at least one chronic disease risk factor. **New class of GLP-1 drugs for obesity and diabetes** require effective behavior change for sustained clinical and economic results

Marquee Clients – Innovative Self-Insured Employers

Population Access amongst Current Client Base



Amongst the client base listed to the right, Newtopia has provided **access to roughly 30% of their population**, providing **significant** opportunities for **expansion**.

FORTUNE 500

CVS Health

accenture

aetna

JPMorganChase

Levi's

Vestas

Canon

GRIFFIN HEALTH

ROSS DRESS FOR LESS

Eastern Health

Huge US Health Plans - 100M Private Insured Lives

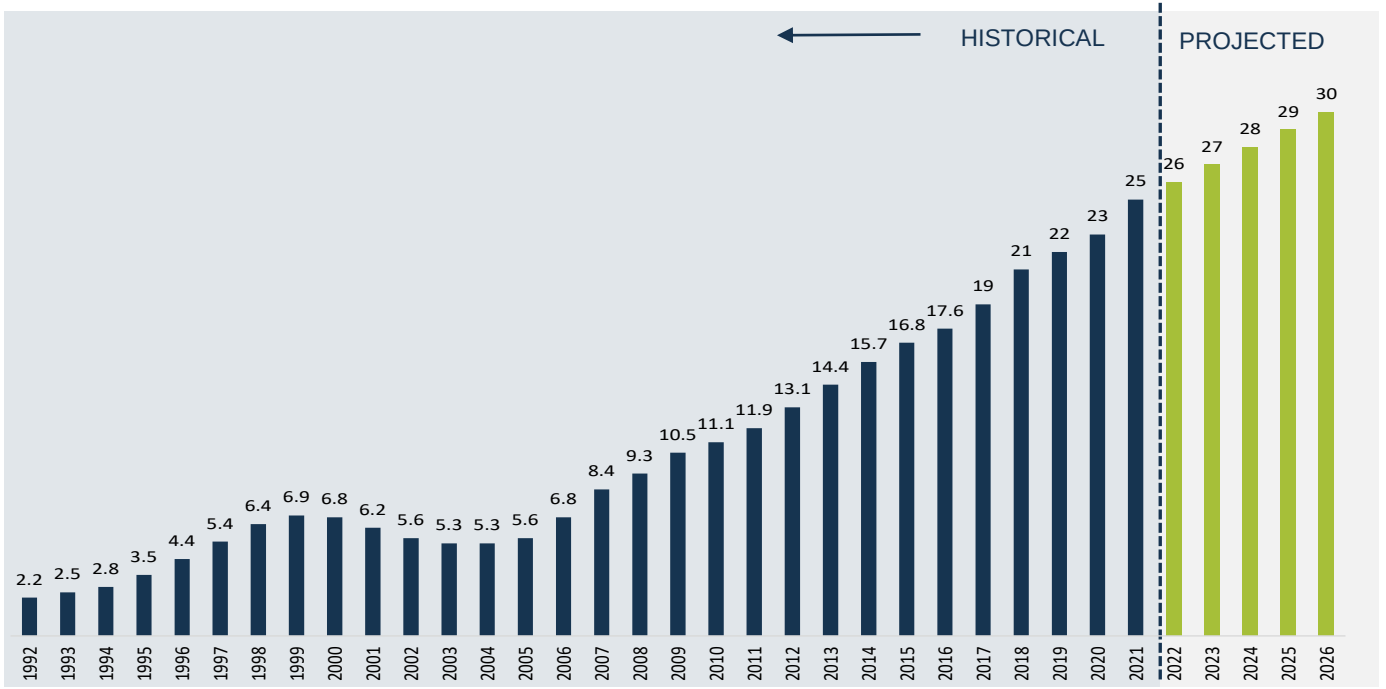
Medicare Advantage
Age 65+ Represents 45% of all Medicare enrollment in 2022

Commercial – Self-insured
Reseller Opportunity

Commercial – Fully insured
Embedded into health plan

Other Lines of Business
Medicaid, ACA, ASO, Veterans, etc.

Total Medicare Private Health Plan Enrollment, 1992-2026
(in millions of people)



Note: Above includes costs and demonstration plans, and enrollees in Special Needs Plans as well as other Medicare Advantage plans.
Source: Congressional Budget Office's 2016 Medicare Baseline, CMS Medicare Advantage enrollment files 2008-2014, and MPR's "Tracking Medicare Health and Prescription Drug Plans Monthly Report" for 1992-2007.

What Problem is Newtopia Solving?

Health systems do not adequately support primary prevention, leaving insurers intervening too late. We make healthy living and medical plans into habits.

CHRONIC DISEASE IS PREVALENT AND EXPENSIVE.



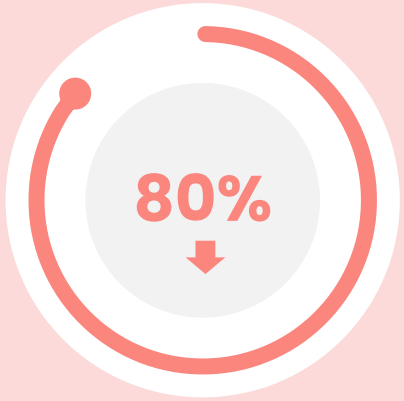
of America's $4.2T in annual health care costs are for people with chronic and mental health conditions.[1]



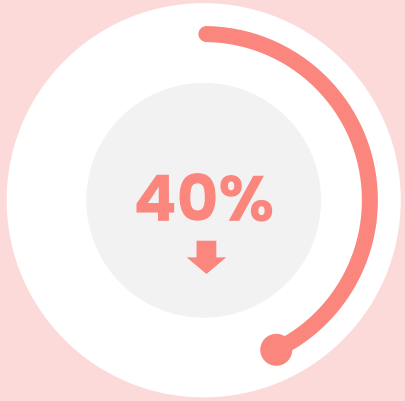
Many chronic diseases are caused by:

- Poor nutrition
- Lack of physical activity
- Stress and poor mental health
- Tobacco & excessive alcohol use

IF YOU PREVENT THESE BEHAVIORS, YOU'LL SEE A DRAMATIC DECREASE IN CHRONIC DISEASE.[2]



heart disease, stroke, type 2 diabetes, MSK, depression, anxiety



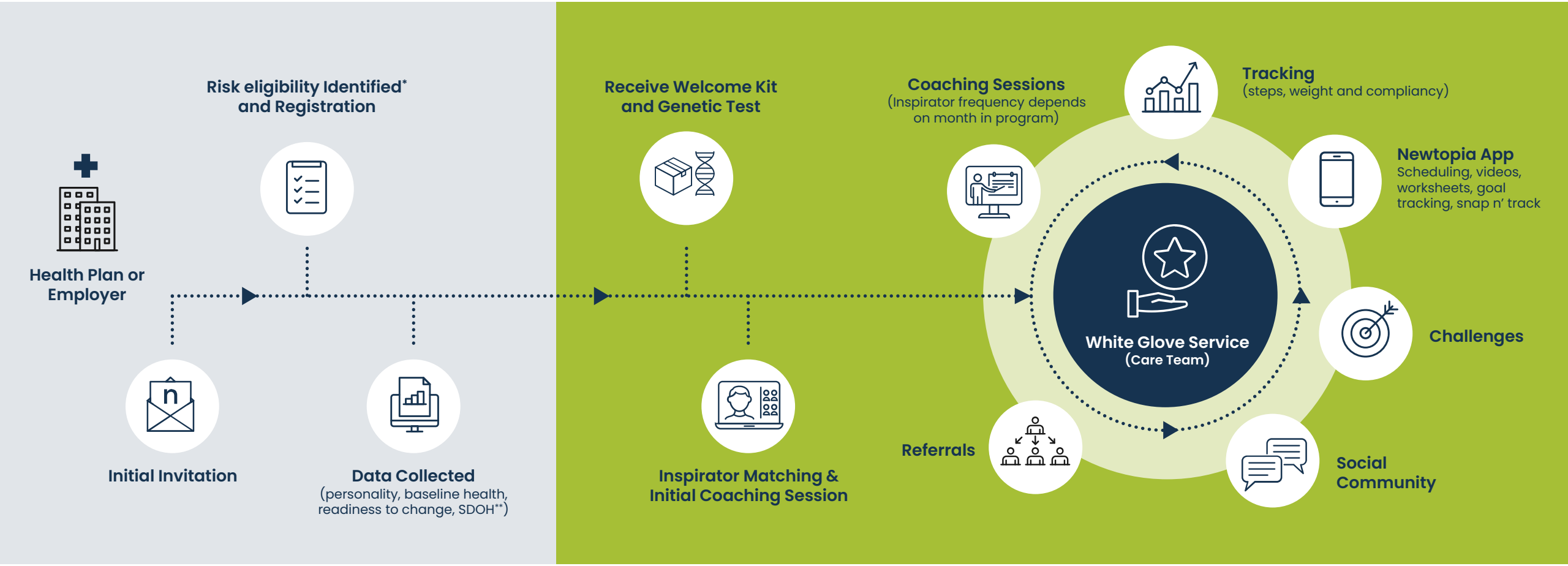
cancer

1. "Health and Economic Costs of Chronic Diseases," Centers for Disease Control.
2. "Widespread Misunderstandings About Chronic Disease and the Reality," World Health Organization.

How Does Newtopia Work?

ONBOARDING

PROGRAM



Timing varies based on Individual needs and client requirements.

* Eligibility risk is identified through biometrics, lab data, insurance medical & pharmaceutical claims or alternate risk screener information.

** SDOH stands for Social Determinants of Health.

Newtopia Performance Revenue & ROI

PARTICIPANT WELCOME KIT

Initial Onboarding



One-time Fee, Lower Margins

SUBSCRIPTION FEE

Per Contracted Engaged Participant Criteria



Recurring Revenue, Higher Margins [2]

OUTCOME MILESTONE

Target: 5% Body Weight Reduction or A1c Reduction



Success Fee, 100% Margins

Average Recurring Revenue per Participant (3+ years) = C$1,600[2] with Potential for Growth Over Time

Return On Investment (ROI)

Medicare Advantage:
Santa Barbara Actuaries 65+ Study

5.5%
Anticipated average body weight reduction

$1,700
Cost savings per MA member

$10.8M
Estimated one-year savings for plan with 100,000 members

Commercial:
Aetna-Sponsored Randomized Control Trial

4.3%
Average body weight reduction

$1,464
Demonstrated cost savings per enrolled member Year 1

2X
Average savings reflect 2x annual average cost of Newtopia (~$725/enrolled Year 1)

1. ($230/kit) + ($7 average monthly fees for Wholesale/Direct over three year estimated participant lifetime.
2. 7 year 1 price x 70% engagement x 12 months + $59 year 2,3 price x 45% engagement x 24 months) + ($200 x 50% achievement of success fee) = $1,600.
3. Certain client contracts contain clauses that trigger success fees or outcome guarantees paid upon completion of target metrics and billed on a monthly basis.

Habit Change Translated to Meaningful Metrics

Chronic Disease and Mental Health Risk Reduction

↓14.5%	Metabolic Severity Risk Score[1]
36%	Lost over 5% body weight by 12th month
77%	Of population lost weight
75%	Dropped full A1c level, by 6th month (severe type 2 cohort)

Cost Reduction and ROI

↓$1,464

In-Year[2]

Newtopia Enriching Mental Health and Well-Being

~31%

Participants improved their mental health status.

PROMIS® Recurring mental health survey measuring anxiety, mood, sleep, resilience, energy

Newtopia Engagement

70%	Year 1 engagement (88% with behavior economics)
58%	Year 2 engagement (83% with behavior economics)

Health Equity

0 – 2%

Minimal Disparity in weight loss between races

Participants in rural locations doing equivalent to metro area participants

Humans Helping Humans

94%	Coaching Stickiness
9/10	Experience Score (Participant Satisfaction and Inspirator Rating)

1. Metabolic Severity Risk Score – includes data from BMI, Blood Pressure, HDL, A1c and Triglycerides. Newtopia has evidenced significant improvement across all biometrics, resulting in an improved scoring
2. Steinberg, Gregory MB, BCh; Scott, Adam MBA; Honcz, Joseph MBA; Spettell, Claire PhD; Pradhan, Susil MS Reducing Metabolic Syndrome Risk Using a Personalized Wellness Program, Journal of Occupational and Environmental Medicine: December 2015 - Volume 57 - Issue 12 - p 1269-1274 doi: 10.1097/JOM.0000000000000582
3. Newtopia 2021 Book of Business

Risk Factors that Contribute to Chronic Conditions



1. Waist circumference or BMI
2. Elevated blood glucose / A1C
3. Elevated blood pressure
4. Elevated triglycerides
5. Low HDL cholesterol

5x as likely to develop **type 2 diabetes**

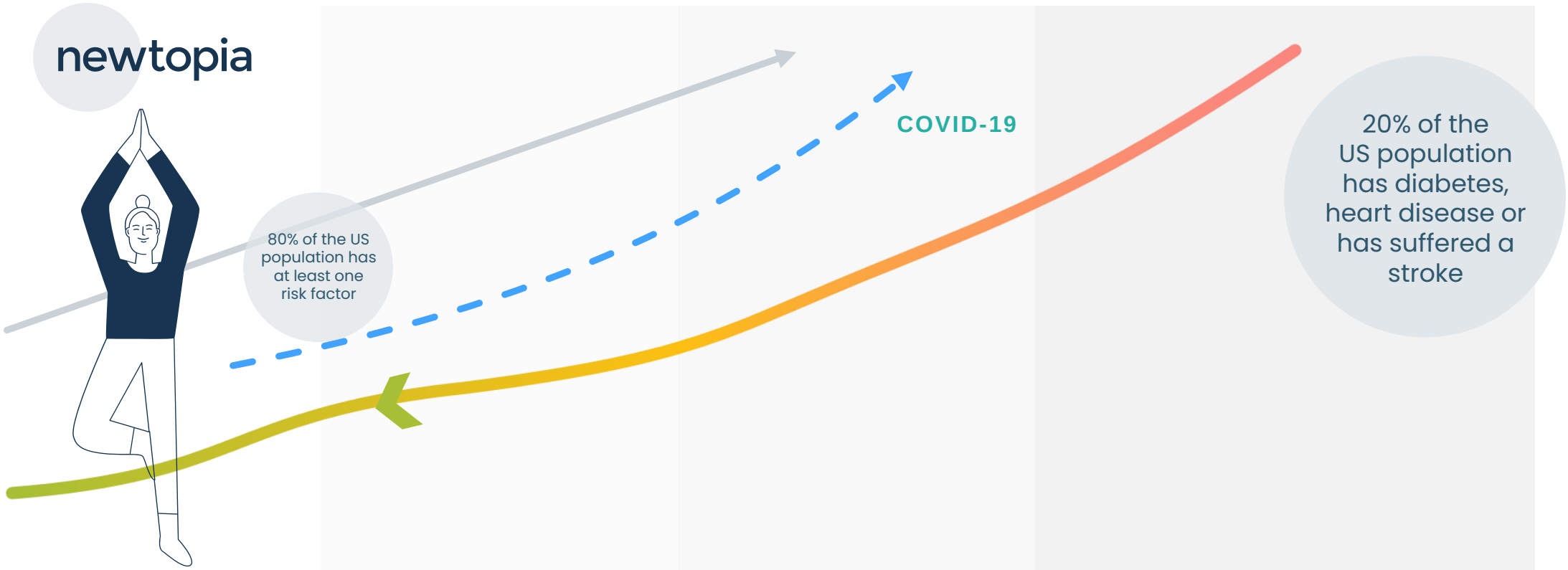
2x as likely to develop **heart disease**

3x as likely to have a **stroke**

- Untimely death
- Kidney disease
- Vision disability
- Liver damage
- Heart problems
- Weakness or paralysis
- Coma
- Deteriorating mental health
- Decreased productivity
- Increased societal and household challenges

Source: International Diabetes Foundation, Highlight Health, CMS.gov, CDC.com.

Costs of Chronic Disease Risk to Health Insurers



Healthy	1-2 Risk Factors	3+ Risk Factors	Diabetes, Heart Disease, Stroke, NASH
$3,400/year	**$4,400/year**	**$5,400/year**	**$15,000–20,000/year**
Average medical spend per member	Average medical spend per member	Average medical spend per member	Average medical spend per member

Source: Aetna Innovation Lab.

Large & Growing Addressable Market

$4.1 trillion in US healthcare costs in 2020 estimated to grow at a CAGR of 5.3% and reach $6.2 trillion by 2028, outpacing the GDP and representing....

SELF-INSURED EMPLOYERS

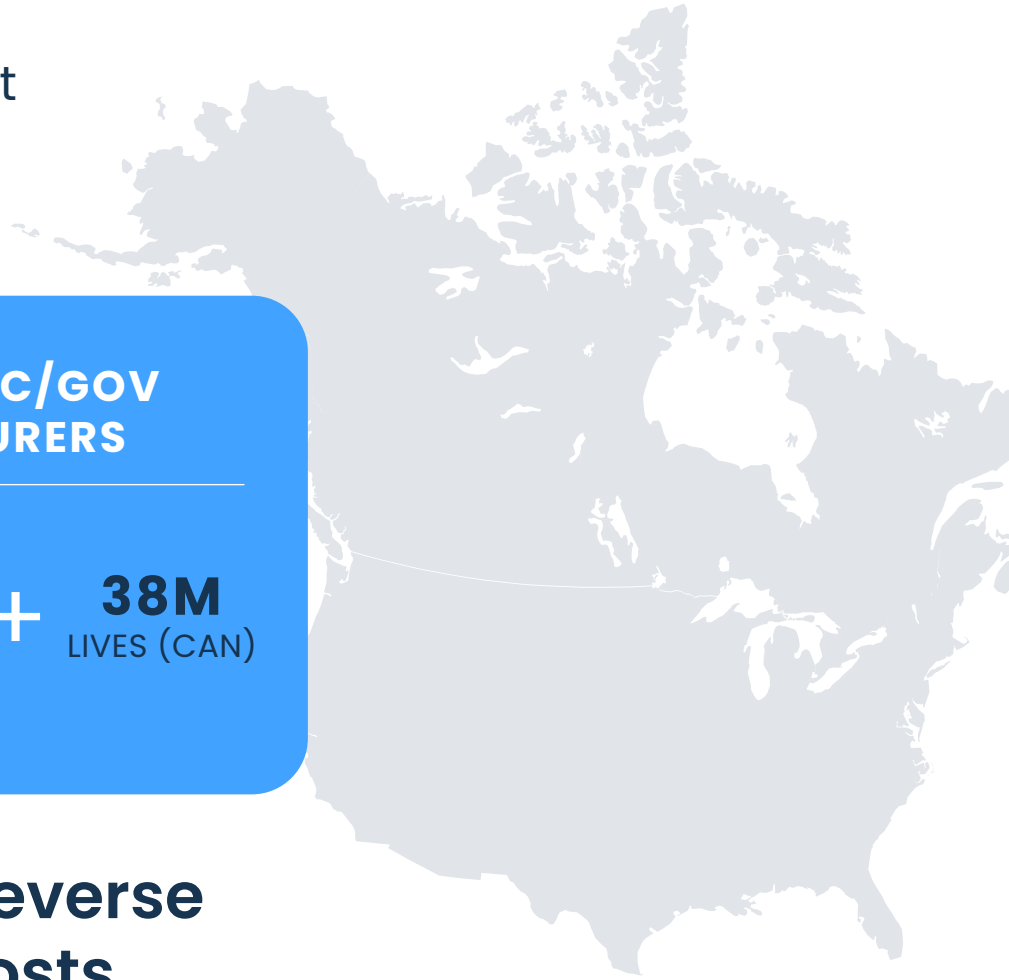
150M
LIVES

PRIVATE INSURERS

100M
LIVES

PUBLIC/GOV INSURERS

100M
LIVES (US)
+
38M
LIVES (CAN)



A massive opportunity to prevent, slow and reverse chronic disease ahead of rising healthcare costs.

Third Party Validations: Clinically Significant Outcomes

Evidence Based & Grounded in Science

Full-Plus **CDC recognition**: The Full-Plus 5-yr. distinction is reserved for diabetes programs that effectively deliver quality evidence-based components meeting all CDC standards.

U.S. Patent 9,554,754 weight, lifestyle and/or disease management integrating tailored nutrition, exercise and behavioral management

Aetna **sponsored Randomized Control Trial Published** in the **Journal of Occupational and Environmental Medicine** (2X ROI) and validated in **Society of Actuary Magazine**

Case Study: Strategic Incentive & Medical Plan Pilot Fortune 100 Institution

Santa Barbara Actuaries Research Report: Newtopia **Over-65 Population Savings Estimate $1,700 PMPY**

Abstract Presentation: Weight Loss During the **COVID-19 Pandemic** with a Virtual Habit Change Provider in an Employer Population

Abstract Presentation: The Metabolic Risk Impact from Personalized Lifestyle and Habit Change Coaching

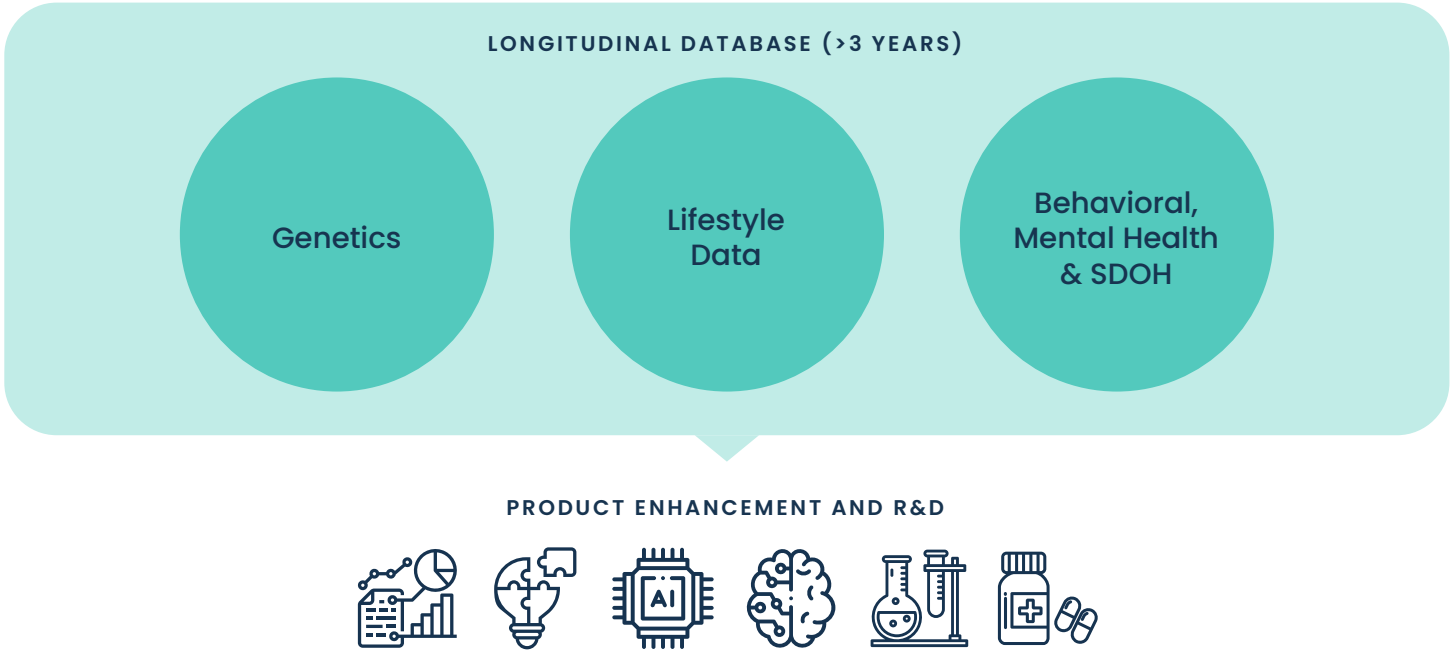
Abstract Presentation: The Effect of **Genetic Testing** as part of Personalized Lifestyle and Habit Change Coaching

More details on third-party validations can be found on slide 21

Valuable Industry Data: Genetic & Phenotypic Data

Aggregated & Anonymized Genetic, Phenotypic, Mental Health & Social Determinants of Health Data Provides Strategic & Commercial Advantages

Collecting both Genetic and Phenotypic data is novel to Newtopia



Many genetic focused competitors do not collect lifestyle & behavioral data.
Behavioral and Chronic Disease Management competitors do not have access to genetic information.

Newtopia has a complete data set that includes mental health & SDOH.

Real-Time Analytics

AI and machine learning are used to enhance participant stickiness, retention and improve health outcomes

Research & Development

Enhance current offerings and innovate for new services with low effort

- New Distribution across alternate Health Verticals*
- Precision analytics, triangulating SDOH and mental health with genetic data
- Leverage rich data set to improve goal adherence around habit change
- Apply insights to other behavior change modelling & predictive outcome analytics

Long-Term Commercial Usage of Data

Supporting pharma and drug discovery firms in the next generation of preventative medications combined with habit change

* Examples include; Payers, Health Systems, Alternate Care Organizations, Retail/Pharma

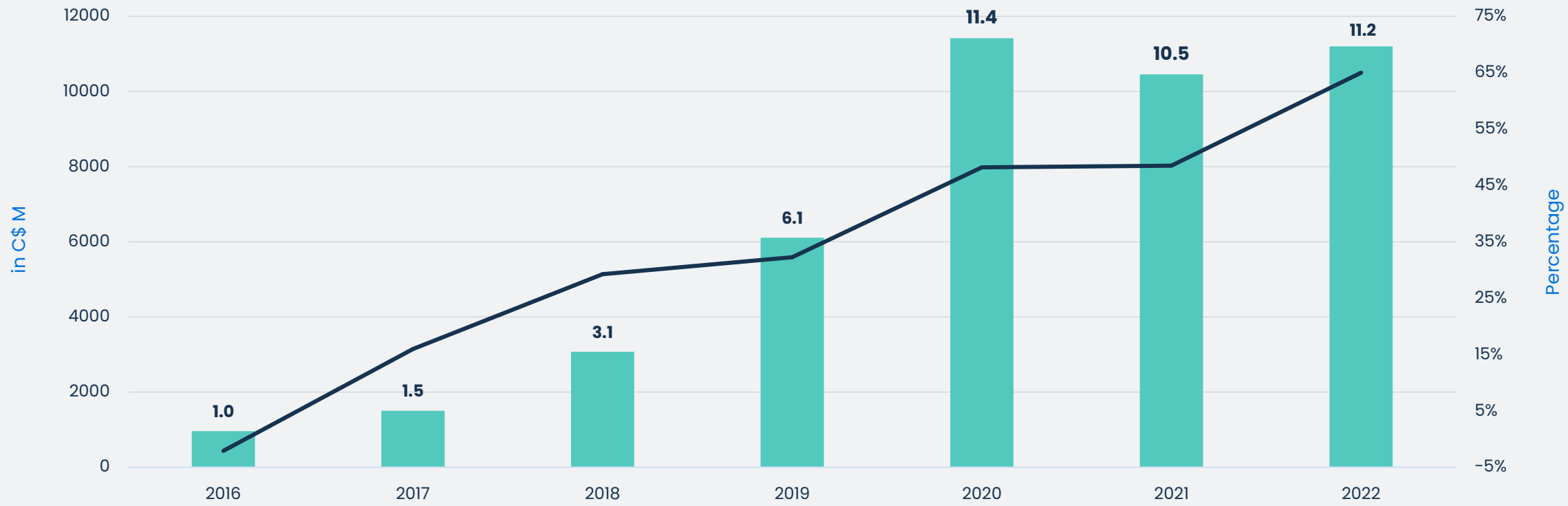
FY 2022 Highlights

- **Revenue** of $11.2 million, up 7% year-over-year
- **Record-breaking engagements** of 149,000, up 10% year-over-year
- **Gross profit margin increased** to 54%, compared to 49% year-over-year
- **Multi-year contract renewals across** installed client base in 2022
- **Robust new business pipeline:** great traction with **self-insured employers** and **innovative health plans**; opportunities with **new blockbuster GLP-1 class of diabetes and obesity drugs**; and complementary capabilities to emerging **Advanced Primary Care offerings**
- **Ongoing cost optimization to position Company toward profitability in 2023 –** anticipate top and bottom-line improvements year-over-year

Path to Profitability in 2023

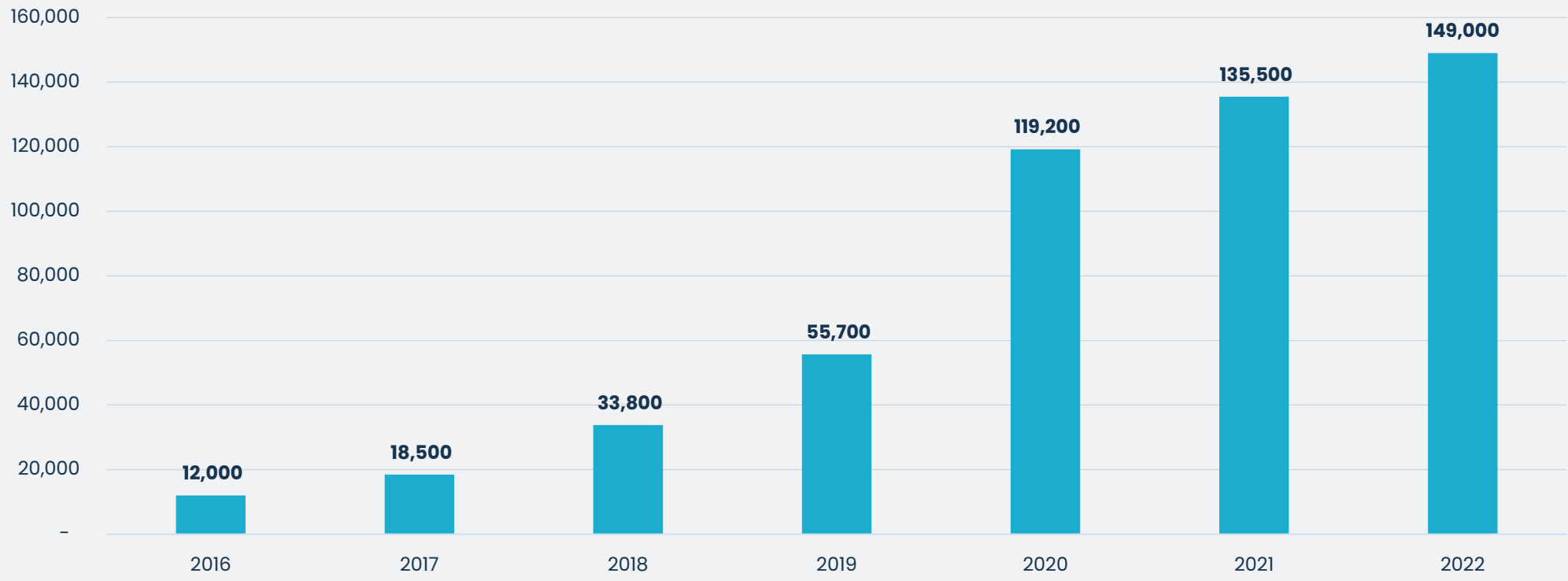
- Initiated **strategic repositioning** plan in November 2022
- Made **sizable cuts in expenses** in Q4 2022, with SG&A reductions of 7% and sequential cash burn reductions of 45% in the fourth quarter alone
- **Operating expense declines** achieved through the exit of the Company's office lease, pullback in marketing spend and restructuring through headcount reductions
- Continue to enact **operating expense cuts in Q1 2023** that are not generating a return on investment, while at the same time focusing on improving service ratios to generate large platform efficiencies
- Expect to be **EBITDA positive** and **cash flow positive within 2023**
- Bottom-line **profitability** to improve incrementally with each quarter

Annual Revenue and Gross Profit Margin



Revenue Gross Profit Margin

Participant Engagement: Steady Growth



Key Growth Driver: Making Healthy Living & Medical Plans a Habit

1. Member Engagement
2. Improve Health/Life
3. Decrease Cost of Care/Increase Desired Benefits Utilization

Risk Bearing Insurers

Employers
Health Plans
Primary Care

Members/Patients/
Consumers

Behavior Change Provider

newtopia

Habit Change Platform

Humans helping humans, amplified by technology. Interventions around Daily Choices:

Nutrition

Exercise

Well-being

Eco System Amplification

- ❑ Chronic Diseases
- ❑ Advanced Primary Care
- ❑ GLPs /Obesity Meds

OZEMPIC® semaglutide injection

ONCE-WEEKLY wegovy™ semaglutide injection 2.4 mg

NOW APPROVED once weekly mounjaro™ (tirzepatide) injection

New Front Door for Health Care

The only tech-enabled habit change provider with **Full-Plus CDC recognition**, incorporating genetic data and leveraging **HIPAA-compliant** technology with industry leading engagement.

A growing list of partnerships with **US Fortune 500 employers & health plans**

80% of the North American population has at least one physical or mental chronic disease risk factor,
New class of GLP-1 obesity and diabetes drugs that require behavior change for sustained clinical and economic outcomes

Expectation for **year-over-year revenue growth** for full year 2023 along with continued participant expansion.
Industry-leading **engagement rates**: **70% after 12 months** and **58% after 24 months**.

Broadened business development to **new channels of clients,** including health plans for Medicare Advantage and fully insured populations and Advanced Primary Care that **significantly expand total addressable market**

Recently strengthened balance sheet with **$1.5 million private placement**

Appendix



Highly Experienced, Driven Management Team



Jeff Ruby

Founder & Chief Executive Officer

Co-founded Cleveland Clinic Canada, Life Screening Centres, and Genetic Diagnostics Inc.



Lara Dodo

Chief Growth & Operations Officer

CEO of TimePlay and Co-Founder of Bedrock Affect



Bill Van Wyck

Chief Technology Officer & Head of Product

Founder, CEO and CIO Zillion, President Redroller, Inc.



Collin Swenson

Chief Financial Officer

Valeo, SelectHealth, GE Capital and GE Healthcare



Peter Seider

Chief Information, Privacy, & Security Officer

Aviva Canada and Aviva North America, and Information Security Executive at Nedbank



Mark Jackson

SVP, Commercial

Nanthealth, Teladoc, Cigna and Aetna



Robert Halpern

SVP Marketing

The Clinic (JV: Cleveland Clinic and AmWell), Consumer Medical and Best Doctors



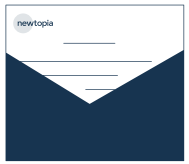
Rikki Bennie

SVP Experience & Operations

Cineplex and Employee #1 at Newtopia

Participant Experience

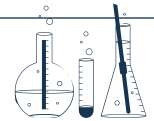
Watch: Overview Video



Invitation to
newtopia



Personal Profile, including
physical and mental health



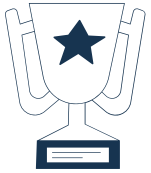
Genetic Engagement



Supportive Online
Social Community



Personality-Matched
Inspirator



Engaging Gaming



Personalized Nutrition,
Exercise, and Well-Being Plan



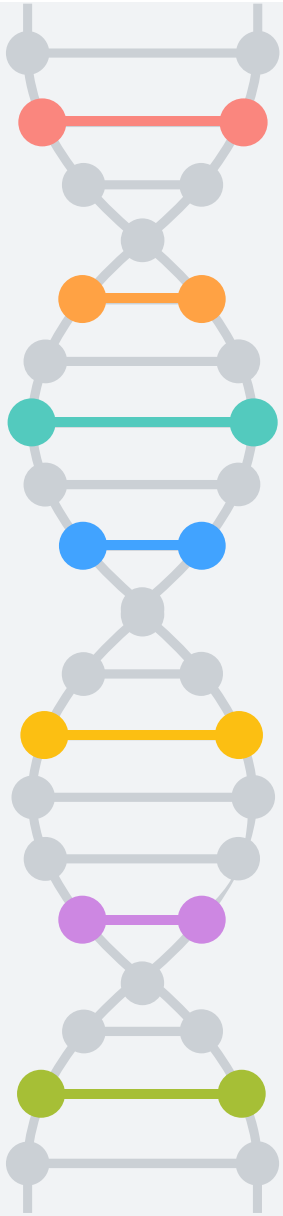
Wearable Bio-Sensors



Achieve on the Go App



Genetic Insights. Actionable Recommendations.



Body Fat Gene (FTO)
Determines how body breaks down fat

How easily do you gain weight?

Eating Behavior Gene (DRD2)
Regulates dopamine

Do you eat when you're stressed?

Appetite Gene (MC4R)
Regulates how quickly someone feels full when eating

Do you eat until you're too full?

Resilience to Stress Gene (BDNF)
Suppresses appetite and promotes energy expenditure

Does exercise help you manage your stress?

Caffeine Gene (CYP1A2)
Determines how quickly we metabolize caffeine

Is caffeine impacting your sleep, stress or anxiety levels?

Clock Gene
Regulates circadian rhythm

Are you sleeping enough?

Exercise Gene (CADM2)
Speaks to your motivation to exercise

What keeps you engaged in regular exercise?

Clinically Significant Outcomes: Detailed Version

Accredited by the Centers of Disease Control (CDC) and US Patent for "Hyper Personalized Disease Prevention Platform"

1 Aetna Randomized Control Trial Published in the Journal of Occupational and Environmental Medicine

- 25% Adopted
- 70% Engaged year 1
- 50% remained engaged after 12 months
- $1,464 in-year
- Cost of care reduction per member (2X ROI)
- 76% lost more than 10 lbs.

2 Abstract: Weight Loss During the Covid-19 Pandemic with a Virtual Habit Change Provider in an Employer Population

- 77% lost weight
- 44% of participants had a weight loss of ≥4.3%
- 22% of obese participants dropped a BMI category

3 Strategic Incentive & Medical Plan Pilot Fortune 100 Institution

- 71% Adopted (7,753)
- 84% Engaged year 1
- 94% Engaged with 1:1 Inspirator coaching
- 33% lost ≥ 5%
- 12% lost ≥ 10%
- 21.4% dropped a BMI category
- 35,853 lbs. lost
- 9/10 Inspirator approval rating
- Strong mental health and resilience ratings

4 Santa Barbara Actuaries Research Report: Newtopia Over-65 Population Savings Estimate

- Anticipated 5.5% average body weight reduction
- $1,700 cost savings per MA member
- $10.8 million estimated one-year savings for plan with 100,000 members

5 Abstract: The Metabolic Risk Impact from Personalized Lifestyle and Habit Change Coaching

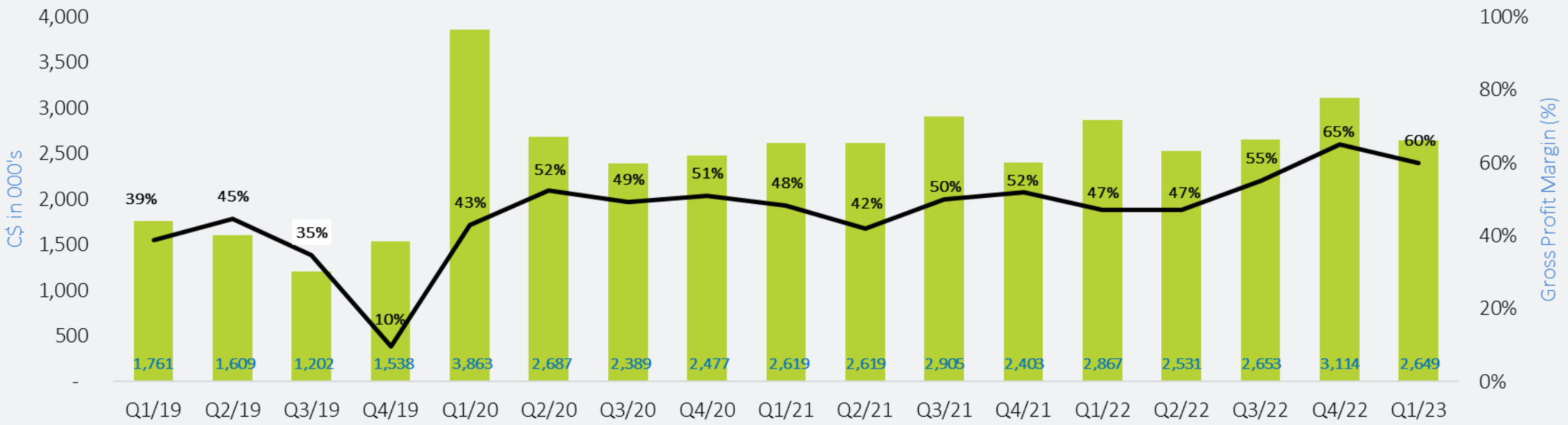
- A1C, HDL, Triglycerides, Systolic blood pressure and waist circumference all significantly improved
- Metabolic Severity Risk Score decreased by 14.5%

6 Abstract: The Effect of Genetic Testing as Part of Personalized Lifestyle and Habit Change Coaching

- Weight loss was significantly higher for participants who took a genetic test compared to those who did not (4% vs 3.2%)
- The likelihood of achieving 5% WL12 had 1.3 times higher odds for participants who took the genetic test vs. those who did not.

aetna · JOEM · SOCIETY OF ACTUARIES · ICOCD-2021 Obesity & Chronic Diseases June 21-23 | Virtual · FORTUNE 500 · sbactuaries · THE OBESITY SOCIETY · ASHG American Society of Human Genetics

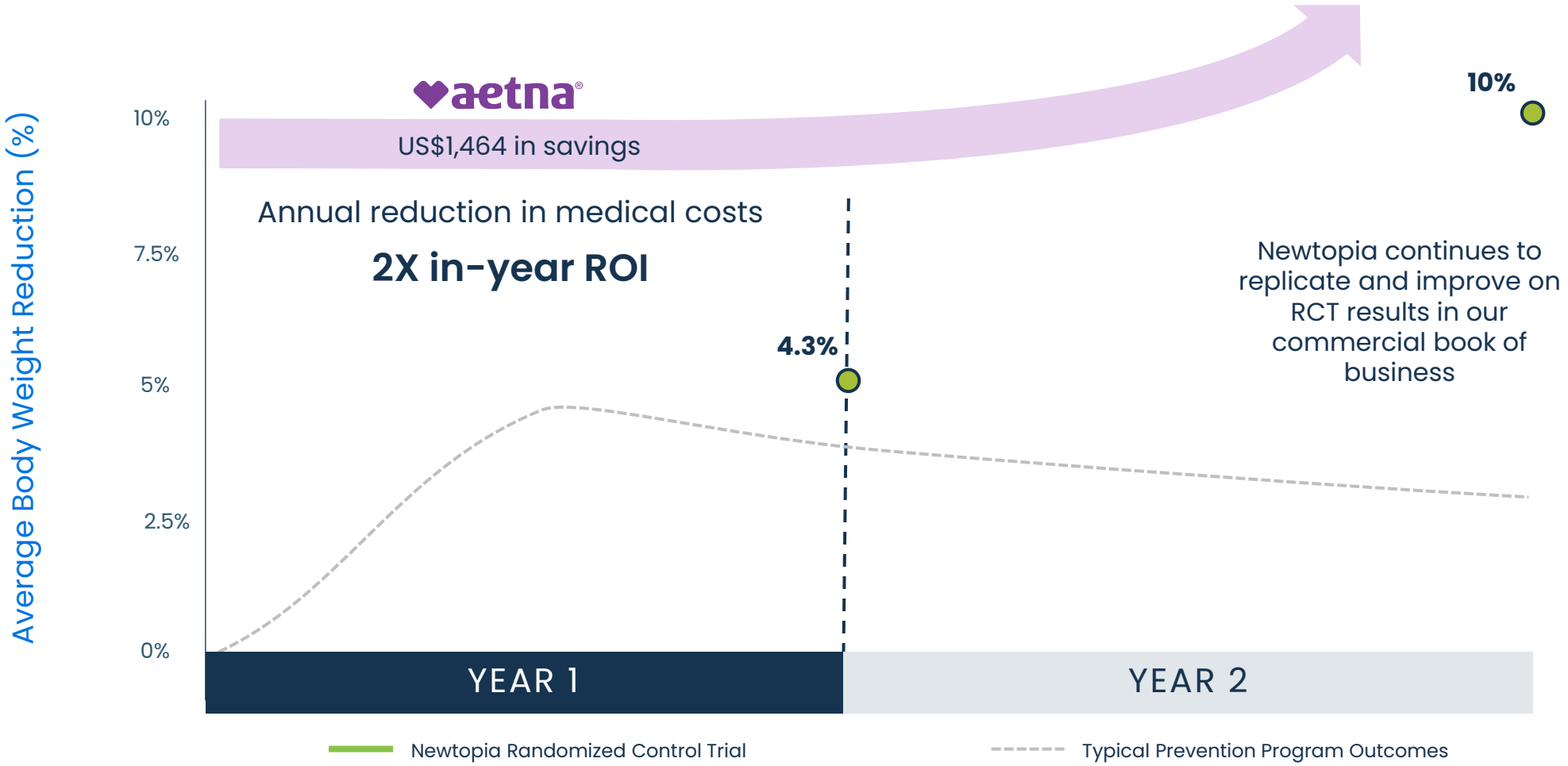
Quarterly Revenue & Gross Profit Margin



Revenue Gross Profit Margin

Aetna Randomized Controlled Trial

Randomized Controlled Study (RCT) shows material savings for clients.



Source Year 1: "Reducing Metabolic Syndrome Risk Using a Personalized Wellness Program." Journal of Occupational and Environmental Medicine, December 2015.

Source Year 2: Newtopia and Aetna Inc.; Typical Prevention Program Outcomes – based on anecdotal feedback from clients and industry peers.

Behavioral Economic Trial - 24 Month Insights and Outcomes

ENGAGEMENT*

Over 12 and 24 months

88% & 83%

Population engaged on average month far exceeding the RCT average of 50%

94% & 92%

Engaged participants have a coaching session in a given month

WEIGHT LOSS

~48k LB

** Total weight loss since inception

39%

Continuously engaged participants achieved > 5% weight loss by month 12 (vs. 33% for full pop.)

14%

Continuously engaged participants achieved > 10% weight loss by month 12 (vs. 12% for full pop.)

4.2% (9.5 lb)

Average weight loss by month 12 achieved by continuously engaged participants (n=1,727) (vs. 3.2% for full pop.)

22%

Continuously engaged participants dropped from 30 BMI (n=1,324) (vs. 18% for full pop.)

Benefit Eligible Population: **Total ~26,500**

All-time Enrolled Population: **Total 9,719*** (57%)**

* Completion of 1 activity per month = Engagement. Activity choices: coaching, 12 instances of nutrition tracking, 8 weigh ins, 12 mobile app log ins, 1 Newtopia Challenge

** Total weight loss includes all incentivized participants

*** Total enrollment are all participants who enrolled since launch, including terminations

Medicare Advantage Study

Santa Barbara Actuaries Research Report: Newtopia Over-65 Population Savings Estimate.

Report Highlights



5.5%

Anticipated average body weight reduction



$1,700

Cost savings per MA member



$10.8M

Estimated one-year savings for plan with 100,000 members

Source: "Newtopia Over-65 Population Savings Estimate," Santa Barbara Actuaries, November 2020.

Our Patented, Scalable Virtual Care Platform

Transformative Habit Change Platform

- Technology and user experience design
- Behavioral Economics and Psychology
- Data Analytics
- AI Deep Learning
- Smart Automation
- Inspirators

CURRENT

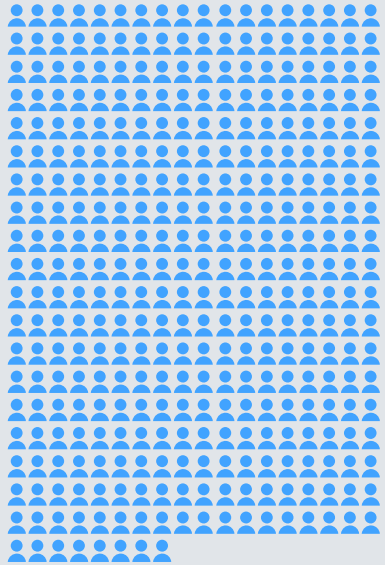
1 Inspirator for every **200 participants**



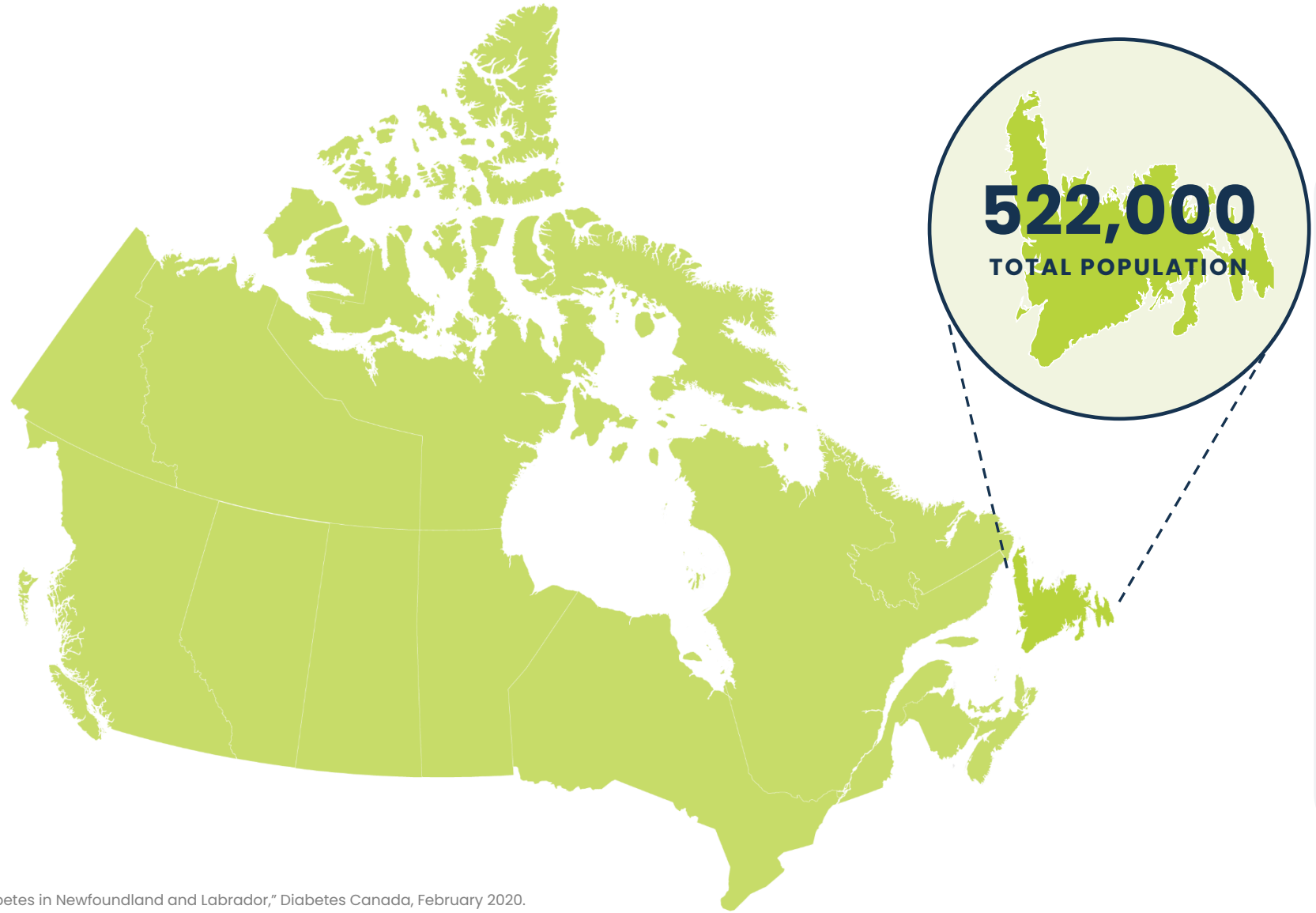
FUTURE

1 Inspirator for every **350+ participants**





Debut Canadian Public Health Insurer



Eastern Health

In 2020, 34% of the population in Newfoundland and Labrador had Diabetes (type 1, type 2 diagnosed and type 2 undiagnosed) and prediabetes combined. Eastern Health is now looking to expand the offering province-wide.

1. "Diabetes in Newfoundland and Labrador," Diabetes Canada, February 2020.