



NeueHealth

Fourth Quarter and Full Year 2024 - Earnings Presentation

March 20, 2025

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Disclaimer

Statements made in this presentation that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These statements often include words such as “anticipate,” “expect,” “plan,” “believe,” “intend,” “project,” “forecast,” “estimates,” “projections,” “outlook,” “ensure,” and other similar expressions. These forward-looking statements include any statements regarding our plans and expectations. Such forward-looking statements are subject to various risks, uncertainties and assumptions. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Factors that might materially affect such forward-looking statements include: our ability to continue as a going concern; expectations and outcomes related to the NEA Merger Agreement; our ability to comply with the terms of our credit facilities or any credit facility into which we enter in the future; our ability to receive the remaining proceeds from the sale of our Medicare Advantage (“MA”) business in California in a timely manner; our ability to obtain any short or long term debt or equity financing needed to operate our business; our ability to quickly and efficiently complete the wind down of our remaining Individual and Family Plan (“IFP”) businesses and MA businesses, including by satisfying liabilities of those businesses when due and payable; potential disruptions to our business due to corporate restructuring and any resulting headcount reduction; our ability to accurately estimate and effectively manage the costs relating to changes in our business offerings and models; a delay or inability to withdraw regulated capital from our subsidiaries; a lack of acceptance or slow adoption of our business model; our ability to retain existing consumers and expand consumer enrollment; our and our Care Partners’ abilities to obtain and accurately assess, code, and report risk adjustment factor scores; our ability to contract with care providers and arrange for the provision of quality care; our ability to accurately estimate medical expenses, effectively manage our costs and liabilities or appropriately price our products; our ability to obtain claims information timely and accurately; the impact of any pandemic or epidemic on our business and results of operations; the risks associated with our reliance on third-party providers to operate our business; the impact of modifications or changes to the U.S. health insurance markets; the impact of changes to federal funding for government healthcare programs; our ability to manage any growth of our business; our ability to operate, update or implement our technology platform and other information technology systems; our ability to retain key executives; our ability to successfully pursue acquisitions, integrate acquired businesses and divest businesses as needed; the occurrence of severe weather events, catastrophic health events, natural or man-made disasters, and social and political conditions or civil unrest; our ability to prevent and contain data security incidents and the impact of data security incidents on our members, patients, employees and financial results; our ability to comply with requirements to maintain effective internal controls; the outcome of threatened or pending litigation and risks of future legal disputes; the impacts resulting from new (or change to existing) laws, regulations and executive actions; our ability to mitigate risks associated with our ACO Reach businesses, including any unanticipated market or legislative or regulatory developments; and the other factors set forth under the heading “Risk Factors” in the Company’s reports on Form 10-K, Form 10-Q, and Form 8-K (including all amendments to those reports) and our other filings with the SEC. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this release to conform these statements to actual results or changes in our expectations. This presentation contains non-GAAP financial measures, which are reconciled to the most directly comparable GAAP financial measures in the appendix to this presentation. These non-GAAP financial measures are additions and not substitutes for or superior to the most directly comparable GAAP financial measures.

NeueHealth Delivered Strongest Financial Performance to Date in 2024

NeueHealth

Value-driven care delivery and provider enablement business partnering with leading health plans, government programs, and medical groups to deliver high-quality, affordable care to all consumers

2024 Results:

\$936.7M

Value-Based Revenue

\$22.5M

Adjusted EBITDA⁽¹⁾

483k

Consumers Served

NeueCare

Comprehensive community-based care delivery with wrap around care management and care coordination

2024 Results:

\$313.7M

Value-Based Revenue

318k

Value-Based Consumers⁽²⁾



NeueSolutions

Provider enablement tools and services and REACH ACOs

2024 Results:

\$635.1M

Value-Based Revenue

42k

REACH ACO Consumers

123k

Enablement Services Consumers



(1) Adjusted EBITDA is a non-GAAP financial measure. GAAP Net Loss for full year 2024 was (\$99.7) million. A reconciliation of Adjusted EBITDA to Net Loss for applicable periods is contained in the appendix to this presentation.

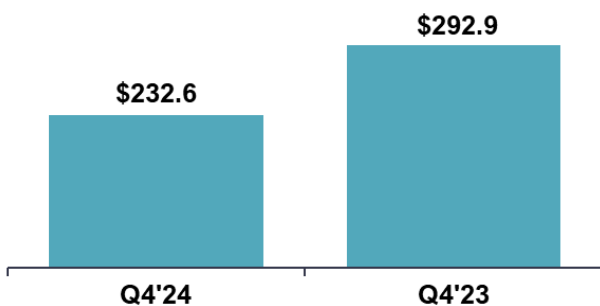
(2) End of year 2024, inclusive of Medicare Advantage, Medicaid and Commercial ACA consumers.

Overview of Q4 2024 Results for Continuing Operations

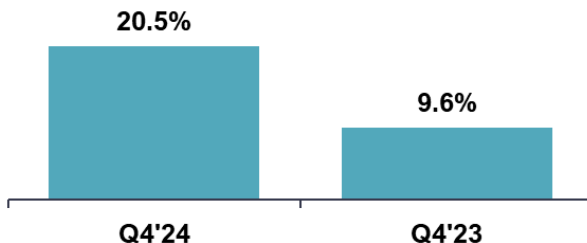
Strong Q4 performance driven by continued momentum in NeueCare and NeueSolutions business segments

Enterprise Metrics (\$M)

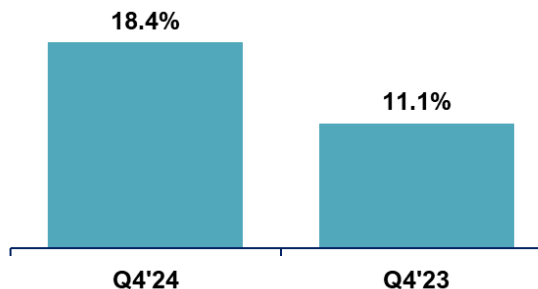
Revenue



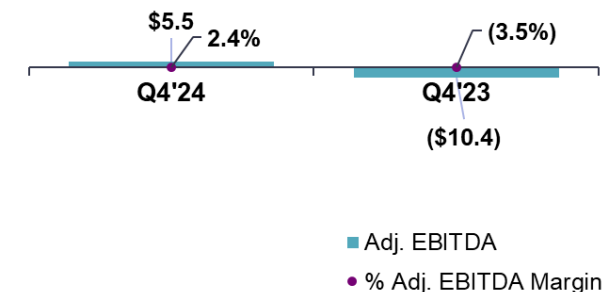
Gross Margin



Adj. Operating Cost Ratio⁽¹⁾



Adjusted EBITDA⁽²⁾



Key Considerations

- Q4 '24 Revenue of \$232.6, in-line with expectations
- Q4 '24 Gross Margin improvement over Q4 '23 resulting from focused business prioritizing long-term, profitable growth
- NeueHealth Adjusted EBITDA of \$5.5 million for Q4 2024 represents fourth consecutive quarter of Adjusted EBITDA profitability

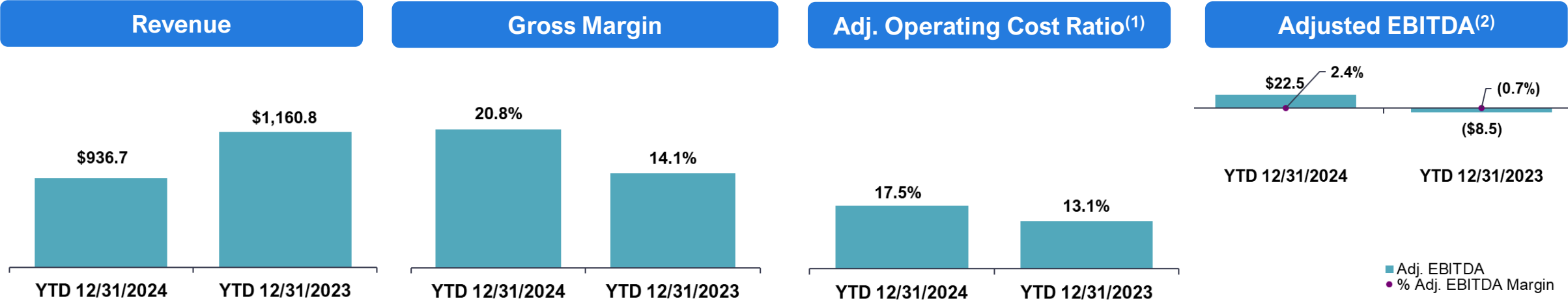
(1) GAAP Operating Cost Ratio for Q4'24 was 31.3%, and for Q4'23 was 22.3%. A reconciliation of Adjusted Operating Cost Ratio to Operating Costs for applicable periods is contained in the appendix to this presentation

(2) GAAP Net Income for Q4'24 was \$2.5 million and GAAP Net Loss for Q4'23 was (\$460.6) million. A reconciliation of Adjusted EBITDA to Net Loss for applicable periods is contained in the appendix to this presentation

Overview of Full Year 2024 Results for Continuing Operations

Established solid foundation for driving long-term, sustainable growth in 2025 and beyond

Enterprise Metrics (\$M)



Key Considerations

- Revenue of \$936.7 million for the full year, in-line with expectations
- Gross Margin improvement over prior year with business focus on driving long-term profitability
- NeueHealth Adjusted EBITDA for full year 2024 of \$22.5 million represents strongest year of financial performance to date

(1) GAAP Operating Cost Ratio for Full Year 2024 was 29.2%, and for Full Year 2023 was 24.7%. A reconciliation of Adjusted Operating Cost Ratio to Operating Costs for applicable periods is contained in the appendix to this presentation

(2) GAAP Net Loss for Full Year 2024 was (\$99.7) million, and for Full Year 2023 was (\$1,265.8) million. A reconciliation of Adjusted EBITDA to Net Loss for applicable periods is contained in the appendix to this presentation



Balance Sheet and Liquidity Highlights

Building a strong foundation for long-term sustainable growth

Summary Balance Sheet

(\$ in thousands)	December 31, 2024	December 31, 2023
Assets		
Cash and Cash Equivalents	\$83,295	\$87,299
Current Assets of Discontinued Operations	173,006	822,570
Other Current Assets	178,347	179,058
Total Current Assets	\$434,648	\$1,088,927
Property, equipment and capitalized software, net	11,240	14,499
Long-Term Investments	—	—
Intangibles Assets, Net	71,064	93,238
Other Non-Current Assets	27,431	28,816
Total Other Assets	109,735	136,553
Total Assets	\$544,383	\$1,225,480
Liabilities and Other		
Current Liabilities Discontinued Operations	\$344,651	\$699,758
Total Liabilities Continuing Operations	585,840	780,340
Redeemable Noncontrolling Interests	48,580	88,908
Redeemable Preferred Stock	920,417	920,417
Total Shareholders' (Deficit) Equity	(1,355,105)	(1,263,943)
Total Liabilities and Other	\$544,383	\$1,225,480

Q4'24 Key Considerations

- \$202.8 million in total cash and investments, including \$109.6 million in our regulated entities.
- Non-regulated cash and short-term investments were \$93.2 million at the end of the fourth quarter, including \$36.3 million of restricted cash and investments.



Appendix

Non-GAAP Reconciliation: Adjusted EBITDA

	Three Months Ended		Years Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
(\$ in thousands)				
Net Loss	\$ 2,523	\$ (460,572)	\$ (99,717)	\$ (1,265,808)
Loss from discontinued operations	(45,003)	397,745	(2,341)	638,066
EBITDA adjustments from continuing operations				
Interest expense	6,248	11,206	18,701	38,203
Income tax (benefit) expense	(672)	1,591	2,597	(1,428)
Transaction costs	16,122	4,363	19,301	23,252
Depreciation and amortization	3,603	4,024	14,658	18,296
Share-based compensation and other long-term incentive compensation expense	12,577	18,081	68,824	83,692
Restructuring and contract termination costs	775	122	956	6,990
Impairment of goodwill and long-lived assets	2,749	274	2,880	401,659
ACO REACH care partner bankruptcy	—	8,713	3,475	36,454
Change in fair value of warrant liability	7,486	4,097	3,661	13,971
Change in fair value of contingent consideration	—	—	—	(1,827)
Held-for-sale operations	(926)	—	19,812	—
Gain on troubled debt restructuring	—	—	(30,311)	—
EBITDA adjustments from continuing operations	\$ 47,962	\$ 52,471	\$ 124,554	\$ 619,262
Adjusted EBITDA – continuing operations	\$ 5,482	\$ (10,356)	\$ 22,496	\$ (8,480)



Non-GAAP Reconciliation: Adjusted Operating Cost Ratio

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	Three Months Ended		Years Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
(\$ in thousands)				
GAAP Operating Cost Ratio	31.3%	22.3%	29.2%	24.7%
Impact of share-based compensation expense	(5.4)%	(6.2)%	(7.3)%	(7.2)%
Impact of held-for-sale operations	(0.6)%	(3.5)%	(2.3)%	(2.4)%
Impact of transaction costs	(6.9)%	(1.5)%	(2.1)%	(2.0)%
Adjusted Operating Cost Ratio	18.4%	11.1%	17.5%	13.1%



