



LOI signed with the Serfaty Clinic to identify obesity in Brazil

MyFiziq Limited (ASX: MYQ) ("MyFiziq") or the "Company" would like to update shareholders on further activity being entered into by MyFiziq and the Serfaty Clinic in Brazil.

The Company has entered a Letter of Intent ("LOI") with the Serfaty Clinic to commence testing and to adapt the MyFiziq application in readiness to entry into the Brazilian market for the identification of the obese and overweight population in Brazil.

Dr Alberto Serfaty is a specialist in endocrinology and internal medicine. Dr. Alberto Serfaty was the first medical doctor in South America to work with ketogenic diets, bringing it to Brazil in the 1970's. His clinic, the Serfaty Clinic, is the biggest clinic in Brazil for the treatment of obesity, diabetes and preventive health, working with ketogenic diets and reversing all kinds of chronic diseases.

MyFiziq is working with Dr Serfaty to deliver the MyFiziq technology, along with the new obesity calculator recently developed, for his patients and potential users across Brazil. The population in Brazil currently sits at 209 million people. The prevalence of Overweight and Obese in Brazil is a growing health concern, with 57.5 percent of men and 48.2 percent of women in Brazil overweight. As stated by the Journal of Health Population and Nutritionⁱ, Obesity is a worldwide health and socio-political problem. Excessive body weight currently affects over 50% of the Brazilian population with some 102 million overweight people at the time of the study. Obesity is a risk factor for many chronic noncommunicable diseases and poses a great challenge in Brazil. More than 74% of all deaths in Brazil are attributed to chronic noncommunicable diseases. Such as Cardiovascular disease, Cancers, chronic respiratory diseases and diabetes. ⁱⁱⁱⁱ

The intention under the agreement is to initially work with the Serfaty Clinic in testing and designing the best user experience in both English and Portuguese with patients to maximize the usage. Once we have identified the best approach and design, we will release the technology with the Serfaty Clinic and then take the technology and proven data to the people of Brazil.

MyFiziq and Dr. Serfaty have agreed the commercial terms of the partnership which will form part of the formal agreements, which will be concluded in the next 90 days. The LOI is binding and has no immediate economic impact to MyFiziq. However, following product launch and anticipated user take up, the LOI (and formal agreements that will follow) should generate revenue and profit for MyFiziq.

Further data has emerged identifying people suffering from severe obesity are at high risk of severe complications with the current pandemic by virtue of the increased risk of the chronic diseases that obesity drives. The Center for Disease Control and Prevention (**CDC**) has listed people suffering from severe obesity are more prone to the disease due to accompanying conditions such as diabetes, respiratory illness and hypertension^{iv}. The mortality rate for pre-existing medical conditions which directly relate to obesity are Cardiovascular Disease 10.5%, Diabetes 7.3%, Chronic Respiratory Disease 6.3%, Hypertension 6.0% and Cancer 5.6%.^v

When looking at the list of chronic diseases and the mortality rate associated with obesity, it has become apparent that there is a need to identify the at-risk population as a matter of urgency. This will further allow people that are more at risk to assess themselves and understand the risk they are exposed to.



Two papers available from The World Health Organisation's COVID-19 publication database discuss the importance of care for obese patients.)^{vi}. The editors of The Journal of Obesity have stated that "Persons with obesity around the world are already at high risk for severe complications, by virtue of the increased risk of the chronic diseases that obesity drives". Zachary Bloomgarden, the Editor of the Journal of Diabetes has released a call for all novel research surrounding COVID-19 and pneumonia symptoms for patients who also have Diabetes (Bloomgarden, 2020)^{vii}. Bloomgarden states that previous research on diabetes patients with influenza, SARS and MERS has shown the extra complications these patients experience.

In a recent public release, **The Obesity Society stated^{lviii}**:

"The COVID-19 pandemic is challenging the world in unprecedented ways. We at Obesity have been sounding the alarm about the obesity epidemic and now must take up the cause for our patients with obesity in the face of this dual pandemic threat."

MyFiziq and the Serfaty Clinic intend on expediting the first phase of the design and testing to move on disease and obesity risk identification. As the current global pandemic has identified the mortality risk associated with obesity (by virtue of the increased risk of the chronic diseases that obesity drives), this will be our initial concern and direction.

We believe the ongoing use of the application will have a far more reaching outcome, for both Brazil and the rest of the world. MyFiziq will take the learnings and knowledge we gather in Brazil and demonstrate to other Governments the need to use this early identification technology as a method for intervention, and not just identification of the at-risk population. MyFiziq believe Brazil is the ideal country to undertake this initiative, as Brazil was the first country to undertake the challenge set by the United Nations (UN) in stopping the growth of adult obesity(1), with a commitment to the reduction by at least 30% of Sugars and sweeteners among adults(2) and to increase by at least 17.8% the proportion of adults who regularly eat fruit and vegetables(3)^{ix}.

Dr Alberto Serfaty of the Serfaty Clinic Brazil said:

"I have been testing the MyFiziq technology for the last month and I am very pleased with the ease of use and ability to assess my patients. We have been dealing with the staggering rise of obesity in Brazil. This is a fantastic tool to not only identify the risk my patients are subjecting themselves too, but to also help them understand the trajectory they may be on whilst still relatively healthy. Obesity has a roll-on effect of so many chronic diseases that are directly now being correlated to the mortality rate of COVID-19. I want to bring this technology to Brazil and encourage our government to make it available to our population.

The current pandemic is challenging the world in unprecedented ways, especially for patients who have a variety of other chronic diseases that are directly related to obesity.

Obese people are at greater risk of serious complications from COVID-19 due to the increased risk of chronic diseases secondary to being overweight, such as some types of cancer and metabolic morbidities due to the increase in blood insulin levels. It's becoming the main cause of adult type 2 diabetes (diabetes), hypertension, atherosclerosis that leads to myocardial infarction and stroke. In addition to these dysmetabolism's, obesity causes pathologies of a mechanical nature, such as restrictive respiratory complications, due to the compression that the abdomen makes on the diaphragm, thereby preventing complete lung expansion, which would make the treatment of patients effected by the current pandemic in intensive care units very difficult."



Vlado Bosanac Group CEO said:

“The technology developed by MyFiziq has the ability to accurately identify whether an individual is in a higher risk category as a result of being metabolically obese or overweight while directly measuring key markers of chronic disease (comorbidities).

With the current pandemic and increased mortality risk that has now been identified with obesity, we see this LOI as a priority. Once deployed, we will look to demonstrate our findings to other Governments in light of the current concerns, so we can be at the front of these issues and the at-risk populations earlier in the disease cycle.

On the commercial front, we have agreed a pricing model that is in line with previous subscriber rates. In addition, we have added a per scan rate for the users that may not wish to subscribe for a 12-month period but would like to check their level of risk associated to the disease, obesity and the comorbidities.”

About MyFiziq:

Our mission is to globalize our technology and assist individuals, communities and populations to live better healthier lives by working with governments, healthcare providers and the best health & fitness identities and solutions available worldwide with the data we can provide in the palm of their hands.

Our software as a service solution (SAAS) offering allows flexibility and pricing scale reductions for our partners. MyFiziq partners with highly scaled or scalable new and existing applications and provides them with a deeper insight into the data they wish to retrieve from their users to empower them in their journeys.

Consumers engage daily with multiple needs that require the use or ability to track individual dimensions. Such as dieting, exercising, assessing their health or simply buying clothing online, the result is a drive toward understanding their personal dimensions or the changes they are undergoing. MyFiziq provides that missing link in other ecosystems.

MyFiziq is a patented technology we have developed with a proprietary image capturing system within a consumer's smartphone, we empower a consumer with the ability to create a representation of their structure in the form of a 3D avatar with accurate circumference measurements. Partners embed our Software Development Kit's (SDK's) into their new or existing applications and then customize the experience to meet their brand requirements.

MyFiziq has developed this capability by leveraging the power of Computer Vision, Machine Learning and patented algorithms, to process these images on secure, enterprise-level infrastructure, delivering an end-to-end experience that is unrivalled in the industry. Body measurements provide more useful information about physical changes than simply measuring weight. MyFiziq simplifies the collection of these measurements and removes the margin of human error present in traditional methods.

*This announcement has been approved by the board of MyFiziq Limited.

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^{i i} <https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0213254>

ⁱⁱ https://www.who.int/nmh/countries/bra_en.pdf

^{iv} <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/people-at-higher-risk.html>

^v <https://medicalxpress.com/news/2020-03-older-people-coronavirus.html>

^{vi} Dietz, W., & Santos-Buroga, C. (2020). Obesity and its Implications for COVID-19 Mortality. *Obesity*.
<https://doi.org/10.1002/oby.22818>

^{vii} Bloomgarden, Z. T. (2020). Diabetes and COVID-19. *Journal of Diabetes*, 12(4), 347-348.
<https://doi.org/10.1111/1753-0407.13027>

^{viii} <https://www.obesity.org/download/3327/>. Obesity 2020, in press doi:10.1002/oby.22808

^{ix} <https://www.who.int/news-room/detail/22-05-2017-brazil-first-country-to-make-specific-commitments-in-un-decade-of-action-on-nutrition>