

Respiri

Shorter pilot study, potentially faster roll-out

Respiri continues to advance its commercialisation plans for wheezo with the recent initiation of patient onboarding for the Minnesota Lung Center's (MLC's) pilot programme. We note that the shortened timeline for the pilot study (reduced from three to two months) bodes well for the broader roll-out of wheezo as part of MLC's standard solutions for management of asthma and chronic obstructive pulmonary disease (COPD) patients. We believe this engagement to be particularly meaningful for Respiri, given MLC's focus on respiratory diseases, and see a potential long-term collaboration as providing impetus to wheezo's commercialisation efforts. Our valuation remains unchanged at A\$0.24 per share.

Year end	Revenue (A\$m)	EBITDA* (A\$m)	PBT* (A\$m)	EPS* (c)	P/revenue (x)	P/E (x)
06/21	1.4	(8.4)	(8.5)	(1.22)	22.9	N/A
06/22	0.8	(6.2)	(6.3)	(0.87)	40.1	N/A
06/23e	5.0	(2.3)	(2.3)	(0.29)	6.4	N/A
06/24e	8.1	0.4	0.4	0.03	4.0	133

Note: *EBITDA, PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments. FY23 and FY24 EPS adjusted for new shares.

The initial deal signed with MLC was for a three-month pilot study (recruiting 20 patients) to assess the utility of Respiri's wheezo device in a remote patient monitoring (RPM) setting for asthma and COPD. The duration of the pilot has now been reduced to two months, which we see as encouraging given that it allows for a faster roll-out across the practice, should initial feedback from the pilot programme be positive.

As a reminder, the deal with MLC was signed in November and includes partner Access Telehealth's full-service premium model comprising patient engagement through Remotli, its cloud-based platform. The RPM programme is eligible for reimbursement under the Centers for Medicare and Medicaid Services' current procedural terminology (CPT) reimbursement codes for RPM, with Respiri generating revenue from device sales as well as monthly RPM revenues per patient for reimbursement services claimed by MLC. Respiri has also indicated the possibility of generating claims under the chronic care management CPT codes, which, if materialised, should add to revenue growth potential.

We anticipate feedback from the pilot study in Q1 CY23 and expect it to be an important catalyst for the commercialisation efforts for wheezo. MLC is a leading private pulmonary practice based in Minneapolis focused on lung diseases, respiratory therapies and diagnostics. The centre employs nine pulmonologists and has a broad referral network, which we believe provides Respiri with a material opportunity to enhance product awareness and engage multiple stakeholders in the healthcare community.

Commercialisation update

Healthcare equipment

14 December 2022

RSH/RSHUF

Price A\$0.04

Market cap A\$32m US\$0.69/A\$

Pro-forma net cash (A\$m) at September 2022 including A\$0.84m raised post period

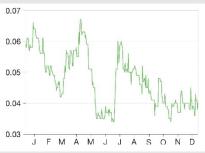
Shares in issue 801.2m
Free float 83%

Primary exchange ASX

Secondary exchange OTCQB

Share price performance

Code



Business description

Respiri is an Australia-based medical device and SaaS company focused on respiratory health management through its integrated wheezo platform. The device is a breath sensor that works with the Respiri mobile applications to record data such as wheeze rates, breath recordings and other environmental factors and medication usage, which can be accessed by physicians in real time. Wheezo received FDA clearance in March 2021 and was launched in the US in December 2021.

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