

14 December 2023

Respiri raises \$6.5m for US Expansion, secures \$20 million commitment facility to fund acquisitions.

- \$6.5m capital raise from investors at 3% discount to last closing price
- \$5m from key cornerstone investor that recognises Respiri's potential for growth in the USA Remote Patient Monitoring (RPM) market
- Principal Wealth Group Pty Ltd (PWG), a Sydney based advisory firm, has committed up to \$20m to fund future acquisitions
- Respiri funded to anticipated Cash Flow break-even expected in 2H CY24

Respiri Limited (ASX:RSH; OTCQB:RSHUF) ("Respiri"), an eHealth SaaS Company supporting respiratory healthcare management and remote patient monitoring, is pleased to announce that it has completed a A\$6.5M private placement of new ordinary shares.

Capital Raise

Respiri has successfully received commitments for approximately \$6.5m shares at \$0.03 (3 cents) per share to existing and new high-net-worth investors. This placement is at a 3% discount to the last traded price and a 1% premium to the 15-day volume weighted average price.

This placement includes a significant \$5m investment from Benjamin Richards (**Cornerstone Investor**) who has a thorough understanding of Respiri's business model, operational track record and the potential to innovate and expand its USA RPM business in a large and growing market that is populated by numerous smaller competitors. The Cornerstone Investor is a director of Principal Wealth Group Pty Ltd (PWG), and shares will be placed amongst its client base given the strong demand. The Cornerstone Investor's (or its Nominee's) funds will be received under a share subscription agreement pursuant to which the Cornerstone Investor has agreed to subscribe for \$5m worth of shares by no later than 19 January 2024 (a summary of the share subscription agreement is included in the replacement cleansing prospectus dated 13 December 2023 accompanying this announcement).

The funds raised from the private placement will be allocated towards financing the final payment(s) for acquiring Access Managed Services LLC (**Access**) and meeting the working capital needs to expedite the growth of the RPM business in the US.

After successfully raising \$6.5m in capital, Respiri's board and management are confident they have access to the funds required to drive the Company beyond the monthly cash flow break-even point. This milestone is anticipated to be reached with a patient count of 9,000 in late CY 2024.

\$20m Commitment Facility

Respiri has successfully obtained a binding commitment facility for an additional A\$20M from Principal Wealth Group Pty Ltd (PWG). This facility is intended to be used to fund the acquisition of RPM operations in the US to facilitate the expansion of the Company's RPM business and to build on the success of the recently completed and integrated acquisition of RPM provider, Access. Key terms for the issue of securities under the \$20M facility are: (i) acceptance of an RPM acquisition opportunity presented by the Company to PWG; (ii) all investments will be by way of shares at a minimum 5% discount to the 5-day VWAP of the Company's share price immediately prior to the date on which the Company announces a proposed transaction, and (iii) a 1% management fee and a 2% placement fee of all amounts invested in shares under the facility. The issue of shares under the \$20m facility is subject to shareholder approval.



The Company intends to continue to grow revenues organically from existing and new clients to reach the forecast monthly break-even patient target in late CY 2024.

Marjan Mikel, Managing Director of Respiri, expressed, “This capital raise at market value validates Respiri’s strategy built on delivering world class Remote Patient Monitoring solutions that drive monthly recurring revenues. The unique combination of the Access acquisition and the wheezo® device provides definite differentiation that will be instrumental in Respiri’s continued success. The capital commitments we have now secured will enable Respiri to achieve its significant milestones, potentially eliminating the need for us to seek additional market funding for operations.”

Ben Richards, a partner at PWG and a lead manager in the placement, stated, “Our investors, who have consistently supported Respiri, are highly impressed with the significant strides the company has made following the merger with Access Managed Services LLC, positioning itself as a frontrunner in Remote Patient Monitoring (RPM) within the US reimbursed Healthcare system. We aim to introduce new investors to the Company and offer Marjan and his team all the necessary support to achieve commercial success and a positive cash flow by CY2024.”

The board of directors consider Respiri Limited to be a going concern, supported by binding commitments received for the raising of \$6.5m capital, which it anticipates will allow the company to achieve break-even cashflow by 2H CY2024 without the need to raise additional capital in 2023 and 2024.

Compliance requirements: The placement of 216,666,667 new ordinary shares is at an issue price of A\$0.03 per Share. The placement has been made to existing and new investors and not to related parties of the Company. The placement has been made under the LR7.1 and LR7.1A capacity available to the company.

Approved by the Board of Respiri Limited

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Respiri Limited (ASX:RSH, OTCQB:RSHUF) is a pioneering presence in the Remote Patient Monitoring (RPM) and MedTech sectors. The company uses its innovative medical device technology with a disruptive business model as an RPM provider to offer the only RPM program with remote wheeze detection for respiratory disorders. As a differentiated RPM provider, Respiri’s mission is to improve health outcomes for patients with chronic diseases from cardiovascular, diabetes, obesity and, exclusively, wheeze detection for respiratory disease. Respiri’s globally unique medical device and its Remote Patient Monitoring services empower healthcare organisations to take action from patient data when needed, not only when scheduled. Respiri is strategically positioned to revolutionise chronic disease management globally and is focused on the US market, where RPM services qualify for Current Procedural Terminology (CPT) Code reimbursement
