

APPENDIX 4D

For the Half Year Ended 31 December 2024

Results for Announcement to the Market

Current Reporting Period - Half year ended 31 December 2024

Previous Reporting Period - Half year ended 31 December 2023

				31 Dec 2024	31 Dec 2023
Revenue	Up	111.30%	to	\$1,544,246	from \$730,832
Loss after tax attributable to members	Up	14.18%	to	(\$3,639,648)	from (\$3,187,552)
Net loss for the period attributable to members	Up	14.18%	to	(\$3,639,648)	from (\$3,187,552)

Net Tangible Asset per Security (cents per security)	
As at 31 December 2024	0.36
As at 30 June 2024	0.05

Dividends (distribution)	Amount per Security	Franked Amount per Security
Final dividend	N/A	N/A
Previous corresponding period	N/A	N/A

Record date for determining entitlements to dividend	N/A
Details of dividend reinvestment plans in operation	None
Details of entities over which control has been gained or lost during the period	None
Details of Associates and Joint Ventures	None
These accounts have been subject to review and there has been no qualification or dispute.	
Explanation of the above information:	
Refer to the Directors' Report - Review of Operations.	
Approved Date: 26 February 2025	

Respiri Limited

ABN 98 009 234 173

Consolidated Financial Statements

For the Half Year Ended 31 December 2024

Respiri Limited

ABN 98 009 234 173

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Respiri Limited

ABN 98 009 234 173

Directors' Report 31 December 2024

The Directors' of Respiri Limited ("RSH", "Respiri", "The Company" or "the Group") provide the following Report on the consolidated entity consisting of Respiri Limited and the entities it controlled for the half year ended 31 December 2024.

Information on directors

The names of each person who has been a director during the half year and to the date of this report are:

Mr Nicholas Smedley	Executive Chairman
Mr Marjan Mikel	CEO and Executive Director
Dr Tom Takubo	Non-Executive Director (Resigned on 24th February 2025)
Mr Jonathan Adams	Non-Executive Director (Appointed on 24th February 2025)

Principal activities

The principal activities of Respiri Limited in the course of the financial half year have been the research, development and commercialisation of medical devices, and the development of mobile health applications.

There were no significant changes in the nature of the Company's principal activities during the financial half year.

Review of operations

Operating and Financial Review

Patient program enrolment and engagement continues to grow significantly with 4,063 patient program engagements over the quarter representing an increase of 67% over the September 2024 Quarter. These volumes are Respiri-only and do not include any patient program volumes from the Orb acquisition. 63% of billable patient services were for Remote Patient Monitoring (RPM) with the balance being Chronic Care Management (CCM), Principal Care Management (PCM) and Transitional Care Management (TCM) all of which are reimbursed by Centers of Medicare and Medicaid (CMS) for the appropriate patients. The acquired Orb patient program pool is almost 100% CCM providing immediate complementary cross/up- selling opportunities to existing patients where both RPM and CCM services can all be delivered to the one patient.

The Ceras IT platform used by Respiri will now enable the cross-selling of RPM services to the Orb patient base whilst Orb's experience in CCM will help newly-merged Respiri deliver these services to the all appropriate existing patients in 2025 and beyond. This represents potential revenue upside of ~\$2M pa on existing combined patient populations. The December 2024 quarter was truncated by a number of significant holidays in the USA, including Christmas/New Year and Thanksgiving which does have an impact on patient engagement over a rather extended "silly" season resulting in an expected reduced per patient per month (pppm) revenue stream that should return to "normal" levels in the coming quarters.

New and existing Clients: Strong patient growth is forecast to continue and accelerate for Respiri in 2025, driven by both organic growth from existing clients' patient pools and from new contracts expected from the rich sales pipeline that the Company currently enjoys.

Respiri anticipates closing significant contracts with 6 major Accountable Care Organisation (ACO), Independent Physician Associations (IPA) and other large healthcare organisations in the coming months. The devastating fires in Los Angeles have, understandably, delayed some of these contract negotiations but the Company remains confident of delivering 3 such fee-for-service and risk-share contracts in the March quarter, which will have significant impacts on patient numbers and ensuing recurring revenues.

CMS moves closer to Accountable Care goals: The universal cost burden of healthcare across the globe is particularly prevalent in the USA where healthcare costs exceed US\$4.1 trillion per annum and are growing¹. Therefore, optimising existing healthcare funding by investing in different models and cost effective, complementary services is the only real strategy available to payors to ensure that these burgeoning costs driven by an increasing aging population can be adequately managed with funding that is growing at a much slower rate.

Review of operations

To this end, Centers for Medicare and Medicaid Services (CMS) has mandated and made substantial progress on its goal for all people with Traditional Medicare (fee-for-service) to be in a care relationship with accountability for quality and total cost of care by 2030. Essentially, this is what Respire terms, risk- share/value-based healthcare delivery.

As of January 2025, 53.4% of people with Traditional Medicare are in an accountable care relationship with a provider who are typically a member of an ACO or IPA. This represents more than 14.8 million people an increase of 4.3% on January 2024, the largest annual increase since CMS began tracking accountable care relationships². This steadily increased participation in accountable care arrangements demonstrates that CMS are succeeding in connecting people to longitudinal care relationships with healthcare providers.

This welcome and unambiguously positive development is an endorsement of Respire's strategy in the growing US healthcare market where RPM and CCM care programmes are manifesting as key cost-effective components of the necessary healthcare investment mix that is also strongly endorsed by the peak governing body, American Medical Association (AMA). These services provide meaningful benefits for patients resulting in cost reductions whilst those ACOs' and their providers member that deliver such services that reduce events and ensuing costs are rewarded financially by insurers. Respire has made risk- share/value-based client alignment a key and unique pillar of the Company's commercialisation strategy.

AMA recommends significant expansion of Remote Care: The American Medical Association (AMA) has announced a significant expansion of remote patient monitoring (RPM). In brief, those are:

- Add a remote patient monitoring device supply CPT code that covers 2 in every 15 calendar days of collected and transmitted data, thus reducing the current requirement of 16 in 30 days.
- Revise CPT 99457 to include 11-20 minutes (currently at least 20 minutes). This reduces the amount of time clinical staff must engage with a patient/caregiver
- Revise CPT 99458 to cover each additional 10 minutes of interactive communication. This reduces the amount of additional time clinical staff must engage with patients/caregivers from the current requirement of at least an additional 20 minutes.

The US healthcare industry anticipates these changes coming into effect with new reimbursement rates from January 1st 2026. The immediate implications are that the AMA consider RPM as a key component of effective patient management and appear to encourage accessibility for providers to deliver to their patients with chronic conditions.

Respire welcome these changes as they allow for significant expansion of RPM services to appropriate patients and care givers. Further, these changes represent levers for increased efficiency of Respire's clinical operations enabling greater productivity and thus deliver better margins and additional revenue.

Strategic acquisition: In December 2024, Respire announced entering a binding purchase agreement to acquire the assets and business of Orb Health, a leading US-based connected care organisation, for an initial purchase price of US\$9 million, settled with the issue of shares. The completion of purchase is subject to satisfaction of the conditions precedents which were not completed by 31 December 2024. An additional payment may be payable upon Orb Health meeting financial targets at the completion of CY2025, also satisfied through the issue of shares. As part of the transaction, Orb Health agreed to invest US\$0.7 million (~A\$1.1M).

Orb Health CY24 Annual Recurring Revenues (ARR) are ~US\$4.2 million. The acquisition is expected to generate cost synergies totalling approximately A\$3.5 million and generate cross-selling opportunities in excess of A\$2 million during an initial full twelve months of operations.

The acquisition, which has since been completed, marks another significant step for Respire as it accelerates its US plans to become the leader in the large and substantially growing connected care health market in the United States. It adds a broad network of existing customers, enables Respire to expand its service offerings, achieves economies of scale, provides complementary and critical expertise and realises synergies between the businesses. It is a significant contribution to Respire's achieving profitability in 2025.

Review of operations

US operations update

Post Merger Acquisition (PMI) activities between Respire and Orb Health commenced post signing of the purchase agreement in November. Various functional teams comprising key staff from both organisations have been established and tasked with identifying and executing cost saving synergies and also defining and deploying best practices across all aspects of the business. The focus has been on Client and Clinical Operations as well as technology consolidation. At year-end, these actions have already delivered more than A\$1.67 million in annualised savings. A next major contribution is expected by mid-year when deliberations and evaluations around the care delivery platform and corresponding IT solutions are to be concluded. The acquisition has also seen executive leadership rationalisation with almost all key staff now located in the USA and most Australian positions being made redundant.

Whilst headcount rationalisation has occurred and will continue to be undertaken, hiring qualified nurses will continue to support the increasing clinical services required to meet growing patient volumes from existing clients and the anticipated volumes of patients from the major new client FFS and risk-share contracts the Company expects to close in the coming months.

Wearable clinical study update

The clinical study for Respire's new wearable device, led by Dr. Scott Parrish of Fox Valley Pulmonary Medicine Clinic, in Wisconsin, began in October 2024 after a group of 30 COPD patients was recruited. The study is conducted in two cohorts of 15 patients each. The first ran in October and November 2024 while the second cohort commenced in January 2025 and concludes in February.

Over the study period patients wear the device using a specially designed sleeve. The device continuously transmits data both to the Respire app and to a central server, thus enabling display of the data in real time on a web portal. The latter allows Respire's nursing team to monitor patients continuously and to inquire about any symptoms or their overall well-being, if and when required as per the study protocol.

Data obtained from the first cohort was imperative for developing a dedicated set of visual analyses tools. Those include a 24-hour window to view trends in patient activity and respiration, historical inhaler usage, and observation of breathing patterns during inhaler use. Further, the visual analyses tools and competencies developed so far will guide the development of additional and more advanced future data analysis techniques. This process will continue throughout 2025 with the aim to validating the usability and effectiveness of the wearable device and supporting system.

These data will be used in the FDA regulatory submission which is anticipated to be submitted by mid-2025 with approval anticipated in Q1 2026. The wearable device will provide significant utility in monitoring respiratory patients during the transitions of care from hospitals and SNFs to the home. The wearable will not replace wheezo[®] but add to the unique proprietary medical device portfolio that will continue to differentiate Respire's value proposition and broader Connected Care Management Program offering.

Corporate & Financial Highlights

During the half year, the group commenced executing its planned Orb acquisition cost restructuring plan expected to yield \$3.5m in annual cost savings. Normalised group monthly expenditure, after allowing for one off restructure monthly costs in December was \$0.605 million down 19% from \$0.743 million in July 2024. In this half year the company has realised \$1.67 million of annualised cost savings, including the rationalisation of the Australian-based executive team and senior management who are now all replaced by Orb Health staff located in the USA; and the shutdown of the Respire contracted IT team in the Philippines which is now also located in the USA. The balance of the expected \$3.5 million in cost savings will be realised in the 3 to 6 months post completion of the Orb acquisition.

The Group has successfully raised \$4,597,000 in cash during the half year from a strategic placement from leading Australian biotech fund, Merchant Biotech and other strategic investors. In addition, a loan of \$1,100,000 was converted into equity, and shares worth \$186,000 were issued as settlement for consulting fees.

Revenue for the period was \$932,964 against cash collections for the period of \$515,986 with the balance of revenue sitting in trade receivables and expected for collection post half year end.

Review of operations

Corporate and administration costs have increased compared to the prior year due to the additional overhead in the US from the Access acquisition. The Group closed the period with cash and cash equivalents of \$1,250,473 (June 2024: \$762,874) and \$2,921,665 (June 2024: \$2,751,565) of finished goods inventory and prepaid materials.

Events after the reporting date

Post-period end, the group has advised the successful acquisition of the business and assets of Orb Health Inc by way of an asset purchase agreement. As of the sign-off date, the acquisition accounting related to Orb Health was not possible to complete due to time constraints and limited access to necessary information.

Pursuant to the Purchase Agreement the initial purchase price of US\$9 million was satisfied through the issue of 160,998,504 fully paid ordinary shares (Initial Consideration Shares). As part of the transaction, Orb Health agreed to invest US\$0.7 million (~A\$1.1M) by subscribing for additional fully paid ordinary shares (Additional Shares). Respire will issue the first tranche of 7,155,489 Additional Shares (US\$0.4 million) contemporaneously with the Initial Consideration Shares and the second tranche of 5,366,617 Additional Shares (US\$0.3 million) is expected to be completed within the next 45 days after the announcement.

Additionally, the Company announced that Dr. Tom Takubo has retired from his position as Director and that Mr. Jonathan Adams has been appointed as a Non-Executive Director, effective 24th February 2025.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2024 has been received and can be found on page 5 of the consolidated financial report.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*



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On behalf of the Directors
Mr Nicholas Smedley
Chairman

Dated this 26th day of February 2025

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Respi Limited

As lead auditor for the review of Respi Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Respi Limited and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis

A. A. Finnis
Director
Melbourne, 26 February 2025

Respiri Limited

ABN 98 009 234 173

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2024

		31 December 2024	31 December 2023
	Note	\$	\$
Operating revenue	2	932,964	147,448
Non-operating revenue		-	1,781
Other income	2	611,282	581,603
Total revenue		<u>1,544,246</u>	730,832
Consulting, employee and director expenses		(3,275,036)	(1,989,168)
Share-based payment expenses	3	-	(96,690)
Corporate administration expenses		(1,182,075)	(1,270,838)
Depreciation expenses		(29,972)	(89,264)
Marketing and promotion expenses		(68,266)	(99,824)
Impairment of inventory and other current assets		(303,460)	-
Research and development expenses		(105,017)	(69,765)
Travel expenses		(219,876)	(233,743)
Finance expenses		-	(65,015)
Device cost		(192)	(4,077)
Loss before income tax expense		<u>(3,639,648)</u>	(3,187,552)
Income tax expense		-	-
Loss after income tax for the period		<u>(3,639,648)</u>	(3,187,552)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		68,771	(109,441)
Other comprehensive loss for the period, net of tax		<u>68,771</u>	(109,441)
Total comprehensive loss for the year		<u>(3,570,877)</u>	(3,296,993)
Loss per share			
Basic loss per share (cents)	9	(0.30)	(0.35)
Diluted loss per share (cents)	9	(0.30)	(0.35)

The accompanying notes form part of these financial statements.

Respiri Limited

ABN 98 009 234 173

Consolidated Statement of Financial Position As At 31 December 2024

	31 December 2024	30 June 2024
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	1,250,473	762,874
Trade and other receivables	371,399	253,138
Inventories	2,921,665	2,751,565
Other assets	404,523	266,863
TOTAL CURRENT ASSETS	<u>4,948,060</u>	<u>4,034,440</u>
NON-CURRENT ASSETS		
Plant and equipment	16,633	21,708
Right-of-use assets	70,423	95,278
Intangible assets	2,044,924	2,039,490
TOTAL NON-CURRENT ASSETS	<u>2,131,980</u>	<u>2,156,476</u>
TOTAL ASSETS	<u><u>7,080,040</u></u>	<u><u>6,190,916</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	1,650,663	1,937,431
Lease liabilities	60,862	58,980
Employee benefits	194,030	201,358
Other financial liabilities	217,961	1,176,563
Contract liabilities	42,819	51,765
TOTAL CURRENT LIABILITIES	<u>2,166,335</u>	<u>3,426,097</u>
NON-CURRENT LIABILITIES		
Employee benefits	70,012	70,460
Lease liabilities	26,510	57,419
TOTAL NON-CURRENT LIABILITIES	<u>96,522</u>	<u>127,879</u>
TOTAL LIABILITIES	<u>2,262,857</u>	<u>3,553,976</u>
NET ASSETS	<u><u>4,817,183</u></u>	<u><u>2,636,940</u></u>
EQUITY		
Issued capital	6 146,296,292	140,545,172
Reserves	7 2,844,495	3,702,720
Accumulated losses	(144,323,604)	(141,610,952)
TOTAL EQUITY	<u>4,817,183</u>	<u>2,636,940</u>
	<u><u>4,817,183</u></u>	<u><u>2,636,940</u></u>

The accompanying notes form part of these financial statements.

Respiri Limited

ABN 98 009 234 173

Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2024

	Issued Capital	Option Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
Note	\$	\$	\$	\$	\$
Balance at July 1, 2024	140,545,172	3,746,782	(44,062)	(141,610,952)	2,636,940
Loss after income tax expense for the period	-	-	-	(3,639,648)	(3,639,648)
Other comprehensive income for the period, net of tax	-	-	68,771	-	68,771
Total comprehensive income for the half-year	-	-	68,771	(3,639,648)	(3,570,877)
Transactions with Equity holders in their capacity as equity holders:					
Shares Issued	6 5,933,000	-	-	-	5,933,000
Capital raising costs	(181,880)	-	-	-	(181,880)
Expiry of share-based payments	-	(926,996)	-	926,996	-
Balance at 31 December 2024	146,296,292	2,819,786	24,709	(144,323,604)	4,817,183

The accompanying notes form part of these financial statements.

Respiri Limited

ABN 98 009 234 173

Consolidated Statement of Changes in Equity

For the Half Year Ended 31 December 2024

	Issued Capital	Option Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at July 1, 2023	132,099,603	6,780,376	(554)	(138,052,535)	826,890
Loss after income tax expense for the period	-	-	-	(3,187,552)	(3,187,552)
Other comprehensive loss for the period, net of tax	-	-	(109,441)	-	(109,441)
Total comprehensive loss for the half-year	-	-	(109,441)	(3,187,552)	(3,296,993)
Transactions with Equity holders in their capacity as equity holders:					
Shares Issued	7,179,534	-	-	-	7,179,534
Capital Raising Cost	(664,815)	-	-	-	(664,815)
Options issued	-	15,393	-	-	15,393
Expiry of share-based payments	-	(2,899,132)	-	2,899,132	-
Share-based payment expense	-	81,297	-	(619,151)	(537,854)
Balance at 31 December 2023	138,614,322	3,977,934	(109,995)	(138,960,106)	3,522,155

The accompanying notes form part of these financial statements.

Respiri Limited

ABN 98 009 234 173

Consolidated Statement of Cash Flows For the Half Year Ended 31 December 2024

	31 December 2024	31 December 2023
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	515,986	30,357
Government grants and R&D claims	611,282	581,603
Payments to suppliers and employees (inclusive of GST)	(5,290,964)	(3,899,058)
Interest received	6,207	1,781
Net cash used in operating activities	<u>(4,157,489)</u>	<u>(3,285,317)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchase of business	-	(1,672,791)
Payments for purchases of plant and equipment	-	(10,107)
Net cash used in investing activities	<u>-</u>	<u>(1,682,898)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issues of securities	4,597,000	6,184,912
Capital raising costs	(149,268)	(220,094)
Proceeds from/(repayment of) borrowings	198,472	(220,000)
Net cash provided by financing activities	<u>4,646,204</u>	<u>5,744,818</u>
Net increase in cash and cash equivalents held	488,715	776,603
Cash and cash equivalents at beginning of year	762,874	146,163
Effects of exchange rate changes on cash and cash equivalents	(1,116)	(12,708)
Cash and cash equivalents at end of the half year	<u>1,250,473</u>	<u>910,058</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Half Year Ended 31 December 2024

1 Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134: *'Interim Financial Reporting'*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *'Interim Financial Reporting'*. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

Basis of Preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's 2024 annual financial report for the financial year ended 30 June 2024. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of \$3,639,648 and had net cash outflows from operating activities of \$4,157,489 for the half year ended 31 December 2024.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern, after consideration of the following factors:

- The Group is expecting to continue revenue growth in the US over the next twelve months after entering into distribution agreements to assist with improving the Group's results.
- The Group has prepared budgets and cash flow forecast for the next 12 months from the date of signing of this report which indicate the Group will have a positive cash balance during this period. The cash flow forecasts include further capital raising over the next 12 months.
- As described in note 9, the Group has advised of the successful acquisition of Orb Health Inc by way of an asset purchase agreement. In addition, OrbHealth will invest US\$0.7 million by subscribing for additional fully paid ordinary shares. US\$0.4 million cash has been received in 22nd January 2025 and US\$0.3 million is expected to be completed within the next 45 days after the announcement.
- The Directors believe that there are reasonable grounds to expect that the Group has the capacity to raise capital. The Group has a strong track record of accessing capital when it is required to advance its portfolio.

The above factors indicate the existence of a material uncertainty which may cast significant doubt as to whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Respiri Limited

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Notes to the Financial Statements For the Half Year Ended 31 December 2024

1 Statement of Compliance

Going Concern

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

2 Revenue and Other Income

(a) Operating Revenue

	31 December 2024	31 December 2023
	\$	\$
RPM Fees	899,329	106,470
Subscriptions Sales	-	17,728
Software fees	21,627	22,479
Other charges	12,008	771
Total operating revenue	932,964	147,448

The group derives its sales revenue mostly from the remote healthcare programs and software fees for use of Wheezo and other devices.

(b) Other Income

	31 December 2024	31 December 2023
	\$	\$
R&D tax concession received	611,282	545,003
Grant income	-	36,600
Total other income	611,282	581,603

The value of any allocable R&D tax concession refund with respect to eligible R&D expenditures incurred during the financial year 2025 has not yet been determined and have therefore not been included within the financial statements for the half year ended 31 December 2024.

3 Share-based payments

	31 December 2024	31 December 2023
	\$	\$
Options issued to directors	-	81,297
Options issued to consultants	-	15,393
Total share-based payment expense	-	96,690

**Notes to the Financial Statements
For the Half Year Ended 31 December 2024**

4 Dividends

No dividends have been declared for the period ended 31 December 2024 (31 December 2023: Nil).

5 Segment Information

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

Information reported to the Group's Chief Operating Decision Makers for the purposes of resource allocation and assessment of performance is more specifically focused on the geographical locations of the Group's operations.

The Group's reportable segments under AASB 8 are therefore as follows:

- Australia

The Australia reportable segment activities include research, development and commercialisation of medical devices, and the production of Mobile Health applications in Australia.

- United States

The United States reportable segment, through the acquisition of Access Telehealth in August 2023, provides reportable segment activities such as broader value proposition and solution for managing all major chronic disease states including, but not limited to, Cardiovascular, Diabetes, Chronic Obstructive Pulmonary Disease (COPD) and Obesity.

Information regarding these segments is presented below. The accounting policies of the reportable segments are the same as the Group's accounting policies.

The Company had two customers in USA that each accounted for more than 10% of total revenue during the period. Revenue from these customers totaled \$753,502.81 (2023: nil) and represented 81% of the total revenue for the period.

	Medical Devices	Medical Devices		
	Australia	USA	Corporate	Total
	\$	\$	\$	\$
31 December 2024				
Segment Revenue				
External sales	23,292	903,465	-	926,757
Other income	611,282	-	-	611,282
Total Segment Revenue	634,574	903,465	-	1,538,039
Interest revenue	-	-	6,207	6,207
Total Revenue	634,574	903,465	6,207	1,544,246

Respiri Limited

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Notes to the Financial Statements For the Half Year Ended 31 December 2024

5 Segment Information

	Medical Devices Australia \$	Medical Devices USA \$	Corporate \$	Total \$
Segment Expenses	(58,294)	(2,608,661)	(2,486,967)	(5,153,923)
EBITDA (i)	576,280	(1,705,196)	(2,486,967)	(3,615,883)
Segment depreciation expense	-	-	(29,972)	(29,972)
Interest revenue	-	-	6,207	6,207
Profit/(loss) before income tax	576,280	(1,705,196)	(2,510,732)	(3,639,648)
Income tax	-	-	-	-
Net Result	576,280	(1,705,196)	(2,510,732)	(3,639,648)

i. EBITDA is non-IFRS measure and thus is not reported in the Consolidated statement of comprehensive income.

	Medical Devices Australia \$	Medical Devices USA \$	Corporate \$	Total \$
31 December 2024				
Assets				
Segment assets	2,044,415	877,250	4,158,374	7,080,039
Total assets	2,044,415	877,250	4,158,374	7,080,039
Liabilities				
Segment liabilities	-	-	2,262,857	2,262,857
Total liabilities	-	-	2,262,857	2,262,857

	Medical Devices Australia \$	Medical Devices USA \$	Corporate \$	Total \$
31 December 2023				
Segment Revenue				
External sales	12,113	135,335	-	147,448
Other income	581,603	-	-	581,603
Total Segment Revenue	593,716	135,335	-	729,051
Interest revenue	-	-	1,781	1,781
Total Revenue	593,716	135,335	1,781	730,832

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Notes to the Financial Statements For the Half Year Ended 31 December 2024

5 Segment Information

	Medical Devices Australia \$	Medical Devices USA \$	Corporate \$	Total \$
Segment Expenses	(70,649)	(3,193)	(3,690,263)	(3,764,105)
EBITDA (i)	523,067	132,142	(3,690,263)	(3,035,054)
Segment depreciation expenses	-	-	(89,264)	(89,264)
Interest revenue	-	-	1,781	1,781
Finance costs	-	-	(65,015)	(65,015)
Profit/(loss) before income tax	523,067	132,142	(3,842,761)	(3,187,552)
Income tax	-	-	-	-
Net Result	523,067	132,142	(3,842,761)	(3,187,552)

i. EBITDA is non-IFRS measure and thus is not reported in the Consolidated statement of comprehensive income.

	Medical Devices Australia \$	Medical Devices USA \$	Corporate \$	Total \$
31 December 2023				
Assets				
Segment assets	658,251	727,591	4,870,022	6,255,864
Total assets	658,251	727,591	4,870,022	6,255,864
Liabilities				
Segment liabilities	-	-	2,733,709	2,733,709
Total liabilities	-	-	2,733,709	2,733,709

Notes to the Financial Statements For the Half Year Ended 31 December 2024

6 Issued Capital

The Company has an unlimited authorised share capital of no par value ordinary shares.

	31 December 2024 No.	31 December 2024 \$	30 June 2024 No.	30 June 2024 \$
Fully paid ordinary shares				
Balance at beginning of the year	1,146,535,590	140,545,172	843,236,346	132,099,603
Shares issued during the year	179,988,890	5,933,000	303,299,244	9,779,534
Transaction costs relating to share issues	-	(181,880)	-	(1,333,965)
Total issued capital	1,326,524,480	146,296,292	1,146,535,590	140,545,172

During the half-year, the Company issued the following securities:

Date	Details	No.	Issue price \$	Total value \$
06-Aug-24	Issuance of ordinary shares via placement	73,333,334	0.0300	2,197,000.02
06-Aug-24	Issuance of shares upon conversion of loan	36,666,667	0.0300	1,100,000.01
09-Aug-24	Issuance of ordinary shares via placement	28,333,334	0.0300	850,000.02
03-Oct-24	Shares issued in settlement of consulting fees	6,200,000	0.0300	186,000.00
29-Nov-24	Issuance of ordinary shares via placement	35,555,555	0.0450	1,599,999.98
		179,988,890		5,933,000

7 Reserves

	31 December 2024 No.	31 December 2024 \$	30 June 2024 No.	30 June 2024 \$
Options				
Balance at beginning of the year	217,700,000	3,746,782	238,500,000	6,780,376
Unlisted options issued during the year	-	-	65,000,000	455,939
Expense recorded over vesting period	-	-	-	81,297
Options expired/forefeited	(30,000,000)	(926,996)	(15,800,000)	(671,698)
Cancellation of options	-	-	(70,000,000)	(2,899,132)
Balance at end of the year	187,700,000	2,819,786	217,700,000	3,746,782
FX Reserve				
Balance at beginning of the year	-	(44,062)	-	(554)
Other comprehensive income for the year, net of tax	-	68,771	-	(43,508)
Balance at end of the year	-	24,709	-	(44,062)
Total Reserves	187,700,000	2,844,495	217,700,000	3,702,720

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Notes to the Financial Statements For the Half Year Ended 31 December 2024

8 Loss per Share

	31 December 2024	31 December 2023
	\$	\$
Basic loss per share (cents)	(0.30)	(0.35)
Diluted loss per share (cents)	(0.30)	(0.35)
(a) Net loss used in the calculation of basic and diluted loss per share	(3,639,648)	(3,187,552)
(b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share	1,212,773,892	905,572,355

(c) Potential ordinary shares, including options, are excluded from the weighted average number of shares used in the calculations of basic loss per share. Potential ordinary shares are not considered to be dilutive because the conversion of potential ordinary shares into ordinary shares would decrease the basic loss per share.

9 Contingencies

The Company did not have any contingencies at 31 December 2024 (30 June 2024:None).

10 Events Occurring After the Reporting Date

Post-period end, the group has advised the successful acquisition of the business and assets of Orb Health Inc by way of an asset purchase agreement. As of the sign-off date, the acquisition accounting related to Orb Health was not possible to complete due to time constraints and limited access to necessary information.

Pursuant to the Purchase Agreement the initial purchase price of US\$9 million was satisfied through the issue of 160,998,504 fully paid ordinary shares (Initial Consideration Shares). As part of the transaction, Orb Health agreed to invest US\$0.7 million (~A\$1.1M) by subscribing for additional fully paid ordinary shares (Additional Shares). Respiri will issue the first tranche of 7,155,489 Additional Shares (US\$0.4 million) contemporaneously with the Initial Consideration Shares and the second tranche of 5,366,617 Additional Shares (US\$0.3 million) is expected to be completed within the next 45 days after the announcement.

Additionally, the Company announced that Dr. Tom Takubo has retired from his position as Director and that Mr. Jonathan Adams has been appointed as a Non-Executive Director, effective 24th February 2025.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

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Directors' Declaration

The directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 6 to 17 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - (b) give a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to section 303(5)(a) of the *Corporations Act 2001*.



.....
Mr Nicholas Smedley
Executive Chairman

Dated this 26th day of February 2025

Independent auditor's review report to the members of Respire Limited

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Respire Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1 in the half-year financial report, which indicates that the Group incurred a net loss of \$3,639,648 and had cash-outflows from operations of \$4,157,489 during the half-year period ended 31 December 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

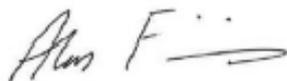
Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



A. A. Finnis
Director
Melbourne, 26 February 2025