

APPENDIX 4D

For the Half Year Ended 31 December 2021

Results for Announcement to the Market

Current Reporting Period - Half year ended 31 December 2021

Previous Reporting Period - Half year ended 31 December 2020

				31 Dec 2021		31 Dec 2020
Revenue	Down	46%	to	\$659,146	from	\$1,212,624
Loss after tax attributable to members	Down	52%	to	(\$3,046,255)	from	(\$6,388,764)
Net loss for the period attributable to members	Down	52%	to	(\$3,046,255)	from	(\$6,388,764)

Net Tangible Asset per Security (cents per security)

As at 31 December 2021	(0.67)
As at 30 June 2021	(1.05)

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: 21 February 2022

Respiri Limited

ABN 98 009 234 173

Consolidated Financial Statements

For the Half Year Ended 31 December 2021

Respiri Limited

ABN 98 009 234 173

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For the Half Year Ended 31 December 2021

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Respiri Limited

ABN 98 009 234 173

Directors' Report

31 December 2021

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 2021.

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 Marjan Mikel	CEO (Appointed on 2nd December 2019) Executive Director (Appointed on 25th November 2019)
Mr Nicholas Smedley	Non-Executive Director (Appointed on 30th October 2019) Executive Chairman (Appointed on 15th November 2019)
Dr Thomas Duthy	Non-Executive Director (Appointed on 11th February 2020)

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

The United States of America market remains the Company's major focus given the size and nature of the opportunity and resources have been channelled into ensuring the successful launch of wheezo®. The Company has developed a US commercialisation strategy around strategic partnerships with Remote Patient Monitoring (RPM) service providers with existing relationships where devices will be sold to RPM customers and monthly per patient Product as a Services fees charged by wheezo® partners will be shared with Respiri. During the half year the company entered into its first partnership with RPM provider mTelehealth. The distribution and marketing agreement is a five year, non-exclusive agreement with minimum forecast sales of US\$1m over the life of the agreement. The Company is in advanced discussion with a number of other RPM providers and hopes to finalise agreements over the coming months.

The Respiratory Specialist led wheezo® Remote Asthma Monitoring Programme (**RAMP**) rolled out in Australia continues to be key in demonstrating to payors and employers of the health merits of wheezo® patient engagement and is already a model of interest to potential partners in the US where the model will allow partners to generate greater reimbursement income for provider physician customers. Further, the outcomes data will allow Respiri to potentially tap into another revenue stream, further strengthening our value to stakeholders, both in the US and also in the Australian market.

Progress continues in the United Kingdom. The clinical study announced with the University of Birmingham to investigate the correlation between wheeze and lung function is now awaiting ethics approval which is expected towards the end of March, 2022. Data will be available in late 2022 and if successfully peer reviewed, published results should be available in early 2023. The Company is also planning a major partnership with a world-renowned institution to deliver a large real world health outcomes-based study with wheezo® and this study will be funded by a third party. Protocol details should be finalised in late Q1CY2022 with the first patient enrolled in mid-2022. Respiri is in advanced discussions with another 3 premier clinical institutions to further grow our evidence base and our potential involvement in the development and roll out of virtual respiratory telehealth clinics in the UK. Further, the Company is in discussions with 2 major multinational pharmaceutical companies with interests in respiratory medicine with the view of developing a clinical study partnership and testing a new model of asthma care with one and exploring a patient value add asthma management health programme with the other.

During the half year, Respiri was announced the winner of the 2021 Good Design Gold Award for product design, medical and scientific. Winning design projects were required to demonstrate that they improve quality of life and contribute to a better, safer, and more sustainable future. wheezo® has been awarded lifetime access to the Good Design Tick,

Directors' Report

31 December 2021

Review of operations

recognised worldwide as one of the most respected benchmarks for innovation and design worldwide. The tick signals that wheezo® is produced to the highest quality, provide good value for money and will give them a great experience and can be featured on product and marketing collateral.

Company continues to be on track with the development of its wearable medical device, Sorfe, and international Key Opinion Leader (KOL) interest in the project remains high. A tested device ready for clinical validation will be available in late March/early April. This device is designed to monitor nocturnal asthma and also a completely new vertical in exercise induced asthma in the lucrative sports industry, which is a large untapped opportunity. Simple effective solutions do not exist for these conditions today. This technology will complement wheezo® which is designed for ambulatory "daytime" monitoring.

Following the successful extinguishment of the Isona Ltd contingent liability with the Israel Innovation Authority (formerly Office of Chief Scientist) there is no longer an exposure to this matter, and the previous financial statement disclosure has been removed. The Israel company has been placed into voluntary liquidation in accordance with Israel Companies Law.

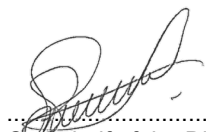
The company recorded revenue of \$140,495 for the six months to 31 December 2021 (2020: \$124,896) which includes the recognition of the initial licence agreement with mTelehealth of US\$100,000. A further US\$50,000 of revenue for sale of wheezo® to mTelehealth was deferred and recognised subsequent to year end. Continued focus on expenditure has seen an overall decrease in expenses for the six months as compared to the prior period. In particular marketing and promotion expenses have decreased as expenditure committed towards education and awareness programs and supporting the progressive commercial roll-out of wheezo in Australia are scaled back to focus on the US market opportunities.

Inventory has increased to \$1,351,718 (June 2021: \$537,046) reflecting the increase in manufacturing to meet expected demands from the US launch. Cash on hand at 31 December 2021 was \$5,120,453 (June 2021: \$7,973,188).

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 2021 has been received and can be found on page 3 of the consolidated financial report.

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



.....
On behalf of the Directors
Mr Nicholas Smedley
Chairman

Dated this **21st** day of **Feb** 2022

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Respi Limited and controlled entities for the half year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



RSM AUSTRALIA PARTNERS



B Y CHAN
Partner

Dated: 21 February 2022
Melbourne, Victoria

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2021

		31 December 2021	31 December 2020
	Note	\$	\$
Operating revenue	2	140,495	124,896
Non-operating revenue		143	1,018
Other income	2	518,508	1,086,710
		659,146	1,212,624
Cost of sales		(8,992)	(765,191)
Consulting, employee and director expenses	3	(1,481,636)	(1,869,752)
Share-based payment expenses	4	(345,626)	(1,964,835)
Corporate administration expenses		(699,189)	(866,424)
Depreciation expenses		(41,341)	(39,316)
Marketing and promotion expenses	5	(524,303)	(1,197,070)
Research and development expenses		(593,571)	(890,646)
Travel expenses		(10,743)	(8,154)
Loss before income tax expense from continuing operations		(3,046,255)	(6,388,764)
Income tax expense		-	-
Loss after income tax for the period		(3,046,255)	(6,388,764)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(38,551)	16,019
Total comprehensive loss for the year		(3,084,806)	(6,372,745)

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As At 31 December 2021

		31 December 2021	30 June 2021
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	5,120,453	7,973,188
Trade and other receivables		13,144	135,986
Inventories	7	1,351,718	537,046
Other assets		126,716	298,978
TOTAL CURRENT ASSETS		6,612,031	8,945,198
NON-CURRENT ASSETS			
Property, plant and equipment		123,008	162,374
TOTAL NON-CURRENT ASSETS		123,008	162,374
TOTAL ASSETS		6,735,039	9,107,572
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		1,671,987	1,294,633
Other financial liabilities		128,992	171,255
Deferred revenue		70,683	857
TOTAL CURRENT LIABILITIES		1,871,662	1,466,745
NON-CURRENT LIABILITIES			
Other financial liabilities		32,396	70,665
TOTAL NON-CURRENT LIABILITIES		32,396	70,665
TOTAL LIABILITIES		1,904,058	1,537,410
NET ASSETS		4,830,981	7,570,162
EQUITY			
Issued capital	10	127,090,400	127,090,401
Reserves	11	7,133,118	6,826,043
Retained earnings		(129,392,537)	(126,346,282)
TOTAL EQUITY		4,830,981	7,570,162

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 2021

	Issued Capital \$	Option Reserve \$	Foreign Currency Translation Reserve \$	Accumulated Losses \$	Total \$
Balance at 1 July 2020	113,694,614	4,429,194	(323,097)	(115,305,935)	2,494,776
Loss after income tax expense for the period	-	-	-	(6,388,764)	(6,388,764)
Other comprehensive income for the period, net of tax	-	-	16,019	-	16,019
Total comprehensive loss for the half-year	-	-	16,019	(6,388,764)	(6,372,745)
Transactions with Equity holders in their capacity as equity holders:					
Share Based Payment Expense	-	936,807	-	-	936,807
Shares Issued	13,000,200	-	-	-	13,000,200
Capital Raising Cost	(547,350)	-	-	-	(547,350)
Options Exercised	870,887	(270,887)	-	-	600,000
Options Issued	-	1,463,025	-	-	1,463,025
Balance at 31 December 2020	127,018,351	6,558,139	(307,078)	(121,694,699)	11,574,713
Balance at 1 July 2021	127,090,401	7,168,973	(342,930)	(126,346,282)	7,570,162
Loss after income tax expense for the period	-	-	-	(3,046,255)	(3,046,255)
Other comprehensive income for the period, net of tax	-	-	(38,551)	-	(38,551)
Total comprehensive loss for the half-year	-	-	(38,551)	(3,046,255)	(3,084,806)
Transactions with Equity holders in their capacity as equity holders:					
Options issued	-	-	-	-	-
Share-based payment expense	-	345,626	-	-	345,626
Balance at 31 December 2021	127,090,401	7,514,599	(381,481)	(129,392,537)	4,830,982

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Half Year Ended 31 December 2021

	31 December 2021	31 December 2020
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	333,162	173,628
R&D tax incentive refund	496,695	986,710
Payments to suppliers and employees (inclusive of GST)	(3,621,716)	(5,051,935)
Interest received	143	1,018
Receipt from grants	21,813	50,000
ATO Cashflow Boost	-	50,000
Net cash used in operating activities	<u>(2,769,903)</u>	<u>(3,790,579)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for purchases of plant and equipment	<u>(1,974)</u>	<u>(38,862)</u>
Net cash used in investing activities	<u>(1,974)</u>	<u>(38,862)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	-	12,430,200
Capital raising costs	-	(547,350)
Proceeds from exercise of options	-	600,000
Repayment of borrowings	-	(744,514)
Net cash provided by financing activities	<u>-</u>	<u>11,738,336</u>
Net increase in cash and cash equivalents held	(2,771,877)	7,908,895
Cash and cash equivalents at beginning of year	7,973,189	3,552,334
Effects of exchange rate changes on cash and cash equivalents	(80,859)	(14,507)
Cash and cash equivalents at end of the half year	6 <u>5,120,453</u>	<u>11,446,722</u>

Notes to the Financial Statements

For the Half Year Ended 31 December 2021

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 2021 annual financial report for the financial year ended 30 June 2021. 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 \$3,046,255 and had net cash outflows from operating activities of \$2,769,903 for the half year ended 31 December 2021.

In the event that capital raising be unsuccessful and insufficient funds are available to extinguish the debts, there would be 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.

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 has prepared budgets and cash flow forecast for the next 12 months from the date of this report which indicate the Group will have a positive cash balance during this period.
- The Group has generated revenue in the half year ended 31 December 2021 of \$140,495 and is expecting to continue to increase revenue over the next 12 months after entering into distribution agreements into the USA.
- 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.

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.

Notes to the Financial Statements

For the Half Year Ended 31 December 2021

2 Revenue and Other Income

(a) Operating Revenue

	31 December 2021	31 December 2020
	\$	\$
Wheezo Device Sales	1,550	124,790
License Fees	137,650	-
Subscriptions Sales	1,295	106
Total operating revenue	140,495	124,896

(a) The group derives its sales revenue from the sale of Wheezo devices, from the sale of subscriptions for its Wheezo app, and from license fees for use of the Wheezo platform and App.

(b) Revenue from the sale of Wheezo devices is based on the contracted sales price. Revenue is recognised at the point in time when control passes to the customer with the exact timing dependent on the agreed sales terms for each contract.

(b) Other Income

	31 December 2021	31 December 2020
	\$	\$
R&D tax concession received (b)	496,695	986,710
ATO cashflow boost	-	50,000
Grant Income	21,813	50,000
Total other income	518,508	1,086,710

The value of any allocable R&D tax concession refund with respect to eligible R&D expenditures incurred during the financial year 2022 has not yet been determined and have therefore not been included within the financial statements for the half year ended 31 December 2021.

3 Consulting, employee and director expenses

	31 December 2021	31 December 2020
	\$	\$
Consulting expenses	194,036	1,077,459
Employee expenses	908,936	456,384
Director expenses	378,664	335,909
Total Consulting, employee and director expenses	1,481,636	1,869,752

Notes to the Financial Statements

For the Half Year Ended 31 December 2021

4 Share-based payments

	31 December 2021	31 December 2020
	\$	\$
Options issued to directors	169,063	1,828,589
Options issued to key management personnel	24,545	136,246
Options issued to consultants	152,018	-
Total share-based payment expense	345,626	1,964,835

5 Marketing and promotion expenses

	31 December 2021	31 December 2020
	\$	\$
Consultants	27,903	146,517
Marketing Campaigns	52,695	41,923
Promotional expenditures	217,950	367,187
Other	225,755	641,443
Total Marketing and promotion expenses	524,303	1,197,070

6 Cash and Cash Equivalents

	31 December 2021	30 June 2021
	\$	\$
Cash and cash equivalents	5,120,453	7,973,188
Total Cash and cash equivalents	5,120,453	7,973,188

7 Inventories

	31 December 2021	30 June 2021
	\$	\$
Inventories (at cost)	1,351,718	537,046
Total Inventories	1,351,718	537,046

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average costs basis and is net of any rebates and discounts received. Net realisable value is estimated using the most reliable evidence available at the reporting date and inventory is written down through an obsolescence provision if necessary.

8 Dividends

No dividends have been declared for the period ended 31 December 2021.

Notes to the Financial Statements

For the Half Year Ended 31 December 2021

9 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
- Israel

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

The Israel reportable segment activities include research, development and commercialisation of medical devices.

In prior years, the Group has had operations in United States; however these operations have ceased and therefore are no longer reported as a reportable segment.

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

	Medical Devices Australia \$	Medical Devices Israel \$	Segment Total \$	Corporate \$	Total \$
31 December 2021					
Segment Revenue	-	-	-	-	-
External sales	140,495	-	140,495	-	140,495
Other income	518,508	-	518,508	-	518,508
Total Segment Revenue	659,003	-	659,003	-	659,003
Interest revenue	-	-	-	143	143
Total Revenue	659,003	-	659,003	143	659,146
Segment Expenses	(602,905)	-	(602,905)	(3,052,217)	(3,655,122)
EBITDA	56,098	-	56,098	(3,052,217)	(2,996,119)
Segment depreciation expense	-	-	-	(41,341)	(41,341)
Interest revenue	-	-	-	143	143
Finance costs	-	-	-	(8,938)	(8,938)
Profit/(loss) before income tax	56,098	-	56,098	(3,102,353)	(3,046,255)
Income tax	-	-	-	-	-
Net Result	56,098	-	56,098	(3,102,353)	(3,046,255)

Notes to the Financial Statements

For the Half Year Ended 31 December 2021

9 Segment Information

	Medical Devices Australia \$	Medical Devices Israel \$	Segment Total \$	Corporate \$	Total \$
31 December 2021					
Assets	-	-	-	-	-
Segment assets	1,355,566	16,014	1,371,580	5,363,459	6,735,039
Total assets	1,355,566	16,014	1,371,580	5,363,459	6,735,039
Liabilities	-	-	-	-	-
Segment liabilities	-	52,061	52,061	1,851,997	1,904,058
Total liabilities	-	52,061	52,061	1,851,997	1,904,058
31 December 2020					
Segment Revenue	-	-	-	-	-
External sales	124,896	-	124,896	-	124,896
Other income	1,086,710	-	1,086,710	-	1,086,710
Total Segment Revenue	1,211,606	-	1,211,606	-	1,211,606
Interest revenue	-	-	-	1,018	1,018
Total Revenue	1,211,606	-	1,211,606	1,018	1,212,624
Segment Expenses	(765,588)	(63,943)	(829,531)	(6,732,541)	(7,562,072)
EBITDA	446,018	(63,943)	382,075	(6,732,541)	(6,350,466)
Segment depreciation expenses	-	-	-	(39,316)	(39,316)
Interest revenue	-	-	-	1,018	1,018
Profit/(loss) before income tax	446,018	(63,943)	382,075	(6,770,839)	(6,388,764)
Income tax	-	-	-	-	-
Net Result	446,018	(63,943)	382,075	(6,770,839)	(6,388,764)
31 December 2020					
Assets	-	-	-	-	-
Segment assets	3,977	36,219	40,196	12,839,184	12,879,380
Total assets	3,977	36,219	40,196	12,839,184	12,879,380
Liabilities	-	-	-	-	-
Segment liabilities	-	22,064	22,064	1,282,603	1,304,667
Total liabilities	-	22,064	22,064	1,282,603	1,304,667

Notes to the Financial Statements

For the Half Year Ended 31 December 2021

10 Issued Capital

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

	31 December 2021 No.	31 December 2021 \$	30 June 2021 No.	30 June 2021 \$
Fully paid ordinary shares				
Balance at beginning of the year	722,840,790	127,090,401	651,714,790	113,694,614
Shares issued during the year	-	-	71,126,000	13,650,200
Options exercised during the year	-	-	-	292,937
Transaction costs relating to share issues	-	-	-	(547,350)
Total issued capital	722,840,790	127,090,401	722,840,790	127,090,401

During the half year ended 31 December 2021, the Company did not issue any securities.

11 Reserves

	31 December 2021 No.	31 December 2021 \$	30 June 2021 No.	30 June 2021 \$
Options				
Balance at beginning of the year	259,000,000	7,168,973	191,500,000	4,429,195
Unlisted options issued during the year	-	-	75,000,000	1,494,743
Expense recorded over vesting period	-	345,626	-	1,613,237
Options exercised	-	-	(5,500,000)	(292,937)
Options expired/forfeited	-	-	-	(2,756)
Cancellation of options	-	-	(2,000,000)	(72,509)
Balance at end of the year	259,000,000	7,514,599	259,000,000	7,168,973
FX Reserve				
Balance at beginning of the year	-	(342,930)	-	(323,097)
Other comprehensive income for the year, net of tax	-	(38,551)	-	(19,833)
Balance at end of the year	-	(381,481)	-	(342,930)
Total Reserves	259,000,000	7,133,118	259,000,000	6,826,043

Notes to the Financial Statements
For the Half Year Ended 31 December 2021**12 Loss per Share**

	31 December 2021	31 December 2020
	\$	\$
Basic loss per share (cents)	(0.42)	(0.94)
Diluted loss per share (cents)	(0.42)	(0.94)
(a) Net loss used in the calculation of basic and diluted loss per share	(3,046,255)	(6,388,764)
(b) Weighted average number of ordinary shares outstanding during the period used in the calculation of basic and diluted loss per share (See note 10)	722,840,790	676,437,812

(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.

13 Events Occurring After the Reporting Date

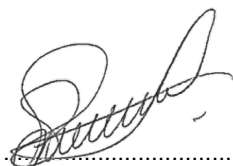
No matters or circumstances have arisen since the end of the financial half year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Directors' Declaration

The directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 4 to 14 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 2021 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 21 February 2022

RSM Australia Partners

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INDEPENDENT AUDITOR'S REVIEW REPORT To the Members of Respiro Holdings Limited

Conclusion

We have reviewed the accompanying half-year financial report of Respiro Holdings Limited which comprises the statement of financial position as at 31 December 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Respiro Holdings Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

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 Company 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.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Respiro Holdings Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Material uncertainty related to going concern

We draw attention to Note 1 in the half-year financial report, which indicates the consolidated entity incurred a net loss of \$3,046,255 and had net cash outflows from operating activities of \$2,769,903 for the half-year ended 31 December 2021. As stated in Note 1, these conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors' for the Financial Report

The directors of the Respiro Holdings Limited 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 is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, 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 consolidated entity's financial position as at 31 December 2021 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.



RSM AUSTRALIA PARTNERS



B Y CHAN
Partner

Dated: 21 February 2022
Melbourne, Victoria

Respiri Limited

ABN 98 009 234 173

Corporate Directory

AUSTRALIAN COMPANY NUMBER (ACN)
009 234 173

Respiri Limited is a Public Company Limited by shares and is domiciled in Australia.

DIRECTORS

Mr Marjan Mikel
Mr Nicholas Smedley
Dr Thomas Duthy

Appointed on 25th November 2019
Appointed on 30th October 2019
Appointed on 11th February 2020

COMPANY SECRETARY

Mr Alastair Beard

PRINCIPAL PLACE OF BUSINESS

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SECURITIES QUOTED

Australian Securities Exchange
- Ordinary Fully Paid Shares (Code: RSH)