

ASX ANNOUNCEMENT

3 May 2019

INDIA JOINT VENTURE AGREEMENT (GO TO MARKET STRATEGY PARTNER)

Respiri limited (ASX: RSH) (“**Respiri**” or the “**Company**”) is pleased to announce a joint venture agreement for the company’s entry into India with MedAchievers Private Limited (“**MedAchievers**”) - an integrated platform for global healthcare. Dr Harsha Vardhan is the Founder and Group Managing Director, and the Joint Venture will be supported by Australian-India business trade expert Mr Michael Koss.

For Respiri to successfully enter India, it is of critical importance to identify the best possible local healthcare leaders with key relationships in Tier 1 and 2 private hospitals (hospital owners, lead pulmonologists etc). From this perspective, the company is delighted with the progress achieved to date in working with MedAchievers, Dr Harsha Vardhan and Mr Michael Koss. Respiri and MedAchievers have a clearly defined market engagement strategy that is targeting **first Indian sales in October/November**.

Initial Target Market

Respiri along with MedAchievers has identified 200 cutting edge Tier 1 and 2 hospitals as the initial target market. Importantly MedAchievers has strong relationships with these hospitals, providing Respiri the best possible opportunity to gain traction and sell at scale through these hospitals. Pleasingly, initial feedback suggests wheezo™ will be sold as a product across patient demographics at similar pricing to other markets, due to the value it is able to deliver. CE/TGA approvals, Australian based clinical studies and our Australian and UK KOL advisory boards all provide an excellent platform for wheezo™ to be branded in India as a trusted premium quality product.

Respiri sales to hospitals (pharmacies located within hospitals, B2B2C)

In India, a patient with breathing difficulties such as asthma and COPD (Chronic Obstructive Pulmonary Disease), will present at a hospital and book an appointment with a pulmonologist. By contrast, patients in markets such as Australia (B2C) and the UK (B2C), the initial consultation is generally with a GP. The JV partners are firmly committed to a B2B2C strategy for India, via the assistance of these hospitals and MedAchievers. Establishing the product through this strategy provides the validation and credibility for Respiri and wheezo™ to enter a broader amount of Indian hospitals.

Importantly, many of our current key partners including Professor Bruce Thompson, Professor Frank Thien, Two Bulls, Grey Innovation and Ambassador, Michael Clarke, who spends a good three months of his year in India, are very supportive of our commitment to help the market/country that arguably requires the most respiratory assistance in the world, mainly due to high levels of air pollution and a chronic lack of clinical capacity.

Professor Bruce Thompson stated “***The ability to assist the Indian market by assessing and objectively monitoring the key asthma/COPD symptom of wheeze, presents a large opportunity to make a major contribution to a market that has more respiratory related deaths per 100k people than any other country in the world. This ability to assist a market in need is very much inline with our company vision of providing maximum assistance globally to asthma and COPD patients in need.***”

Second stage solutions

Although our initial strategy is to enter the hospitals in the biggest cities, Respiri will also be focused on rollout to 2nd/3rd tier cities as well as rural areas. Subject to achievement of the KPIs by the Indian partners, Respiri will provide a first right of refusal to the India partners in respect of future Respiri products which are currently in our pipeline.

Market Size (Not forecasts)

- The current Indian population is approximately 1.34 billion people with annual forecasts for the next 10-15 years of approximately 20 million births per year, and approximately 15 million people urbanising per year. Approximately 400 million Indian people are located in urban areas (with populations of 500,000 or more);
- Lung function testing (spirometry for diagnosis) is a premium service in India, due to the required 30-minute consultation – The Indian healthcare system, similarly to most healthcare systems, doesn't have capacity to enable 30-minute consultations for all potential asthmatics and COPD patients. As such the majority of patients currently receive no assistance from diagnostic tools as part of their consultation;
- In 2016 the World Health Organisation reported 38 million Indian asthmatics, and 55 million COPD patients. Several market studies have suggested that these numbers are under-stated;
- Approximately 39 percent of the Indian population is under 14 (typically Aus/UK ~ 30% under 18), however in India the initial target market is likely to include adults as well as children;
- The Indian medical device market is growing at 15 percent annually, and approximately 77% of the \$8 billion market is imported;
- Many key Indian cities have the worst air pollution levels in the world – In many cases 2-5 times higher than the World Health Organisation AQI (Air Quality Index) legal limits of 100. Approximately 90 percent of the country has an AQI above 100, and 13 of the 20 most polluted cities in the world are Indian. To put this into context the AQI reading in Melbourne averages about 15.

MedAchievers (www.MedAchievers.com) is an end-end partner providing all key components required for a successful entry into India. This includes and is not limited to:

- Assessment of current market practices (pulmonology/respiratory/private hospital owners);
- Developing a “Go to market strategy” in consultation with Respiri, MedAchievers, hospital owners and key pulmonologists (Asthma and COPD);
- Pricing strategy;
- Service and warranty support;
- Distribution models (including sales and leasing models);
- Respiri has expressed interest in social impact, awareness campaigns, donations to local charities;
- MedAchievers is assembling a panel of leading specialists, hospital owners and other key participants will meet weekly to develop the strategy of engaging Respiri's product/(s), then provide this feedback to Respiri to enable maximum ability to assist the Indian healthcare system;
- Private hospital engagement programs will provide awareness, education and monetisation opportunities for the hospitals and clinicians;
- Respiri has agreed to pay MedAchievers a fixed monthly retainer that will cover all engagement activities such as weekly meetings with top hospital owners,

pulmonologists etc. This monthly retainer is to be paid on the date of the agreement (2 May) and as such, MedAchievers will be commencing work on 3 May, preparing for our Go to Market strategy and targeting first sales in 5-6 months' time.

MedAchievers “MedParliament (by invitation only) Healthcare Leaders Summit on 30 July 2019 – New Delhi

- A majority of key Indian hospital owners / head pulmonologists will be at this conference, and Respiri already has meetings lined up with many of India's top healthcare leaders - Respiri is focused on undertaking our initial market analysis, and based on feedback as to how we can fit in to the Indian system, the company will be looking to utilise these key meetings to explain in detail our product offering for the Indian market.

Why Dr Harsha Vardhan (MedAchievers)/ Michael Koss are our ideal Indian Partners

- Dr Harsha Vardhan (MedAchievers) are recognised in the top bracket of Indian healthcare leaders – they have broad top tier relationships that cover hospital owners, clinicians, government officials, key business leaders, schools, innovation and technology leaders etc;
- Experience working with a broad range of healthcare solutions across leading countries such as India, USA, Australia, UK, Israel, Africa and Europe;
- Michael Koss is globally recognised as one of Australia's experts in facilitating Australian/Indian business relationships, breaking down cultural barriers and providing a platform for healthy and growing relationships between Indian healthcare leaders and Australian healthcare business owners;
- Dr Harsha Vardhan (Founder and Group Managing Director of MedAchievers) has invested in and partnered with over 40 med-tech products/technology that have been integrated into the Indian healthcare system;
- As an example, H R Biocare launched India's first integrated digital health platform, that included more than 500 delegates from different hospitals, government and the private sector. Dr Harsha Vardhan was quoted at the time “We have developed a holistic digital health platform that will connect leaders of healthcare and leading doctors to provide and share needed expertise in critical disease management”;
- A further example is the market entry and brand establishment provided by MedAchievers for an Artificial Intelligence Surgery Simulator. MedAchievers has brought together several leading companies in India to develop the market for this niche, premium product. As a result of MedAchievers efforts, the Canadian based manufacturer has scaled up sales traction very quickly.

Victoria's India Strategy: Our Shared Future

Victoria's India Strategy was launched in January last year with the Premier Daniel Andrews announcing the 10-year plan to further strengthen Victoria's engagement with India. At the launch in November 2017, Premier Andrews said, “To strengthen our relationship, we must commit to long-term engagement and ensure that we work together based on a shared understanding of meaningful engagement and social exchange.” Respiri's technology development and operations are based in Melbourne and as such, the company has garnered support from the state government as it carries its commitment to India forward.

https://trade.vic.gov.au/data/assets/pdf_file/0010/216397/Victoria-India-strategy.pdf

In relation to the completion of the Joint Venture agreement:

Mr Michael Koss stated, ***“India is an incredible place to do business with a dynamic healthcare market. Community cognisance of respiratory issues is high in India, this awareness will be an advantage for Respiri. It has been an exciting process facilitating the relationship between Respiri and MedAchievers. wheezo is a terrific fit for the Indian market and has a tremendous opportunity to integrate into the treatment cycle across the country.”***

Dr Harsha Vardhan stated ***“India has become one of the most developed and innovative healthcare markets in the world. There is a readiness among providers to adopt new technology which can improve the lives of patients. Pollution in major cities is causing a rise in respiratory issues and consequently a strain on healthcare providers. We believe Respiri’s products have the capacity to improve efficiency in the treatment process and help more patients access appropriate interventions. The wheezo self-monitoring capabilities provides an incredible opportunity to empower our people to educate and gain awareness around their chronic asthma and COPD conditions. We are excited to open up the MedAchievers network to another great Australian innovation.”***

Respiri CEO Mario Gattino stated ***“A successful JV is reliant on choosing the right, trusted partner with mutually aligned ambitions; we have that here. MedAchievers presence and powerful relationships in India, allows an initial assessment of how the respiratory/pulmonologist practice of care currently works, and seeks an inclusive process with Respiri, hospital owners and top pulmonologists to determine the most appropriate methods to enter India and meet our company mission of helping asthma and COPD patients in need. This has the potential to be transformational for Respiri and we can’t wait to get on with it.”***



Respiri India JV partners, Michael Koss and Dr Harsha Vardhan Founder & Group MD, MedAchievers

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About Respiri Limited

Respiri's mission is to help improve quality of life for millions of children and adults around the world and dramatically reduce hospital admissions and the economic burden of asthma. The Company offers sensors, mobile apps and analytics to support respiratory health management. Its world first technology detects wheeze, a typical symptom of asthma, COPD and respiratory disease to provide an objective measure of airway limitation. Respiri's innovative platform provides personalised feedback and education based on the user's data and enables the sharing of that data with caregivers and health care providers. Respiri Limited's operations are based in Melbourne, Australia.

Forward Looking Statements

Certain statements made in this announcement are forward-looking statements. These forward looking statements are not historical facts but rather are based on Respiri's current expectations, estimates and projections about the industry in which Respiri operates, and its beliefs and assumptions. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the process of developing technology and in the endeavour of building a business around such products and services. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Respiri, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward looking statements. Respiri cautions shareholders and prospective shareholders not to place undue reliance on these forward looking statements, which reflect the view of Respiri only as of the date of this release. The forward looking statements made in this announcement relate only to events as of the date on which the statements are made. Respiri will not undertake any obligation to release publicly any revisions or updates to these forward looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.