

Respiri

First primary care setting client win

Respiri has announced another client win, this time in a primary care setting for remote patient monitoring (RPM) services using its wheezo device. The latest commercial deal (the fifth for the Respiri Access Telehealth collaboration) is with the Medical Center of Conyers, a family practice based in Georgia, in the US, and will involve managing patients suffering from asthma and chronic obstructive pulmonary disease (COPD). The first patients have already been brought onboard, which takes Respiri closer to realising first reimbursement claims in early 2023, under the Centers for Medicare and Medicaid Services' (CMS's) current procedural terminology codes for RPM. This also marks the fifth US state to have wheezo available in the RPM setting and the third win in the last 20 days, indicating improving commercial traction.

Year end	Revenue (A\$m)	EBITDA* (A\$m)	PBT* (A\$m)	EPS* (c)	P/revenue (x)	P/E (x)
06/21	1.4	(8.4)	(8.5)	(1.22)	21.2	N/A
06/22	0.8	(6.2)	(6.3)	(0.87)	37.1	N/A
06/23e	5.0	(2.3)	(2.3)	(0.29)	5.9	N/A
06/24e	8.1	0.4	0.4	0.03	3.6	120

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

The latest in the series of client wins is with the Medical Center of Conyers, an Atlanta-based family practice. It employs three physicians and provides ongoing healthcare services to thousands of patients. In line with recent deals, this latest RPM contract will also include the full suite of RPM services delivered through Access Telehealth, including its cloud-based platform, Remotli, remote monitoring and patient engagement, and will be used to track and monitor the asthma and COPD patients that the clinic is servicing. Importantly, the programme has started patient recruitment, with at least three already onboard, as stated in the available information. The Centres for Disease Control and Prevention reports [7.8% of the US population suffers from asthma](#) (c 25 million people) and there is still a lack of adequate tracking and monitoring, despite the large patient population.

We note that all five deals signed so far cater to diverse patient populations (ranging from pediatric to the elderly) and indications (asthma, COPD, cardiovascular disease patients with COPD comorbidities and other respiratory complications). This should allow Respiri to generate holistic real-world evidence on the effectiveness of using wheezo in an RPM setting.

We expect Respiri to begin realising first reimbursement claims in 2023 (the CMS typically takes 45–60 days to process claims). As a reminder, Respiri's revenue in the US is made up of two distinct streams: devices, US\$50–60 per unit based on device sales volumes, and monthly fees of US\$10–20 per patient per month, based on the type of services subscribed for with partner Access Telehealth.

Commercialisation update

Healthcare equipment

7 December 2022

Price **A\$0.036**

Market cap **A\$29m**

US\$0.67/A\$

Pro-forma net cash (A\$m) at September 2022 including A\$0.84m raised post period 1.5

Shares in issue 801.2m

Free float 83%

Code RSH/RSHUF

Primary exchange ASX

Secondary exchange OTCQB

Share price performance



Business description

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

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