

Respiri

Wheezo bags third client win in the US

Respiri continues to expand its commercial footprint in the United States with the signing of another client account, with Minnesota Lung Center (MLC), for an initial three-month pilot study assessing the utility of its wheezo device in a remote patient monitoring (RPM) setting. The pilot study will recruit and monitor 20 patients with asthma and chronic obstructive pulmonary disease over three months, and, if successful, should result in a broader rollout. The deal is the third signed by Respiri in collaboration with Access Telehealth and is especially meaningful given MLC's core focus on respiratory diseases. As a reminder, Respiri recently announced the first patient enrolment in its wheezo RPM programme in the US, which is eligible for reimbursement under the Centers for Medicare and Medicaid Services's Current Procedural Terminology reimbursement codes for RPM. We expect feedback from these [initial pilot studies](#) (anticipated in Q1 CY23) as crucial to set the path for further commercial progress for wheezo. Our [valuation](#) remains unchanged at A\$0.24 per share.

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	3.7	123.3

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

MLC is a leading private pulmonary practice based in Minneapolis focused on lung diseases, respiratory therapies and diagnostics. Notably, the centre employs nine pulmonologists (a general hospital would typically have two to three), which we believe provides Respiri with a greater opportunity to broaden awareness and showcase the utility of its flagship wheezo device to relevant stakeholders in the healthcare community.

The contract with MLC was secured by Respiri's US telehealth partner Access Telehealth for its full-service premium model (including patient engagement through its cloud-based platform, Remotli). We note that the wheezo health portal (which records data such as wheeze rates, breath recordings and other triggering factors such as pollution, pollen and medication usage) is already integrated with the Remotli platform (following the development of an application programming interface by Respiri earlier this year) which should allow the pilot study to be initiated promptly. The three-month pilot period should also permit the RPM programme to integrate with MLC's systems and can potentially lead to a broader roll-out, should initial data be encouraging.

As a reminder, wheezo was launched in the US in December 2021 to leverage the RPM reimbursement infrastructure in the country. The company has partnered with two telehealth providers (mTelehealth and Access Telehealth), with three client contracts currently signed (including MLC) and a strong sales pipeline (c 120 qualified leads). We expect feedback from the first group of enrolled patients to chart the growth trajectory for the company in the US.

Commercialisation update

Healthcare equipment

18 November 2022

Price **A\$0.037**

Market cap **A\$30m**

US\$0.6/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

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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