

ASX ANNOUNCEMENT

ASX: RSH

28 September 2022

**Respiri establishes a cost-effective Company Centre of Digital Innovation Excellence enabling greater flexibility and agility to meet ongoing USA market opportunities.**

**Highlights:**

- Respiri to drive digital product innovation that is aligned to USA market opportunities, improve productivity, return on investment and cost management.
- Initiative estimated to reduce IT costs by ~\$700,000 pa and increase productivity by about 30%.
- Philippines employment market allows Respiri to access a large pool of Tier 1 software engineering resources that are highly skilled and more competitively priced than the previous resourcing model.
- All Australian based Respiri IT human resources will be eligible for R&D tax credits.

**Respiri Limited (ASX: RSH) (“Respiri” or the “Company”)**, Respiri Limited (ASX: RSH) (“Respiri” or the “Company”), an eHealth SaaS Company supporting respiratory health management, announces the establishment of a Philippine based Company Centre of Digital Innovation Excellence. This follows an internal review of strategic competences required to enable the Company’s global growth ambitions and market flexibility requirements. This is achieved by in-housing key technology competencies and processes; further improving all aspects of Research and Development; accessing Tier 1 Filipino software engineering resources; and partnering with technology vendors and service providers to drive cost reductions and increase productivity. Resources will focus on mobile and web apps, web portals, SaaS, Machine Learning, system integration and API, as well as full platform and IT ecosystem solutions.

These resources are in the same time zone as key local product development resources creating a more collaborative work environment. This in-housed structure became operational in September 2022.

The Centre of Excellence will undertake the design and development of software underpinning digital products and technology solutions; the final piece of in-housing IP generating core business competencies that follows similar restructuring initiatives with product design, manufacturing efficiency design, clinical development, marketing, business strategy & planning since 2020.

The result is a significant reduction in Company cash burn, an increase in development capacity and greater development flexibility to take advantage of market/customer opportunities, whilst ensuring that all IP is developed and maintained tightly within the Company. The Centre employees have been selected and recruited and commenced work in September 2022.

The direct control and management of these competencies will accelerate and further enhance Respi's innovative productivity, operational agility, digital creativity and best-in-class user experience. This supports the Company patient centric model in respiratory health by developing captivating and innovative intuitive customer engagement interfaces.

Under the initial phase, the Company opted for an Employer of Record business model in the Philippines. The local partner is Yempo Solutions, a multi-award-winning company with Australian roots. The hiring phase for the first wave of new staff is completed with a total of eight employees joining over the course of September 2022 and are Respi dedicated. These resources complement Respi's existing Customer Service function which had been established via the same business model in late 2021.

Marjan Mikel, Respi CEO said, "We are taking strategic steps in bringing critical capabilities inhouse and establishing core competencies that are central to Respi's business model. The newly established Centre of Excellence will accelerate our digital design and development capabilities and allow further improvements in productivity and efficiency through its low-cost location. We have been able to tap into a very capable talent pool that will significantly add to our Respi team and are looking forward to expanding our operations in the Philippines in line with global market and customer requirements".

George Vlachodimitropoulos, Respi CTO said, "To support the USA market strategy Respi has recast the technology operating model to support revenue growth opportunities, develop market aligned products in a more collaborative manner, gain productivity improvements and improve cost structures".

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***This ASX announcement has been authorised for release by the Board of Directors of Respi Limited.***

## **About Respi Limited**

Respi is an e-Health SaaS company supporting 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. wheezo®, Respi's innovative technology, comprises an eHealth app combined with a simple, easy to use, handheld device. wheezo® is the first smart device to help improve asthma management by monitoring wheeze and documenting symptoms, signs, triggers, weather conditions and medication use. The asthma management platform also facilitates the sharing of data with caregivers, physicians and other health care professionals.

Respi's mission is to help improve quality of life for hundreds of millions of children and adults around the world and dramatically reduce hospital admissions and the economic burden of asthma. Respi Limited's operations are based in Melbourne, Australia.

For additional information about Respi and its products, please visit [www.respi.co](http://www.respi.co)

## About wheezo®

Developed in Australia, with the support of respiratory specialists and other healthcare professionals, the innovative wheezo® device analyses breath sounds for wheeze, and the eHealth App assists patients with managing their asthma by tracking symptoms, triggers, medication use and geo-specific weather conditions. The platform has been designed to extend asthma management beyond the clinic and make it easy to share information with doctors and make appropriate adjustments to asthma action plans. Better active management may lead to better outcomes and improved quality of life for the asthma patient.

For further information about wheezo, follow the online link <https://wheezo.com>

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