

SHAREHOLDER UPDATE: ADHERIUM ENTERS RAPID US COMMERCIALISATION PHASE

Melbourne, Australia – 27 July 2023: Adherium Limited (ASX: ADR), a leading provider of respiratory eHealth, remote monitoring and data management solutions, today announced it is entering a rapid commercialisation phase in reimbursed remote patient monitoring in the globally significant US market.

Adherium's leading position in remote patient monitoring, using the Hailie® app and portal software platform, is scaling up across patients and customers with Adherium getting paid for generating and transmitting respiratory data. Progress is being made as evidenced by achieving \$3.1M FY23 unaudited operating revenue compared to \$0.5M prior year.

Chief executive Rick Legleiter said following a business strategy review, the executive leadership team is steering a reallocation of resources to commercial opportunities, accelerating the company's drive to become cash flow positive with major customer milestones progressing within this quarter.

"With our strong technological foundation and clinically validated solutions, and based upon achieving our regulatory, product development and market coverage milestones, Adherium is investing further in the go-to-market strategy," said Mr Legleiter. "We are excited about having progressed on our operational execution to this phase of our business strategy, which enables us to focus on the rapid commercialisation of our platform, particularly in the US market."

In addition to enabling doctor reimbursement in the US for remotely monitoring patients, the company will now actively pursue strategic commercial partnerships with major health systems and insurers to establish value-based, risk-share contracts to more rapidly generate meaningful scale. This model aligns incentives for health providers and payors who focus on health outcomes rather than services delivered.

Rick Legleiter added, *"Our aim is to ensure that the right treatment reaches the right patient at the right time. By building value-based healthcare contracts in addition to a remote patient monitoring revenue stream, we will drive a shift towards an outcomes-based model of healthcare that benefits all stakeholders."*

Attachment 1 shows the fully updated sensor portfolio for remote patient monitoring. The strategy will add further scale to Adherium's cloud-based Hailie platform by selling this comprehensive offering.

Mr Legleiter said that the rapid commercialisation strategy is backed up by a full suite of support materials including instructional videos, handouts and website updates for patients and partners.

Now following four US FDA 510(k) market clearances of the next generation Hailie sensors, Attachment 2 competitive analysis graphics shows Adherium progressed to 79% coverage for sensors capturing physiological data such as inhalation flow rate, and 91% coverage for adherence tracking of US top 20 branded inhaler medications by sales volume. Hailie is the only FDA 510(k) cleared drug agnostic digital sensor available today to offer physiological data insights on inhaler technique.

Hailie integrates FDA-cleared, Bluetooth®-enabled sensors that wrap around a patient's prescribed inhaler, capturing critical data on medication usage and physiological parameters.

The Hailie app and portal software platform provides real-time feedback to patients and physicians with data supporting medication adherence, behavioural influencing, escalations, and interventions, promising a reduction in hospital admissions and improving the quality of life for patients.

The Hailie solution has shown significant clinical effectiveness, increasing adherence to preventative medication by 180% in children and 59% in adults and reducing severe exacerbations in adults by 61%¹.

With more than 100 peer-reviewed publications involving over 13,000 patients citing the Hailie platform, Adherium is well-positioned to drive a transformation in the management of chronic respiratory conditions.

Given the favourable reimbursement codes for remote patient monitoring and telehealth introduced in the US, Adherium's strategy aligns directly with the growing adoption of telehealth solutions driven further by the challenges posed by the COVID-19 pandemic.

Other growth options being pursued by Adherium include predictive analytics projects using Artificial Intelligence (AI) and enabling the platform as Software as a Medical Device (SaMD) .

Adherium is entering this new stage of business roll-out and committed to creating a world where every breath counts.

About Adherium

Adherium Limited (ASX: ADR) is a digital health company providing solutions for improving patient treatment with remote monitoring and data solutions. Its Hailie® system is transforming management of chronic respiratory conditions, especially asthma and chronic obstructive pulmonary disease. Hailie improves patient health through better adherence and self-management while enabling doctors to be paid for remote work and saving costs across health systems by avoiding hospital admissions. Adherium's clinically proven sensors, app and powerful data platform provide remote, real-time, personalised information to patients and clinicians. Adherium is increasing sales in US and other markets by pursuing partnerships with major hospital systems, medical groups and insurers. For more information, visit <https://www.adherium.com/>

This ASX announcement was approved and authorised for release by the Adherium Board.

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¹ Refer to Adherium website for source references to clinical studies

Hailie sensor portfolio with US FDA 510(k) clearances, UK MHRA & AU TGA approval

New, next generation digital sensors with physiological data capability such as inhalation flow rate



hailie
for Symbicort[®] HFA
(Next Gen RPM)



hailie
for Anoro[®] Ellipta[®]
Arnuity[®] Ellipta[®]
Breeo[®] / Relvar[®] Ellipta[®]
Incruse[®] Ellipta[®]
Trelegy[®] Ellipta[®]
(Next Gen RPM)



hailie
for Advair[®] / Seretide[®] HFA
Flovent[®] / Flixotide[®] HFA
Ventolin[®] HFA
(Next Gen RPM)



hailie
for ProAir[®] HFA
Albuterol Sulfate HFA¹
(Next Gen RPM)

Digital sensors with adherence tracking capability



hailie
for Ventolin[®] HFA



hailie
for Advair[®] /
Seretide[®] HFA



hailie
for Flovent[®] / Flixotide[®]
HFA



hailie
for ProAir[®] HFA



hailie
for Clenil[®] HFA



hailie
for Bevespi Aerosphere[®]



hailie
for Advair[®] / Flovent[®]
Diskus[®]
for Seretide[®] / Flixotide[®]
Accuhaler[®]



hailie
for Spiriva[®] HandiHaler[®]



hailie
for Symbicort[®] HFA



hailie
for Symbicort[®] Turbuhaler²

and with
CE Mark

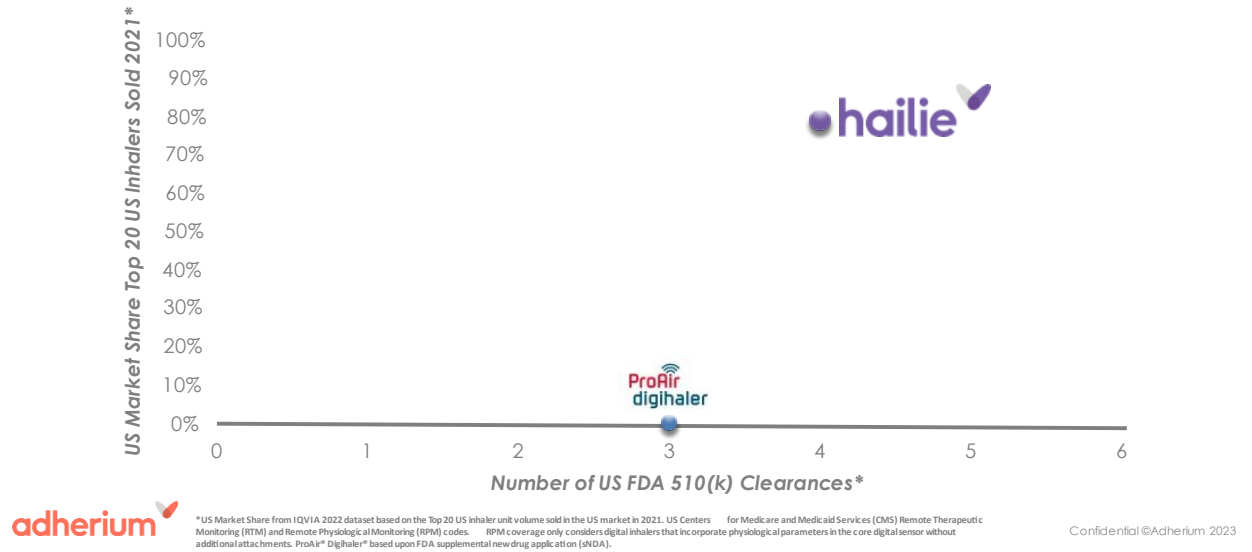


Note: All sensors also available in New Zealand.
¹ Available in the US only. ² Not available in the US.

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Competitor Analysis – FDA 510(k) clearances vs Top 20 US branded inhalers

Physiological Parameters (US CMS 2019 Remote Physiological Monitoring codes)



Adherence Parameters (US CMS 2022 Remote Therapeutic Monitoring codes)

