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# Vitasora Health Limited (ASX:VHL)

Capital Raise Presentation

*(Previously known as Respiro)*

July 2025

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# Executive Summary

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<b>Business Overview</b>	<ul style="list-style-type: none"> <li>✓ Vitasora has created a connected care management platform that seamlessly integrates a wide range of medical devices with its remote patient monitoring (RPM) software, enabling more comprehensive and personalised patient care</li> <li>✓ A strong established customer base and key partnerships with an additional 5 major clients in late-stage contract negotiations</li> <li>✓ Evidence of success in reduction in re-hospitalisations and emergency room visits within current programs</li> </ul>
<b>The need for value-based care and remote patient monitoring</b>	<ul style="list-style-type: none"> <li>✓ Costs for US insurers are increasing at a rate disproportionate to CMS budget increase</li> <li>✓ Ageing population and increase in presence in chronic conditions is facilitating a material increase the RPM addressable market to an estimated USD\$30b by 2030</li> <li>✓ The current healthcare system is not designed to manage chronic conditions</li> <li>✓ This is Increasing the demand for cost-efficient healthcare solutions such as RPM</li> </ul>
<b>Expanded Contract with Existing US Accountable Care Organisation (ACO) Customer - TPAC</b>	<ul style="list-style-type: none"> <li>✓ Due to the success of the pilot program, existing client TPAC has elected to expand its contract with Vitasora to a capitated / risk-share contract to cover its full 15k patient lives</li> <li>✓ Additional near-term wins expected to be generated from existing client base, with predicted access to an additional ~200k patients</li> <li>✓ A range of additional new clients in late-stage discussions which is expected to expand Vitasora access to an additional ~1.2m patients</li> </ul>
<b>Management Outlook – US\$18m ARR run-rate H2 CY26</b>	<ul style="list-style-type: none"> <li>✓ Vitasora expects to continue to grow its patient base within existing client relationships, along with advancing negotiations with new large scale healthcare providers</li> <li>✓ Patient programs are expected to reach 30,000 in H2 CY26, leading to an expected ARR run-rate of USD\$18m</li> <li>✓ Contracted clients expected to increase from 40 to 55 in H2 CY26</li> </ul>
<b>Capital Raise</b>	<ul style="list-style-type: none"> <li>✓ Vitasora has raised approximately \$11 million via:             <ul style="list-style-type: none"> <li>• A placement to sophisticated, professional and institutional investors of ~A\$10.5m (before costs), comprising the issue of approximately 350 million new, fully paid ordinary Vitasora shares (“<b>New Shares</b>”) under ASX Listing Rules 7.1 and 7.1A (“<b>Placement</b>”), at an offer price of A\$0.03 per New Share</li> <li>• Director and Key Management placement to Marjan Mikel (CEO) and Nicholas Smedley (Chairman), who have committed for a combined A\$500,000 via the issue of approximately 16.7 million New Shares (“<b>Director Placement</b>”), subject to shareholder approval of the Company’s shareholders at an extraordinary general meeting</li> </ul> </li> <li>✓ Funds will provide growth capital to accelerate commercialisation in the U.S. market, support ongoing operations and expected future contract wins</li> <li>✓ Capital raise is expected to fund Vitasora to run-rate cashflow breakeven in H2 FY26</li> </ul>

# Investment Highlights

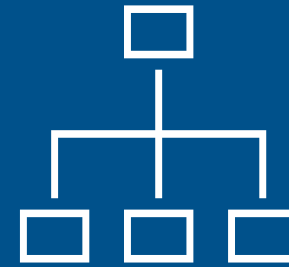
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## Proven Clinical Outcomes



Vitasora delivers clinically proven outcomes, including a 56% reduction in re-hospitalisations and 91% improvement in medication compliance

## Scalability of the Business Model



Tech-enabled platform, streamlined care coordination, and device-light infrastructure enable significant operating leverage

## Strategic Partnerships in Place



Recently established partnerships with significant U.S. healthcare entities enhancing Vitasora's reach in the US, including Evolent Health (NYSE: EVH) and The Physicians Alliance Corporation (TPAC)

## Sector Tailwinds



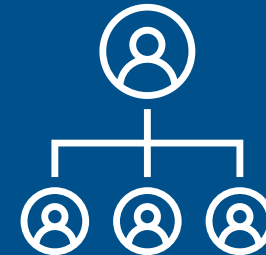
The US healthcare market is facing rising costs and an ageing population with chronic conditions, driving strong demand for scalable, tech-enabled solutions like remote patient monitoring (RPM)

## Large Addressable Market



RPM addressable market projected to reach USD\$30b by 2030, growing at a CAGR of 11.2%. This is largely driven by regulatory tailwinds, cost pressures and a growing demand for chronic disease management

## Proven Management



CEO and MD, Marjan Mikel, has over 35 years of experience in US health tech and leads a highly experienced US based team, positioning the company for strategic growth and effective navigation of the US healthcare and reimbursement landscape

# Business Update – Value-Based Contract Upgrade



- Expanded contract with TPAC to a **full value-based care contract** rolling out among TPAC's 15,000 Medicare lives
- TPAC targets **100K patients** within 2 years



Due to success of the Arizona pilot program, TPAC) have agreed to significantly expand services to its full **15k patient** lives



Expansion of pilot program into a broader capitated, risk-share contract covering all 15k patient lives **validates VHL business model**

*“The initial two-month Arizona pilot program delivered clear and measurable value to both our members and patients that exceeded our expectations. Extending the contract to a per member per month value-based arrangement across our 15,000 patient lives was an easy decision and a reflection of the exceptional service and innovation Vitasora brings to remote patient monitoring. We see this partnership as a strategic opportunity to not only enhance patient outcomes but also support the growth of both our organisations.”*

— Mr Kevin Murphy, Chief Financial Officer, The Physicians Alliance Corporation (TPAC)

## Contract Details<sup>1</sup>

Per patient per month care management fee

TPAC's current **15,000 patient lives** that fall under value-based model<sup>2</sup>

**USD\$70**

Avg. RPM fee per patient, per month

Ability to provide **RPM services** to patient cohort – conservatively **assumes 30%** (of 15,000 additional patients) of the cohort will go onto RPM patient programs (**USD\$3M+ p.a.**)<sup>3</sup>

**Quality Performance Bonus**

Performance bonus of CMS-attributed quality savings, assuming healthcare effectiveness scores are met. **Strong upside as TPAC expands.** Success fee will be reviewed on an annual basis

<sup>1</sup> Please refer to Appendix 1 for a summary of the key terms.

<sup>2</sup> The Company expects to receive up to US\$5 per patient assuming receipt of the PMPM fees and the quality performance bonus.

<sup>3</sup> Assumes an 80% RPM patient compliance rate

# Business Overview



**~USD\$5.5M<sup>1</sup>**  
Run-rate ARR



**6,500**  
Patient Programs



**5**  
Major clients in late-stage contract negotiations



**~USD\$18M**  
Projected run-rate ARR (H2CY26)



**70,000**  
Current patient pipeline



**56%**  
Reduction in re-hospitalisations under Vitasora current programs

# Key Customers and Partnerships

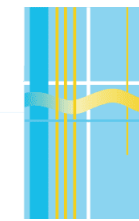


NYSE:EVH – USD\$860m market cap



**THE QUEEN'S HEALTH SYSTEM**

Largest Healthcare system in Hawaii



**COVENANT HEALTH**

*Our Name is Our Promise*



The Physicians Alliance Corporation



**Children's Hospital of Michigan**

Part of Tenet Health  
NYSE: THC - ~USD\$15b market cap



HAWAII  
Independent Physicians  
ASSOCIATION

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1. Average Orb CY2024 monthly revenue and Respiro average December quarter monthly revenue

# Value-Based Care is the Recognised Goal; Execution the Barrier

Remote Intervention Breaks it – Vitasora has Built it!

## CMS budget increase vs insurer cost growth

CMS budget increase

2%



VS

Insurer cost growth

18%



Costs for major U.S health insurers are growing at a rate that is disproportionate to CMS budget increases

## Why are costs increasing?

### Reactive Healthcare Delivery

Limited preventative steps are taken once a patient leaves traditional healthcare settings. Traditional model of care is reactive and fails to develop personalised solutions for complex patients, leading to repeat hospitalisations and increased primary care costs

### Ageing Population

Demographic shifts are a significant drive of rising healthcare costs, as more baby boomers reach Medicare age

## Drivers of continued costs pressures

Growing portion of Americans >65 years of age

Increasing number of Medicare insured Americans

Increasing prevalence of complex chronic conditions

Current healthcare not designed for Chronic conditions

## RPM Addressable Market

These factors combined are expected to significantly increase the US RPM addressable market to USD\$30b by 2030 – a CAGR of 11.2%

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# Vitasora RPM Platform Solution

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## Devices



Wheezo Device/Oximeter



BP Monitor



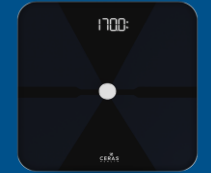
B330 Smart Watch



B700 Blood Glucose Monitor



B600 Medication Dispenser



B500 weight scale

Vitasora integrates connected medical devices to seamlessly capture real-time patient data, which is fed into its proprietary platform to enable continuous monitoring, personalised care coordination, and data-driven clinical decision-making.

## Vitasora Proprietary Patient Management Platform



EMR compatibility



Remote clinical services



Revenue optimisation tools



Productivity enhancement



Optimised clinical workflows



Intelligent data insights

# What does Vitasora do?

Vitasora has evolved from a respiratory focused connected care company into a full-service care management leader. Vitasora has created a connected care management platform that seamlessly integrates a wide range of medical devices - via Bluetooth or cellular connectivity - with its remote patient monitoring (RPM) software, enabling more comprehensive and personalised patient care. Vitasora is primarily focused on the U.S. healthcare market, supporting patients with chronic conditions.

*This integrated approach enables healthcare providers to extend care beyond traditional clinical settings, aiming to improve patient outcomes and reduce hospital readmissions.*



## Making it E-A-S-Y - Unlocking Value with Vitasora's Unique Turnkey Service



### Key outcomes for customers

**56%**

Reduction in re-hospitalisations

**42%**

Reduction in length of hospital stay

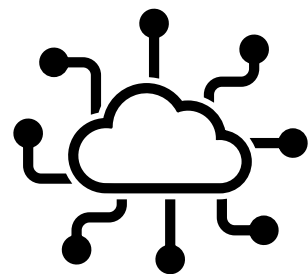
**47%**

Reduction in emergency room visits

**91%**

Improvement in medication compliance

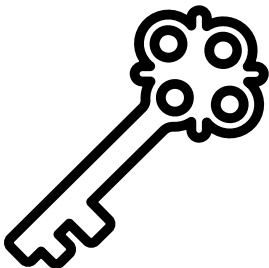
# Vitasora's key competitive advantages



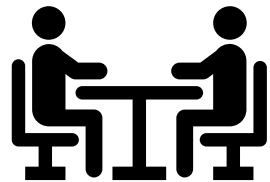
**One Stop Shop**  
Fully integrated virtual care model



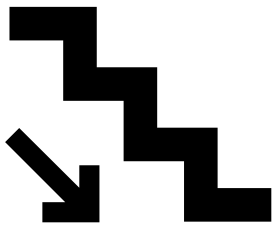
**Full Suite Solution**  
Wheezo device differentiator



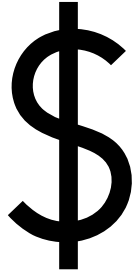
**Turnkey implementation**  
Making it **E-A-S-Y**: no workflow disruption, minimal practice involvement



Direct partnership with ACO's and payers under **risk/capitated models & Clinic-in-Cloud**



**Demonstrated Health** outcomes; 50%+ reduction in hospital visits/readmissions, health outcomes & reduced Costs



FFS Generates US\$600 – US\$900/patient pa **client revenue & US\$800-US\$1,300 VHL Revenue**

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# Proven, Scalable Vitasora Patient Flow

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## Patient Eligibility

Identification and triage of at-risk patients into suitable care pathways, accompanied by the acquisition of essential demographic details.

## Patient Approval

Following consent, the patient's care plan and device provisioning are coordinated, with training appointments confirmed

## Device Onboarding

Device(s) are dispensed to the patient with comprehensive instruction on use and reporting intervals. Agreement on program expectations is established.

## Routine Telehealth Monitoring

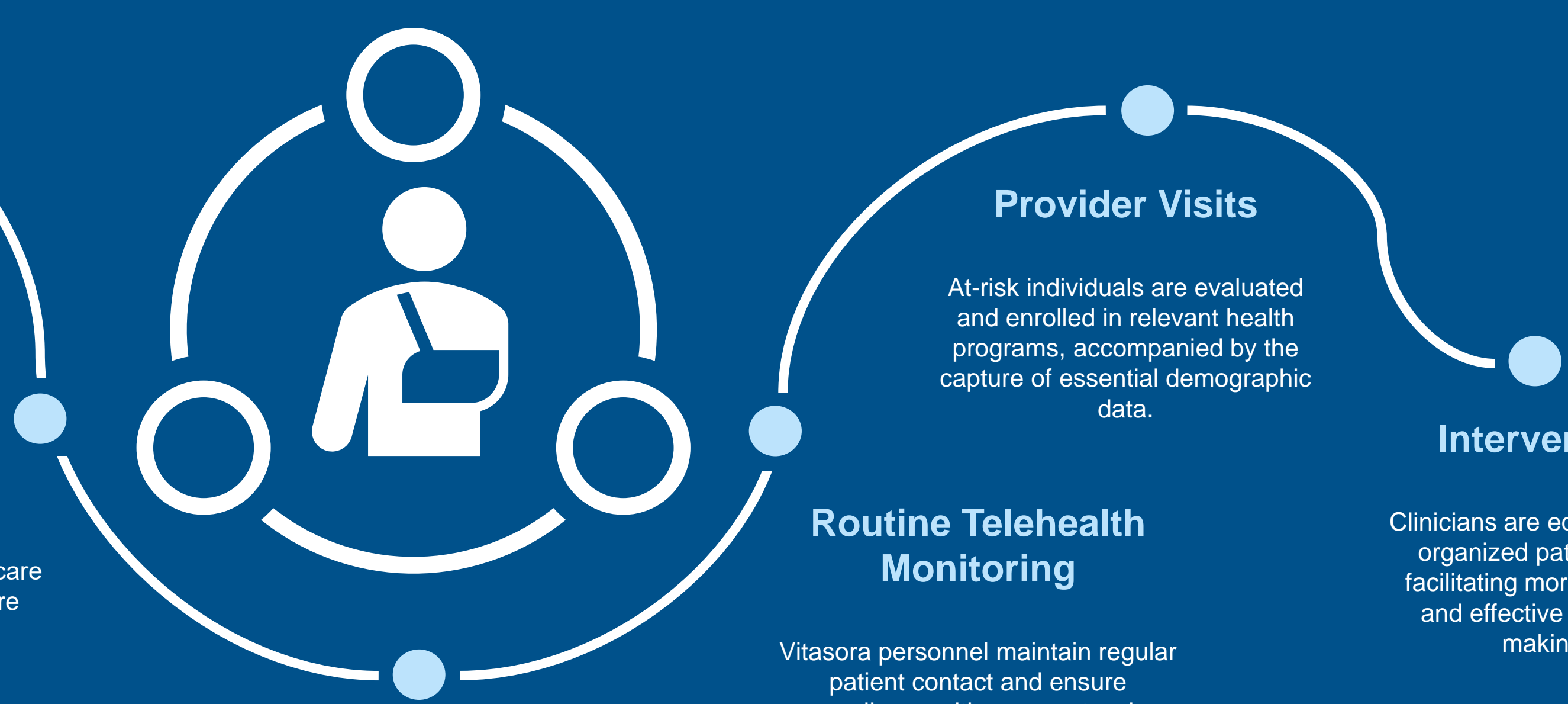
Vitasora personnel maintain regular patient contact and ensure compliance with care protocols, triaging escalations as appropriate.

## Provider Visits

At-risk individuals are evaluated and enrolled in relevant health programs, accompanied by the capture of essential demographic data.

## Intervention

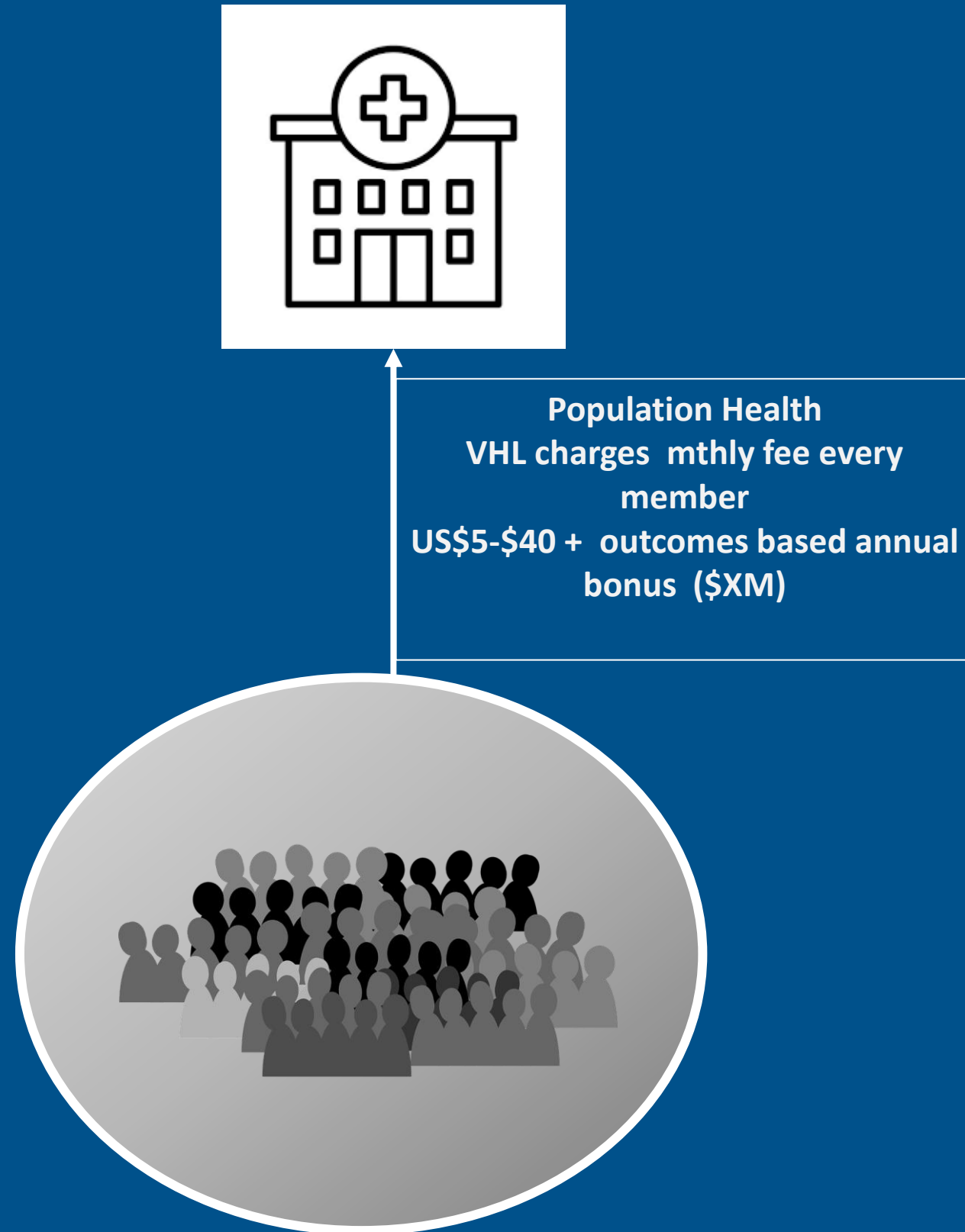
Clinicians are equipped with organized patient data, facilitating more informed and effective decision-making.



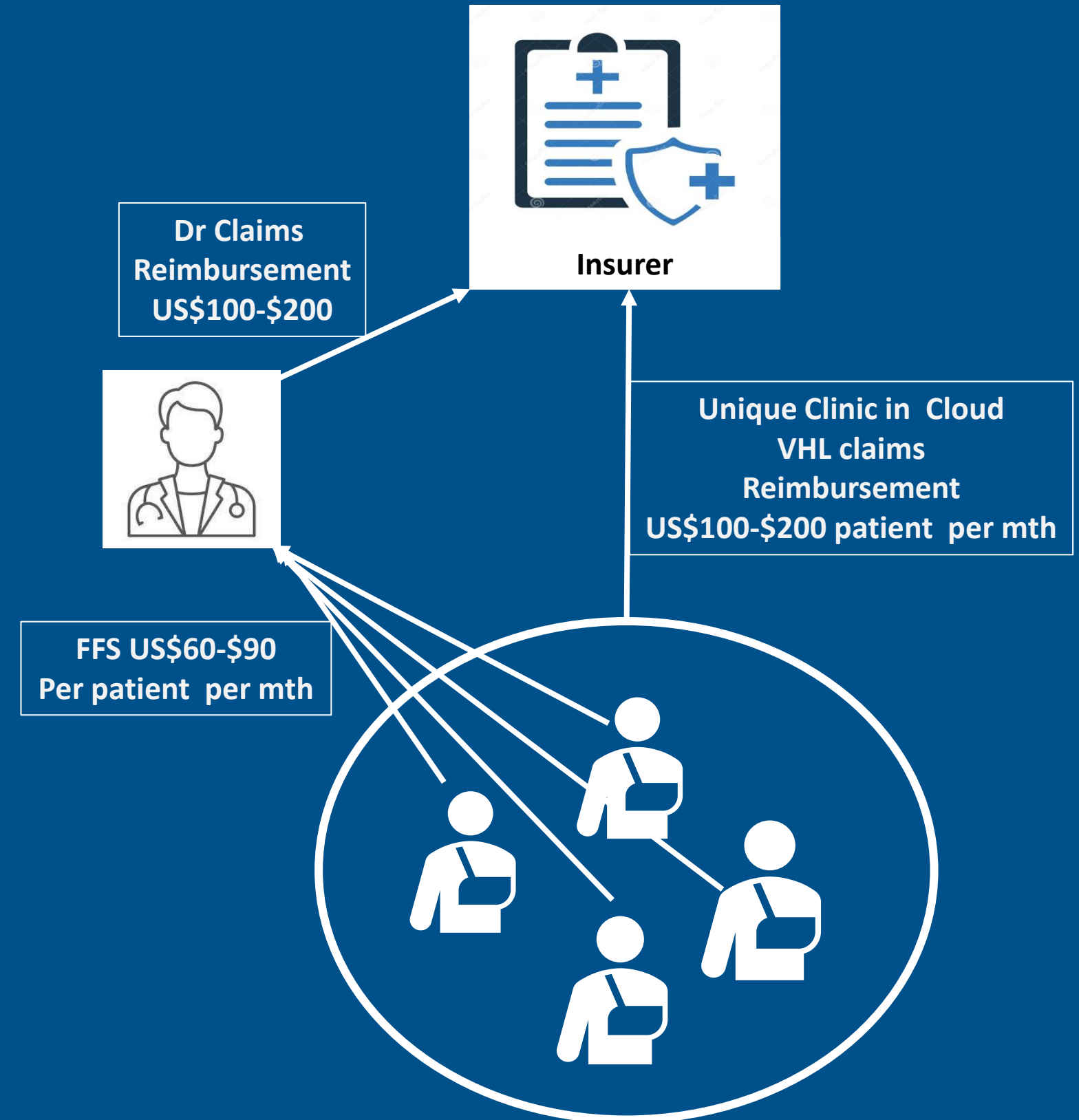
# Uniquely Aligned Revenue Models

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## Value Based Contracts – CMS mandated model



## Fee For Service (FFS)



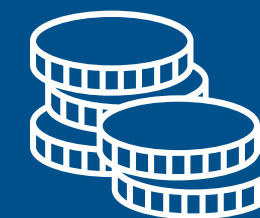
# Value Based Model Example

Example pilot program for 5000 patient value-based arrangement

Per Member Per Month Fee	
Patients in program	5,000
Management fee (PMPM)	US\$20
Yearly management fee per patient	US\$240
Yearly revenue	US\$1.2m

Risk share model	
Insurer total cost budget	US\$50m
Cost savings (% of budget)	10%
Vitasora portion of savings	US\$1.25m

Total Revenue for Vitasora  
**US\$2.45m**



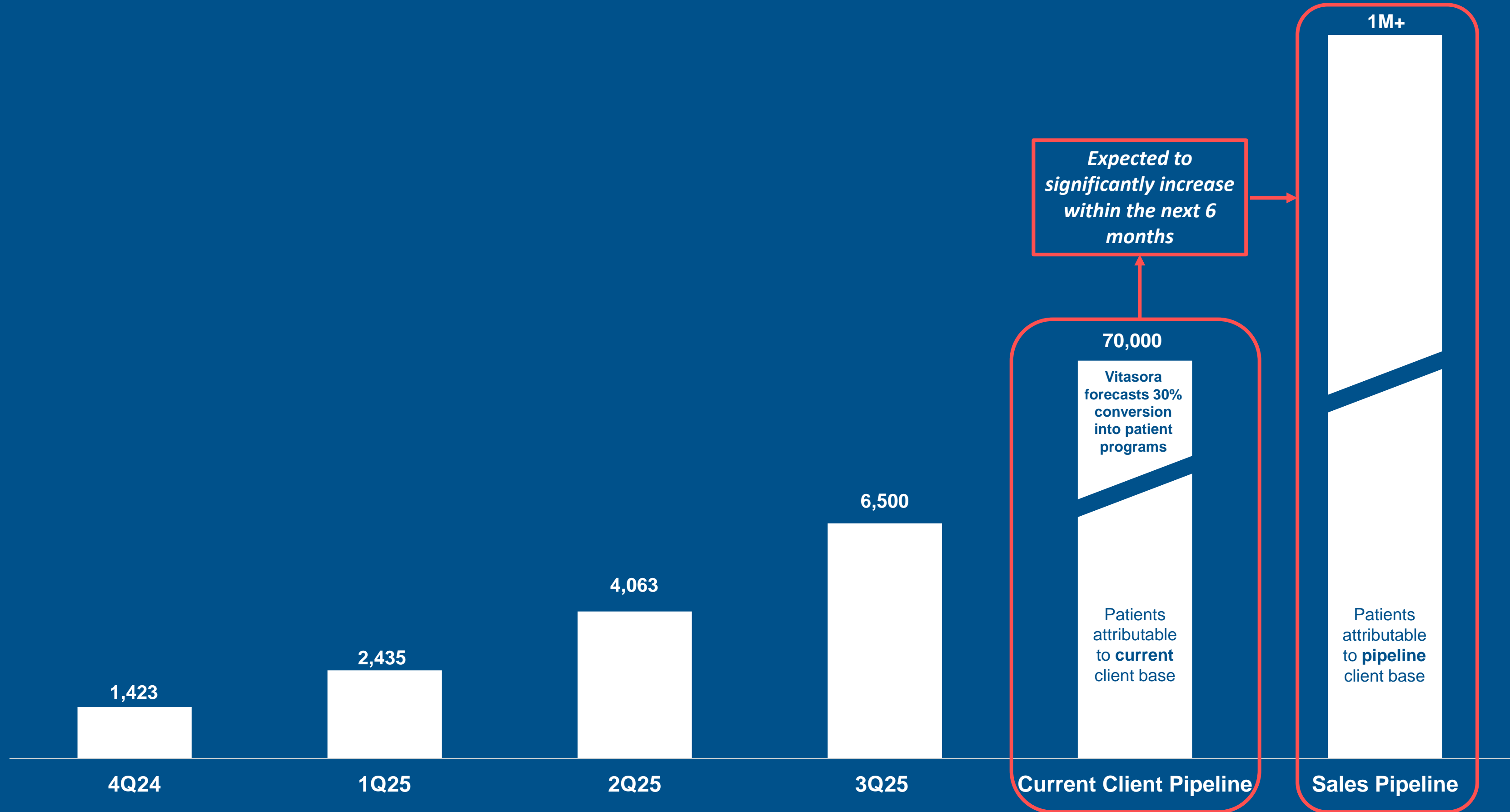
Vitasora calculates that it will only need to actively manage 10-15% of the cohort, or 500-750 high risk patients

The remaining patients require minimal cost allocation and will simply be monitored by Vitasora

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# Vitasora Patient Programs and Patient Pipeline

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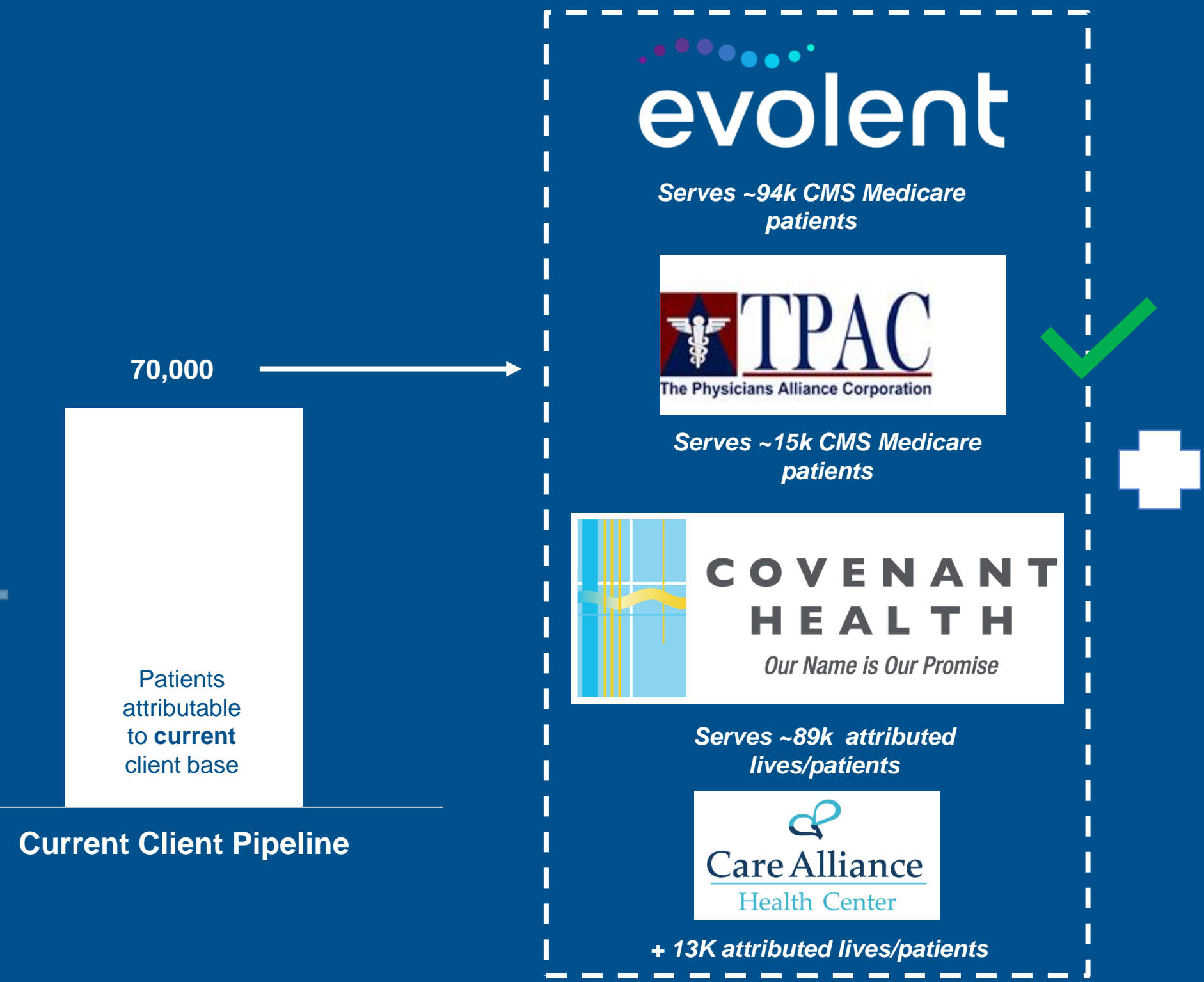


1. Vitasora forecasts, based on historical conversion rates, that it will convert approximately 30% of its patients into revenue-generating programs, which will be serviced via its RPM systems  
2. 6,500 patient programs includes 4,063 existing patients, with the remaining patients acquired through the acquisition of ORB in 2Q24  
3. IPEC = Universal Patient Engagement Centre Services

# Rapidly Expanding Patient Pipeline Through Unique Contractual Arrangements

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## Opportunities With Existing Client Base



## Additional New Clients In Late-Stage Contract Discussions

Potential Opportunity	Number of CMS Medicare / Medicaid Patients
<b>NYSE Listed DME</b>	500,000
<b>ACO Capitated Value Based Model</b> ✓	20,000
State based insurer	200,000
<b>Large Healthcare Organisation (Hospital + ACO)</b>	350,000
South Florida based HCO	150,000
<b>Total</b>	<b>1,220,000</b>

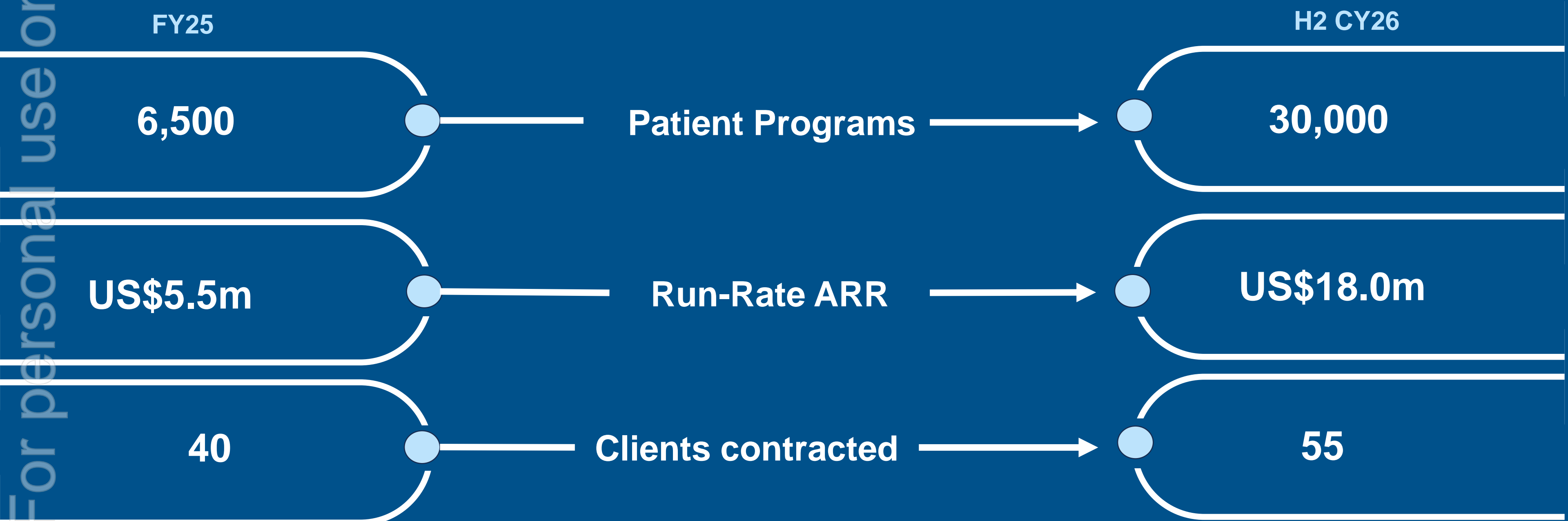
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Expected access to an additional ~1.2m CMS Medicare / Medicaid patients from new clients

# Management outlook for Vitasora

*Growth from expanding lives covered with existing customers and adding new large scale health care organisations.*

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1. Average Orb CY2024 monthly revenue and Vitasora average December quarter monthly revenue

# Board and Management

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**Nicholas Smedley**  
Chairman

Mr Smedley is an experienced Investment Banker and M&A Advisor, with 14 years' experience at UBS and KPMG. He has worked on M&A transactions in the UK, Hong Kong, China, and Australia with transactions ranging from the A\$9bn defence of WMC Resources through to the investment of \$65m into Catch.com.au. Nicholas currently oversees investments in the Property, Aged care, Technology and Medical Technology space. Key areas of expertise include M&A, Debt structuring, Corporate governance and innovation. He holds a Bachelor of Commerce from Monash University.



**Marjan Mikel**  
Chief Executive Officer

Marjan has been at the helm of Respiro taking it from R&D to commercialisation since 2019. A highly experienced managing director and board member with a career spanning Australia, Europe, Japan and the US, Marjan's focus has been in the healthcare industry; from pharmaceuticals and information services and technology to medical devices and sleep disorder solutions. He founded and subsequently sold Healthy Sleep Solutions after developing it into a successful business, with ResMed Ltd as a joint venture/shareholder partner.

Currently, Marjan also acts as commercial advisor to BlueBell Health, a mental health company, and is an industry research fellow at University of New South Wales Faculty of Engineering.



**Jonathan Adams**  
Non-executive Director

Jonathan Adams currently serves as an Investment Director at Mt. Vernon Investments, LP. Mr. Adams joined Vernon Investments in 2007 and is primarily responsible for sourcing, structuring, and executing private equity venture capital investments across direct, co-investments, and select fund investments. Prior to joining Mt. Vernon Investments, Mr. Adams was an accountant at PricewaterhouseCoopers. Mt. Adams holds both a BBA and an MPA from The University of Texas at Austin. Mr. Adams is a CFA® charterholder and a Certified Public Accountant in the State of Texas.

Mr. Adams served as Chairman of the Board for Orb Health, Inc. and also serves as a Board Director for TTI Acquisition, LLC, parent company of TTI Sports International. Mr. Adams serves as a Board Observer for multiple portfolio company investments of Mt. Vernon Investments. Mr. Adams resides in Dallas, TX with his wife and family.

# USA Senior Management



**Marjan Mikel**  
Chief Executive Officer

Over 35 years of strategic leadership across a diverse spectrum of healthcare organizations, with deep expertise in remote patient monitoring (RPM), medical devices, business SaaS, and pharmaceuticals. Demonstrated success in driving and executing large-scale commercial transactions within the healthcare and SaaS sectors.



**Peter Hildebrandt**  
Chief Operations Officer

Over two decades of global business leadership driving innovation in B2B technology companies across a broad range of industrial applications. Former CEO of Advanced Braking Technology and eHatsystems, with a strong track record of strategic growth and operational excellence.



**Mat Robie**  
Chief Commercial Officer

Over 20 years of specialised experience in the U.S. healthcare sector, serving as a trusted consultant and executive director across a broad spectrum of healthcare organisations. Deep expertise in Medicare, Medicaid, and commercial operations, with a proven ability to navigate complex regulatory and operational landscapes.



**Eric Van Portfliet**  
Chief Technology Officer

Over 40 years of experience as a software engineer and technology executive, with a distinguished track record of leading innovation across healthcare technology organisations. Served as Chief Technology Officer at four companies, most recently at Orb Health - successfully acquired by Vitasora.



**Serena Gutierrez**  
Vice President Patient Experience & Innovation

Over 20 years of expertise in population health, leading the design and implementation of clinical integration strategies and quality improvement initiatives within healthcare organisations. Specialised in value-based care with a strong focus on delivering measurable outcomes that benefit both patients and providers.

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# Capital Raising

# Capital Raising Overview

Capital raising of approximately A\$11 million via a Placement

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<p><b>Placement</b></p>	<ul style="list-style-type: none"> <li>Placement to sophisticated, professional and institutional investors of ~A\$10.5m (before costs), comprising the issue of approximately 350 million new, fully paid ordinary Vitasora shares ("<b>New Shares</b>") under ASX Listing Rules 7.1 and 7.1A ("<b>Placement</b>").</li> <li>Director and Key Management placement to Marjan Mikel (CEO) and Nicholas Smedley (Chairman), who have committed for a combined A\$500,000 via the issue of approximately 16.7 million New Shares ("<b>Director Placement</b>"), subject to shareholder approval of the Company's shareholders at an extraordinary general meeting</li> </ul> <p>The New Shares to be issued under the Placement represent approximately 23.3% of VHL current shares on issue.</p>
<p><b>Offer Price</b></p>	<p>New Shares issued under the Placement will be issued at a price of \$0.03 per new share ("<b>Offer Price</b>"), representing a:</p> <ul style="list-style-type: none"> <li>23.1 % discount to the last close price on Friday, 27 June 2025 of \$0.039</li> <li>16.2 % discount to 5 trading day VWAP of \$0.0358</li> <li>21.8 % discount to 15 trading day VWAP of \$0.0384</li> </ul>
<p><b>Use of funds</b></p>	<p>Funds will provide growth capital to accelerate commercialisation in the U.S. market, support ongoing operations and expected future contract wins</p>
<p><b>Ranking</b></p>	<p>All New Shares issued under the Offer will rank equally with existing VHL shares from the date of issue</p>
<p><b>Joint Lead Managers</b></p>	<p>Bell Potter Securities Limited ("<b>Bell Potter</b>") &amp; MST Financial Services Pty Limited ("<b>MST</b>")</p>

# Use of Funds and Timetable

Sources	A\$m
Institutional Placement	\$10.5
Director and Key Management Placement	\$0.5
<b>Total</b>	<b>\$11</b>

Use of funds	A\$m
Clinical operations and program delivery	\$3.8
Technology and platform enhancement & new client implementation	\$2.7
Sales, business development & marketing	\$2.0
Regulatory, working capital and offer costs	\$2.5
<b>Total</b>	<b>\$11</b>

**Capital raise is expected to fund Vitasora to run-rate cashflow breakeven in H2 FY26**

## Indicative capital raising timetable<sup>1</sup>

<i>Trading Halt, TPAC Contract Announcement and Bookbuild Opens</i>	<i>Monday, 30 June 2025</i>
<i>Announcement of Capital Raising and Trading Halt Lifted</i>	<i>Wednesday, 2 July 2025</i>
<i>Settlement of Institutional Placement</i>	<i>Monday, 7 July 2025</i>
<i>Allotment of New Shares under Institutional Placement</i>	<i>Tuesday, 8 July 2025</i>
<i>Extraordinary General Meeting to approve Director Participation</i>	<i>Indicatively Mid August 2025</i>

<sup>1</sup>The timetable is indicative only and subject to change by the Company and Lead Manager, subject to the Corporations Act and other applicable laws.

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# Appendix A : Key Risks

# Risk Factors

This report identifies some of the major risks associated with an investment in the Company. The risk factors below ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company.

## 1. Regulatory & Policy Risks

- **CMS Reimbursement Uncertainty:** Medicare regularly updates reimbursement policies for **Remote Patient Monitoring (RPM), Chronic Care Management (CCM), and Evaluation & Management (E&M)** services. Future changes could impact revenue potential.
- **Evolving Value-Based Care Models:** CMS and private payers continue refining **risk-sharing benchmarks**, requiring Respiro to adapt its business model and performance metrics to align with shifting expectations.
- **State-Level Variability:** CMS and commercial payers have **inconsistent reimbursement structures**, creating administrative complexity when expanding across different regions.

## 2. Operational & Execution Risks

- **Scalability & Integration Challenges:** The successful integration of **Orb Health** must ensure **operational efficiency, seamless platform integration, and minimal service disruptions** while scaling patient support and ensuring cost savings are realised and cross-selling opportunities realised.
- **Healthcare Provider Adoption & Retention:** Sustained engagement from **physicians, Healthcare Organisations, ACOs, and IPAs** is essential. Resistance to new workflows, administrative burdens, or competition from alternative solutions could slow adoption and impact selling cycle timelines.
- **Staffing & Capacity:** Respiro's growth depends on expanding its **clinical and account management teams** to ensure high-touch engagement with patients and providers while maintaining service quality.

## 3. Key Personnel & Workforce Risk

- **Dependence on Key Personnel:** The company's success relies on the continued performance of senior executives, management, and skilled clinical staff.
- **Talent Acquisition & Retention Challenges:** Difficulty in attracting and retaining industry-experienced professionals could impact growth and operational execution.
- **Potential Business Disruption:** The loss of key personnel without timely replacement may materially affect business operations, strategy execution, and financial performance.
- **Competitive Labor Market:** Increased demand for skilled healthcare and technology professionals may make recruitment and retention more challenging, impacting profitability and competitiveness.
- **Scalability & Workforce Expansion:** As the company grows, ensuring sufficient staffing levels and maintaining service quality will be critical to sustaining performance and client satisfaction.

# Risk Factors

## 4. Financial & Business Model Risks

- **Risk-Share Performance Variability:** Revenue from **ACO and IPA value-based/risk-share contracts** depend on meeting cost-reduction and patient outcome targets. Variations in **hospitalization rates, patient adherence, and chronic disease management costs** could impact profitability.
- **Fee-for-Service (FFS) Dependence:** While risk-sharing agreements grow, Respiro still **relies on FFS revenues**. Shifts in payer policies, patient enrolment rates, or referral volumes could create financial unpredictability.
- **Cash Flow & Payment Delays:** Claims processing times from **Medicare, Medicaid, and commercial insurers** can delay reimbursement payment, affecting working capital and cash flow stability.

## 5. Competitive & Market Risks

- **Market Penetration & Differentiation:** Despite offering a **unique proprietary Wheezo device and a full-service model**, competition from **established RPM, CCM, and telehealth providers** could challenge market expansion.
- **ACO & Provider Consolidation:** Increased **mergers and acquisitions in healthcare** may shift decision-making power toward large health systems and insurers, potentially altering contract dynamics.

## 6. Technology, Data & Patient Engagement Risks

- **Platform Reliability & Cybersecurity:** Ensuring **HIPAA-compliant data security and seamless technology performance** is critical. **Cyber threats, IT failures, or compliance violations** could disrupt operations and harm credibility.
- **Interoperability & Data Integration:** **Providers rely on diverse EHR systems**, requiring Respiro to maintain **seamless integration capabilities** to support efficient data sharing and minimize workflow disruptions.
- **Patient Engagement & Adherence:** **Respiro's clinical staff play a critical role** in driving **patient adherence to remote monitoring and chronic care programs**. Poor engagement could impact **clinical outcomes, reimbursement eligibility, and risk-share performance**.

# Risk Factors

## 6.a Artificial Intelligence & Technology Risk

- **AI Reliability & Accuracy:** The use of AI and voice recognition in patient onboarding and clinical engagement may occasionally produce inaccurate or unreliable results, potentially leading to customer dissatisfaction.
- **Customer Retention & Reputation Impact:** Errors in AI-driven processes could result in the loss of existing customers or deter future customers, impacting revenue and growth.
- **Evolving Competitive Landscape:** As AI technology advances, competitors may develop similar or superior solutions, potentially reducing Respiro's market share.
- **Barriers to Entry & Differentiation:** While Respiro has a unique market position, increased competition in AI-driven healthcare solutions could challenge long-term differentiation and customer acquisition.
- **Regulatory & Ethical Considerations:** The integration of AI in healthcare must comply with evolving regulations, and any failure to meet industry standards could pose operational and compliance risks.

## 7. Macroeconomic & External Risks

- **Healthcare Spending Trends:** Changes in **government funding, payer priorities, or economic downturns** could impact reimbursement rates and program funding for chronic disease management.
- **Inflation & Cost Pressures:** Rising costs in **labor, technology, and medical device production** could impact profit margins if not carefully managed.

## 8. Going Concern Risk

- **Funding Dependency:** Existing cash reserves are only sufficient for a limited period, making ongoing operations dependent on securing additional funding.
- **Placement Uncertainty:** While the planned capital raise is expected to support operations until cash flow breakeven, this is not guaranteed.
- **Revenue & Contract Risks:** Projections assume continued revenue from existing contracts, but contract terminations or delays could impact cash inflows.
- **Historical Losses & Cash Flow Challenges:** Respiro has a history of losses and negative cash flows, with continued financial sustainability reliant on successful execution of growth plans.
- **Risk of Insolvency:** If expected cash inflows do not materialize or further funding is not secured, Respiro's ability to continue as a going concern could be at risk.

# Risk Factors

## 9. Future Funding Risk:

- **Funding Requirements:** Respiro's future capital needs depend on various factors, including marketing expenses, macroeconomic conditions, and the timing of its project pipeline.
- **Additional Funding Needs:** The Company may require further equity or debt funding to meet medium- to long-term objectives, with no assurance of favorable terms.
- **Potential Impact of Funding Shortfalls:** If funding cannot be secured, it may harm the Company's financial position, hinder growth, and reduce its ability to compete, potentially leading to curtailed operations or asset disposals.
- **Equity Dilution & Debt Refinancing Risks:** Future equity raises may cause shareholder dilution, and reliance on debt funding poses refinancing risks if market conditions worsen or favorable refinancing terms cannot be secured.

## 10. Medical Device Development Risk:

- **Scientific Uncertainty & Long Timelines:** R&D in medical devices involves inherent scientific uncertainty, with no guarantee that specific milestones will be achieved within expected timelines.
- **Regulatory Risks:** The development and commercialization of medical devices carry regulatory risks, with no certainty of success in submissions to regulatory authorities.

## 11. Speculative Investment Risk:

- **Exhaustive Risk Factors:** The list of risks outlined above is not exhaustive, and additional factors, not specifically mentioned, may materially impact the Company's financial performance and the value of its securities.
- **No Guarantees:** The securities to be issued offer no guarantee regarding dividends, capital returns, or market value.
- **Speculative Nature:** Investing in the Company is speculative, and potential investors should seek advice from professional advisers before deciding to invest in the Company's securities

# Risk Factors

## 11. General Risks:

- **Economic Factors: Inflation, currency fluctuations, interest rates, and supply-demand** dynamics can impact operating costs and stock prices, affecting future revenues and the value of the Company's securities, which are beyond its control.
- **Changes in Legislation & Regulation:** Modifications in government policies, including taxation, could affect future earnings and the attractiveness of investing in the Company.
- **Global Credit & Investment Market Volatility:** Uncertainty and volatility in global credit, commodity, and investment markets may affect the Company's securities' price, regardless of operational performance, and hinder its ability to raise additional funds if needed.
- **Exchange Rate Risk:** A decline in the Australian dollar relative to currencies of imported products/services may impact the Company's performance and financial position, as statements are prepared in Australian dollars.
- **Unforeseen Risks: Unexpected risks, not currently identified by the Directors,** may arise and impact the Company's operations, securities valuation, and performance.
- **Combination of Risks:** A combination of risks outlined in this Report could collectively affect the Company's performance, financial stability, and prospects.
- **Unforeseen Expenditure:** Additional unanticipated costs not considered in this Report may arise, potentially affecting the Company's financial projections.
- **Market Conditions:** Equity market conditions, influenced by various factors such as economic outlook, legislation, investor sentiment, and geopolitical events, can impact the Company's securities value, regardless of its operating performance. The market price of securities may fluctuate unpredictably, especially in biotechnology stocks, and no guarantee is made regarding future performance or returns.

# International Offer Restrictions

This document does not constitute an offer of new Shares of the Issuer in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the new Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

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This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New Zealand) (the “FMC Act”).

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

# Appendix 1: TPAC Contract – Summary of key terms (1)

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Key Terms	Details
Parties	<ol style="list-style-type: none"> <li>1. The Physicians Alliance Corporation (TPAC), as the customer; and</li> <li>2. Respi Management LLC (Respi), as the supplier.</li> </ol>
Products or services to be supplied	<ol style="list-style-type: none"> <li>1. Respi will provide the following program services to TPAC’s eligible members (on a fee-for-service basis) (<b>Program Services</b>):               <ol style="list-style-type: none"> <li>(a) <b>Care model:</b> Chronic Care Management; Transitions of Care; Remote Patient Monitoring; Behavioural Care Initiative; Continuous Glucose Monitoring and Principle Care Management.</li> <li>(b) <b>Reports and reporting:</b> Reports via electronic transmission based on a schedule agreed by the parties (including monthly patient care summaries and 6-month depression screenings).</li> <li>(c) <b>Member Engagement Content:</b> Deployment of multi-channel communications directly to eligible members about the Program Services.</li> </ol> </li> <li>2. Respi will provide the following population health services (on a per-member-per-month basis) for eligible attributed beneficiaries (<b>Population Health Services</b>):               <ol style="list-style-type: none"> <li>(a) data analytics, risk stratification, and identification of gaps in care;</li> <li>(b) targeted patient outreach, care coordination, education, and engagement aligned with the Accountable Care Organization and payer quality metrics;</li> <li>(c) reporting and performance dashboards to monitor outcomes and compliance; and</li> <li>(d) collaboration with TPAC’s provider network to implement evidence-based interventions.</li> </ol> </li> <li>3. Respi will also provide other ancillary services, including the following:               <ol style="list-style-type: none"> <li>(a) coordinate with enrolled member’s broader care teams to streamline processes of TPAC;</li> <li>(b) maintain its relationship with enrolled members; and</li> <li>(c) engage with eligible members of TPAC to provide information on, and offer, the Program Services.</li> </ol> </li> </ol>

# Appendix 1: TPAC Contract – Summary of key terms (2)

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Key Terms	Details
Terms of the Agreement	<ol style="list-style-type: none"> <li>1. <b>Effective Date</b> <ul style="list-style-type: none"> <li>(a) The TPAC Contract is effective 1 July 2025 (<b>Effective Date</b>).</li> </ul> </li> <li>2. <b>Term</b> <ul style="list-style-type: none"> <li>(a) The term of the TPAC Contract is one year commencing on the Effective Date (<b>Initial Term</b>).</li> <li>(b) After the Initial Term, the TPAC Contract will automatically renew for a successive one year term unless either party provides the other party with at least 60 days written notice prior to the end of that current term of its intention not to renew, or unless the TPAC Contract is terminated earlier.</li> <li>(c) Notwithstanding termination of the TPAC Contract, Respiri will continue to provide necessary and transitional services for 90 days post-termination at fees mutually agreed between the parties.</li> </ul> </li> <li>3. <b>Use of findings</b> <ul style="list-style-type: none"> <li>(a) Respiri may use, disclosure, describe and publicise its findings, results, outcomes and experience in connection with providing the Program Services (<b>Findings</b>), provided that such actions do not violate HIPAA regulations or terms of TPAC’s standard business associate agreement (which governs the compliance, use and disclosure of Findings by Respiri).</li> </ul> </li> <li>4. <b>Dispute Resolution</b> <ul style="list-style-type: none"> <li>(a) Any dispute relating to payments must be discussed in good faith before being referred to a third-party nationally or regionally recognised actuarial firm for determination.</li> </ul> </li> </ol>

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# Thank you

Get in touch

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