Important notice

Disclaimer

The information in this presentation is for general purposes only and should be read in conjunction with Fisher & Paykel Healthcare Corporation Limited's (FPH) Annual Report 2020 and accompanying market releases. Nothing in this presentation should be construed as an invitation for subscription, purchase or recommendation of securities in FPH.

This presentation includes forward-looking statements about the financial condition, operations and performance of FPH and its subsidiaries. These statements are based on current expectations and assumptions regarding FPH’s business and performance, the economy and other circumstances. As with any projection or forecast, the forward-looking statements in this presentation are inherently uncertain and susceptible to changes in circumstances. FPH’s actual results may differ materially from those expressed or implied by those forward-looking statements.
Full year business highlights

+ **IMPACTED**
  the lives of approximately 16 million patients around the world, including many with COVID-19 in hospital

+ **EXPANDED**
  release of the F&P 950™ heated humidification system in Europe and the F&P Vitera™ mask in the US

+ **OPENED**
  new sales offices in Poland and Mexico, with our own dedicated sales teams promoting products in hospitals

+ **LAUNCHED**
  the F&P Evora™ compact nasal mask for OSA in New Zealand, Australia, Europe and Canada

+ **COMMEMORATED**
  fifty years of care with employee events around the globe

+ **INCLUDED**
  in the FTSE4Good and Dow Jones Sustainability Indices for 2019
Impact of COVID-19

• Our people
  - Priority has been ensuring the safety of our people, and therefore protect our ability to manufacture, supply and train end users on essential respiratory support
  - Since January 2020, have hired 548 additional direct manufacturing staff in NZ and 518 additional direct manufacturing staff in Mexico
  - Our people have gone above and beyond
  - Provided additional leave and profit sharing bonus to recognise the incredible efforts of our people

• Hospital product group
  - Publication of 14 clinical papers on use of nasal high flow on COVID-19 patients and inclusion in global clinical guidelines\(^1\) has encouraged the early use of NHF
  - Doubling and, in some instances, tripling of output for some of our hospital hardware products over just a few months
  - H2 FY20 hardware growth of 53% CC
  - Brought forward capex spend for new product tooling and manufacturing capacity
# Key full year financial results

**FY20** (for 12 months ended 31 March 2020)

<table>
<thead>
<tr>
<th></th>
<th>% of Revenue</th>
<th>NZ$M</th>
<th>△ PCP^</th>
<th>△ CC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>100%</td>
<td>1,263.7</td>
<td>+18%</td>
<td>+14%</td>
</tr>
<tr>
<td>Hospital operating revenue</td>
<td>63%</td>
<td>801.3</td>
<td>+25%</td>
<td>+21%</td>
</tr>
<tr>
<td>Homecare operating revenue</td>
<td>36%</td>
<td>457.3</td>
<td>+9%</td>
<td>+4%</td>
</tr>
<tr>
<td>Gross margin / Gross profit</td>
<td>66%</td>
<td>835.8</td>
<td>-73bps</td>
<td>-150bps</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>27%</td>
<td>338.0</td>
<td>+3%</td>
<td>-1%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>9%</td>
<td>118.5</td>
<td>+18%</td>
<td>+18%</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>36%</td>
<td>456.5</td>
<td>+7%</td>
<td>+3%</td>
</tr>
<tr>
<td>Operating profit</td>
<td>30%</td>
<td>379.3</td>
<td>+30%</td>
<td>+21%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>23%</td>
<td>287.3</td>
<td>+37%</td>
<td>+30%</td>
</tr>
</tbody>
</table>

Recurring items, consumables and accessories approximately 85% of operating revenue (FY19: 86%)

^ PCP = prior comparable period  * CC = constant currency
Hospital product group

FY20 Hospital revenue composition
Hardware: 14% Consumables: 86%

FY19 Hospital revenue composition
Hardware: 12% Consumables: 88%
## Hospital product group – H2 FY20 results

<table>
<thead>
<tr>
<th><strong>HOSPITAL OPERATING REVENUE</strong></th>
<th><strong>New applications consumables</strong>* made up 65% of H2 FY20 Hospital consumables revenue, 63% in H1 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>H2 FY20 $447.7M</td>
<td>• Strong customer demand for our Optiflow and AIRVO systems, driven by clinical trial results and COVID-19</td>
</tr>
<tr>
<td>65% OF OPERATING REVENUE</td>
<td>• Hospital hardware growth of 53% in H2 FY20 in constant currency</td>
</tr>
<tr>
<td>NZ$ ↑30%</td>
<td></td>
</tr>
<tr>
<td>CONSTANT CURRENCY</td>
<td></td>
</tr>
<tr>
<td>↑24%</td>
<td></td>
</tr>
<tr>
<td><strong>NEW APPLICATIONS</strong>*</td>
<td></td>
</tr>
<tr>
<td>CONSUMABLES REVENUE</td>
<td></td>
</tr>
<tr>
<td>NZ$ ↑29%</td>
<td></td>
</tr>
<tr>
<td>CONSTANT CURRENCY</td>
<td></td>
</tr>
<tr>
<td>↑23%</td>
<td></td>
</tr>
</tbody>
</table>

*New applications = Noninvasive ventilation (NIV), nasal high flow therapy, surgical
Homecare product group

FY20 HOMECARE REVENUE COMPOSITION

HARDWARE

- F&P SleepStyle
- F&P myAIRVO 2
- F&P 810 System

CONSUMABLES

- CPAP Therapy/OSA
- Home Respiratory Support

FY19 Homecare revenue composition
Hardware: 16% Consumables: 84%
Homecare product group – H2 FY20 results

HOMECARE OPERATING REVENUE
H2 FY20 $242.6M

35% OF OPERATING REVENUE

- Home Respiratory Support business continues to grow well
- Strong H2 FY20 growth in OSA masks
- F&P Vitera OSA mask launched in the US in October 2019
- Released F&P Evora February, receiving US regulatory clearance in June 2020

NZ$  
↑ 15%

CONSTANT CURRENCY

↑ 9%

MASKS REVENUE

NZ$  
↑ 15%

CONSTANT CURRENCY

↑ 9%
## New lease accounting standard impact (IFRS 16)

### Opening adjustment to Balance Sheet at 1 April 2019 (NZ$M)

<table>
<thead>
<tr>
<th></th>
<th>Prior to adoption</th>
<th>Impact</th>
<th>Adjusted after adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant &amp; equipment</td>
<td>601.4</td>
<td>29.4</td>
<td>630.8</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>38.9</td>
<td>1.5</td>
<td>40.4</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>-</td>
<td>35.2</td>
<td>35.2</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>549.2</td>
<td>(3.8)</td>
<td>545.4</td>
</tr>
</tbody>
</table>

### FY20 impact to Income Statement (NZ$M)

<table>
<thead>
<tr>
<th></th>
<th>Prior to adoption</th>
<th>Impact</th>
<th>Adjusted after adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental and lease expenses</td>
<td>13.1</td>
<td>(12.2)</td>
<td>0.9</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>50.9</td>
<td>10.1</td>
<td>61.0</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td><strong>377.2</strong></td>
<td>2.1</td>
<td><strong>379.3</strong></td>
</tr>
<tr>
<td>Financing expense</td>
<td>2.1</td>
<td>1.8</td>
<td>3.9</td>
</tr>
<tr>
<td>Tax expense</td>
<td>83.1</td>
<td>0.1</td>
<td>83.2</td>
</tr>
<tr>
<td><strong>Net profit after tax</strong></td>
<td><strong>287.1</strong></td>
<td>0.2</td>
<td><strong>287.3</strong></td>
</tr>
</tbody>
</table>

### FY20 impact to Statement of Cash Flows (NZ$M)

<table>
<thead>
<tr>
<th></th>
<th>Prior to adoption</th>
<th>Impact</th>
<th>Adjusted after adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td>311.7</td>
<td>9.7</td>
<td>321.4</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td>(149.3)</td>
<td>(9.7)</td>
<td>(159.0)</td>
</tr>
</tbody>
</table>
Gross margin

• Gross margin for the full year:
  - decreased by 73 bps to 66.1%
  - decreased by 150 bps in constant currency
  - decrease primarily driven by an increase in freight cost as a result of COVID-19 and first full year of costs of our second Mexico manufacturing facility (first products shipped late in the financial year)
  - partially offset by favourable product mix
Operating costs

- NZ$456.5M, +7% (+3% CC)

Research & Development expenses

- NZ$118.5M, +18% (+18% CC)
- Reflecting underlying growth and timing of R&D projects
- Long term plan to grow in line with constant currency revenue growth

Selling, General & Administrative expenses

- NZ$338M, +3% (-1% CC)
- Patent litigation expenses of NZ$23.4M were incurred in FY19
## Interest and Tax

<table>
<thead>
<tr>
<th></th>
<th>FY19 NZ$M</th>
<th>FY20 NZ$M</th>
<th>Change NZ$M</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financing expense</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>3.3</td>
<td>2.2</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Lease interest expense</td>
<td>-</td>
<td>(2.1)</td>
<td>(2.1)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(2.5)</td>
<td>(1.8)</td>
<td>0.7</td>
</tr>
<tr>
<td>FX loss on interest bearing liabilities</td>
<td>(2.2)</td>
<td>(7.1)</td>
<td>(4.9)</td>
</tr>
<tr>
<td><strong>Net financing expense</strong></td>
<td>(1.4)</td>
<td>(8.8)</td>
<td>(7.4)</td>
</tr>
<tr>
<td><strong>Tax and R&amp;D grant changes</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reintroduction of building tax depreciation (Tax expense)</td>
<td>-</td>
<td>5.3</td>
<td>5.3</td>
</tr>
<tr>
<td>R&amp;D tax credit* (Tax expense)</td>
<td>-</td>
<td>13.4</td>
<td>13.4</td>
</tr>
<tr>
<td>Callaghan growth grant (Other income)</td>
<td>3.6</td>
<td>-</td>
<td>(3.6)</td>
</tr>
<tr>
<td><strong>Net profit after tax</strong></td>
<td>3.6</td>
<td>18.7</td>
<td>15.1</td>
</tr>
</tbody>
</table>

* R&D tax credit of 15% on eligible spend; replaces Callaghan Innovation growth grant of NZ$5M other income per year.
## Cash Flow and Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>FY19 NZ$M</th>
<th>FY20 NZ$M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>253.3</td>
<td>321.4</td>
</tr>
<tr>
<td>Capital expenditure (including purchases of intangible assets)</td>
<td>133.3</td>
<td>170.7</td>
</tr>
<tr>
<td>Lease liability payments</td>
<td>-</td>
<td>9.7</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>120.0</td>
<td>141.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY19 NZ$M</th>
<th>FY20 NZ$M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash /(debt) (including short-term investments)</td>
<td>54.4</td>
<td>42.2</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,206.7</td>
<td>1,435.0</td>
</tr>
<tr>
<td>Total equity</td>
<td>913.2</td>
<td>973.8</td>
</tr>
<tr>
<td>Pre-tax return on average total assets</td>
<td>26.1%</td>
<td>28.1%</td>
</tr>
<tr>
<td>Pre-tax return on average equity</td>
<td>34.8%</td>
<td>39.3%</td>
</tr>
<tr>
<td>Gearing (net debt/net debt + equity)*</td>
<td>-6.7%</td>
<td>-4.3%</td>
</tr>
</tbody>
</table>

* Calculated using net interest bearing debt (debt less cash and cash equivalents) to net interest-bearing debt and equity (less hedge reserve).
Capital management and Dividend

- Expanded previous dividend policy into a broader capital management policy. Priority to appropriately invest in the business to support long term sustainable growth.

- Target gearing ratio* of +5% to -5% debt to debt plus equity

- Increased final dividend by 15% to 15.50 cps fully imputed (gross dividend of NZ 21.53 cps). 2.7353 cps non-resident supplementary dividend

- Total dividend for the year increased by 18% to 27.50cps

Gearing ratio as at 31 March 2020 was -4.3%
Foreign exchange effects

- 49% of operating revenue in USD (FY19: 50%) and 19% in € (FY19: 19%).

<table>
<thead>
<tr>
<th>Hedging position for our main exposures</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26-28</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD % cover of expected exposure</td>
<td>85%</td>
<td>60%</td>
<td>45%</td>
<td>35%</td>
<td>35%</td>
<td>-</td>
</tr>
<tr>
<td>USD average rate of cover</td>
<td>0.652</td>
<td>0.652</td>
<td>0.637</td>
<td>0.630</td>
<td>0.624</td>
<td>-</td>
</tr>
<tr>
<td>EUR % cover of expected exposure</td>
<td>85%</td>
<td>60%</td>
<td>50%</td>
<td>35%</td>
<td>35%</td>
<td>5%</td>
</tr>
<tr>
<td>EUR average rate of cover</td>
<td>0.551</td>
<td>0.536</td>
<td>0.518</td>
<td>0.509</td>
<td>0.502</td>
<td>0.470</td>
</tr>
</tbody>
</table>

Hedging cover percentages have been rounded to the nearest 5%

<table>
<thead>
<tr>
<th>Reconciliation of constant currency to actual income statements</th>
<th>FY19 NZ$M</th>
<th>FY20 NZ$M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit after tax (constant currency)</td>
<td>204.3</td>
<td>265.0</td>
</tr>
<tr>
<td>Spot exchange rate effect</td>
<td>5.5</td>
<td>24.8</td>
</tr>
<tr>
<td>Foreign exchange hedging result</td>
<td>(1.3)</td>
<td>(5.6)</td>
</tr>
<tr>
<td>Balance sheet revaluation</td>
<td>0.7</td>
<td>3.1</td>
</tr>
<tr>
<td>Profit after tax (as reported)</td>
<td>209.2</td>
<td>287.3</td>
</tr>
</tbody>
</table>
Revenue and expenses by currency

FY20 (for 12 months ended 31 March 2020)
Outlook FY2021

• Strategic direction remains consistent

• For the first three months of FY21:
  − Hospital hardware growth >300% and Hospital consumables growth >33% on PCP
  − Homecare growth closer to FY20 full year rate of growth in Homecare

Guidance assumptions *(note these are not a forecast or a prediction of the course of COVID-19):*
  − Respiratory hospitalisations peak Q1 due to COVID-19, return to normal by beginning of H2
  − OSA diagnosis rates lower in H1, returning to normal by H2
  − Freight costs remain at elevated levels through end of 2020
  − Exchange rates of NZD:USD 0.64, NZD:EUR 0.57

• For FY21, based on the assumptions listed above:
  − Operating revenue – approximately NZ$1.48 billion
  − Net profit after tax – approximately NZ$325 million to NZ$340 million

• Capital expenditure expected to be approximately NZ$160 million
  − Manufacturing capacity and new product tooling brought forward
Key Financials
# Key full year financial results

FY20 (for the 12 months ended 31 March 2020)

<table>
<thead>
<tr>
<th></th>
<th>NZ$M</th>
<th>△PCP^</th>
<th>△CC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>1263.7</td>
<td>+18%</td>
<td>+14%</td>
</tr>
<tr>
<td>Hospital operating revenue</td>
<td>801.3</td>
<td>+25%</td>
<td>+21%</td>
</tr>
<tr>
<td>Homecare operating revenue</td>
<td>457.3</td>
<td>+9%</td>
<td>+4%</td>
</tr>
<tr>
<td>Hospital new applications consumables revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSA masks revenue</td>
<td></td>
<td>+8%</td>
<td>+4%</td>
</tr>
<tr>
<td>Gross margin (basis points decrease)</td>
<td></td>
<td>-73bps</td>
<td>-150bps</td>
</tr>
<tr>
<td>Net profit before tax</td>
<td>370.5</td>
<td>+27%</td>
<td>+20%</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>287.3</td>
<td>+37%</td>
<td>+30%</td>
</tr>
</tbody>
</table>

^PCP = prior comparable period * CC = constant currency
# Key second half financial results

H2 FY20 (for the 6 months ended 31 March 2020)

<table>
<thead>
<tr>
<th></th>
<th>NZ$M</th>
<th>△PCP^</th>
<th>△CC*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating revenue</td>
<td>692.8</td>
<td>+24%</td>
<td>+18%</td>
</tr>
<tr>
<td>Hospital operating revenue</td>
<td>447.7</td>
<td>+30%</td>
<td>+24%</td>
</tr>
<tr>
<td>Homecare operating revenue</td>
<td>242.6</td>
<td>+15%</td>
<td>+9%</td>
</tr>
<tr>
<td>Hospital new applications</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>consumables revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OSA masks revenue</td>
<td></td>
<td>+15%</td>
<td>+9%</td>
</tr>
<tr>
<td>Gross margin (basis points</td>
<td>-156bps</td>
<td>-290bps</td>
<td></td>
</tr>
<tr>
<td>decrease)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit before tax</td>
<td>210.8</td>
<td>+36%</td>
<td>+24%</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>166.1</td>
<td>+49%</td>
<td>+35%</td>
</tr>
</tbody>
</table>

^ PCP = prior comparable period * CC = constant currency
Overview
Fisher & Paykel Healthcare at a glance

Global leader in respiratory humidification devices

- Medical device manufacturer with leading positions in respiratory care and obstructive sleep apnea
- Over 50 years’ experience in changing clinical practice to solutions that provide better clinical outcomes and improve effectiveness of care
- Estimated NZ$20+ billion and growing market opportunity driven by demographics
- Significant organic long-term growth opportunities in respiratory care, OSA, COPD and surgery
- Large proportion (85%) of revenue from recurring items, consumables and accessories
- High level of innovation and investment in R&D with strong product pipeline
- High barriers to entry

Global presence

Our people are located in 39 countries

- 333 of our people in Europe
- 365 of our people in the rest of the world
- 1,645 of our people in North America
- 2,738 of our people in New Zealand

Strong financial performance

- Continued target, and history of, doubling our revenue (in constant currency terms) every 5 to 6 years
- Targeting gross margin of 65% and operating margin of 30%
- Growth company with a strong history of increasing dividend payments
~NZ$20+ billion and growing market opportunity

Total addressable market estimates

**HOSPITAL**

-90+ million patients (including -50+ million in Hospital Respiratory Support)*

- Invasive Ventilation
- Non-invasive Ventilation
- Hospital Respiratory Support
- Surgical Humidification

**HOME CARE**

-100+ million patients

- Home Respiratory Support
- Obstructive Sleep Apnea

**NEW APPLICATIONS**

Applications outside of invasive ventilation

* Based on US HCUP data using ICD10 codes for 2018, extrapolated to the world using healthcare spend as a % of GDP
OUR ASPIRATION:
Sustainably DOUBLING our constant currency revenue every 5-6 years.
Markets and products

- Hospital
  - Heated humidification
  - Respiratory care
  - Neonatal care
  - Surgery

- Homecare
  - Masks
  - Flow generators
  - Data management tools
  - Respiratory care in the home

Recurring items, consumables and accessories approximately 85% of operating revenue (FY19: 86%)
Impact of changing demographics

• Population age and weight both increasing
  - US population 65 years+ to grow ~80% over next 20 years²
  - US males 60 - 74 years, average weight increased 0.4 kg/year since 1960³

• 60% of US healthcare cost is after age 65 years⁴

• Developing markets increasing healthcare spending
  - Total health spending is increasing more rapidly in low and middle income countries (close to 6% on average) than in high income countries (4%)⁵
Hospital cost breakdown

- Medical devices: 6%
- Other: 94%

Other - includes labour, utilities, drugs, supplies, food, depreciation.

Source: Estimates of Medical Device Spending in the United States, Donahoe, G and King, G, June 2014
Lower care intensity = lower cost

Hospital
Respiratory humidification

- Normal airway humidification is bypassed or compromised during ventilation or oxygen therapy
- Mucociliary transport system operates less effectively
- Need to deliver gas at physiologically normal levels
  - 37°C body core temperature
  - 44mg/L 100% saturated
Optiflow - displacing conventional oxygen therapy

CONVENTIONAL OXYGEN THERAPY
- LOW FLOW NASAL PRONGS
- SIMPLE FACE MASK
- REBREATHER MASK

NON-INVASIVE VENTILATION

~4million

Estimated patients were treated with our Optiflow nasal high flow therapy over the past year.
Patient groups who may benefit from Optiflow

ADULTS:
- Acute respiratory failure
- Asthma
- Atelectasis
- Bronchiectasis
- Bronchitis
- Burns
- COPD
- Chest trauma
- Emphysema
- Palliative Care
- Pneumonia
- Pulmonary embolism
- Respiratory compromise
- Viral pneumonia
- Carbon monoxide poisoning

PAEDIATRICS/NEONATES:
- Infant respiratory distress
- Bronchiolitis

These patients are located throughout the hospital - in the ICU, NICU, PICU, SICU, HDU, Ward and ED.
Clinical outcomes of Optiflow nasal high flow therapy

Optiflow NHF therapy is associated with:

**ADULTS:**
- **REDUCED** intubation\(^6\)
- **REDUCED** re-intubation\(^7,8,9\)
- **REDUCED** bilevel ventilation\(^8\)
- **REDUCED** nursing workload\(^8\)
- **INCREASED** ventilator free days\(^6\)
- **IMPROVED** comfort & patient tolerance\(^7\)
- **IMPROVED** compliance\(^7\)
- **REDUCED** COPD exacerbations\(^10\)

**PAEDIATRICS:**
- **REDUCED** intubation\(^11\)
- **REDUCED** length of stay\(^12\)
- **REDUCED** respiratory distress\(^13\)

**NEONATES:**
- **NON-INFERIORITY** with nasal CPAP\(^14\)
- **REDUCED** nasal trauma\(^15,16\)
- **REDUCED** respiratory distress\(^17\)
Optiflow NHF - a growing body of clinical evidence

- The publication of 437 clinical papers on NHF continues to signify a high level of clinical interest in the therapy
- Of the 65 controlled studies* on the use of NHF for respiratory support in adults, F&P products have been used in 60

Source: PubMed. Data in years 2000-2018 restated to be consistent with updated PubMed database

* Controlled studies: randomised controlled trials, non-randomised controlled trials and randomised crossover trials
## Nasal High Flow in AHCRF patients**

<table>
<thead>
<tr>
<th>Study</th>
<th>Year</th>
<th>Comparator</th>
<th>Max flow rate</th>
<th>IMPROVES Hypercapnia</th>
<th>IMPROVES Respiratory Rate</th>
<th>REDUCED PH</th>
<th>IMPROVES PtCO2 / PaCO2</th>
<th>IMPROVES Comfort</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kim, ES</td>
<td>2018</td>
<td>Medical ICU</td>
<td>COT &gt;50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yuste, M</td>
<td>2019</td>
<td>ICU</td>
<td>- &gt;50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pilcher, J</td>
<td>2017</td>
<td>Medical ward</td>
<td>COT &gt;35</td>
<td></td>
<td>*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lee, MK</td>
<td>2018</td>
<td>Respiratory ward</td>
<td>NIV 60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*</td>
</tr>
<tr>
<td>Longhini, F</td>
<td>2019</td>
<td>ICU</td>
<td>COT &gt;50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>*</td>
</tr>
<tr>
<td>Millar, J</td>
<td>2014</td>
<td>ED</td>
<td>- &gt;50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pavlov, I</td>
<td>2017</td>
<td>ED &amp; Ward</td>
<td>- &gt;55</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rittayamai, N</td>
<td>2019</td>
<td>ICU &amp; Ward</td>
<td>- 50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* No significant difference to comparator. **Select studies included in the systematic review publication by Pantazopoulos et al. 2019

AHCRF: Acute Hypercapnic Respiratory Failure (Type 2 respiratory patients)
Consistently strong growth in hospital new applications

- New applications consumables currently make up 64% of Hospital consumables revenue, up from 59% in FY18 and 62% in FY19

* Adjusted to exclude impact of US distribution transition in FY16 and FY17
Homecare
Obstructive sleep apnea

- Temporary closure of airway during sleep
- Can greatly impair quality of sleep, leading to fatigue; also associated with hypertension, stroke and heart attack
- Estimate >100 million people affected in developed countries
- Most common treatment is CPAP (Continuous Positive Airway Pressure)
  - Key issue with CPAP is compliance
  - Humidification provides significant acceptance and compliance improvements
Mask matters most

- Masks are key to compliance
- Unique, patented designs
- Vitera launched in US in October. Evora launched in NZ, Australia, Europe and Canada in February and received US regulatory clearance in June
Home respiratory support

• Chronic obstructive pulmonary disease (COPD) is a lung disease which is commonly associated with smoking
• Emphysema and chronic bronchitis are both forms of COPD
• Chronic respiratory disease, primarily COPD, is the third leading cause of death in the world
• 6% of US adults have been diagnosed with COPD (~15 million people)
• 4-10% COPD prevalence worldwide (~400 million people)
• Emerging evidence for COPD patients using NHF at home, reduced exacerbation rates, reduced hypercapnia, and improved Quality of life.
High level of innovation and investment in R&D

- R&D represents 9% of operating revenue:* NZ$118.5M
- Product pipeline includes:
  - Humidifier controllers
  - Masks
  - Respiratory consumables
  - Flow generators
  - Compliance monitoring solutions
- 302 US patents, 430 US pending, 1,236 Rest of world patents, 1,228 Rest of world pending†

* For 12 months ended 31 March 2020
† As at 31 March 2020
Growing patent portfolio


Average remaining life of FPH patent portfolio (all countries): 11.5 years*

* As at 31 March 2020
Manufacturing and operations

• Vertically integrated
• Will grow manufacturing capacity to accommodate future volume growth
  • Modest growth in NZ
  • Most growth outside NZ

Auckland, New Zealand
• Four buildings: 110,000 m² / 1,180,000 ft²
• 100 acres / 40 hectares land
• Fourth building was completed in 2020
• Co-location of R&D and manufacturing in NZ a competitive advantage

Tijuana, Mexico
• Two buildings: 41,000 m² / 450,000 ft²

Daniell Building – the fourth building on our Auckland site, completed May 2020
Environmental Social Governance

Summary of key environmental metrics

<table>
<thead>
<tr>
<th>Topic</th>
<th>Description of measure</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 &amp; 2 carbon emissions</td>
<td>Tonnes CO₂e</td>
<td>4.2% annual reduction from 2019 base year</td>
</tr>
<tr>
<td>Scope 3 carbon emissions</td>
<td>Tonnes CO₂e</td>
<td>SBTi supplier engagement</td>
</tr>
</tbody>
</table>

Increase in carbon emissions in 2020 driven by the inclusion of inbound freight in our audit of Scope 3 emissions.

Sustainability disclosures and indices

We participate annually in a suite of well-respected sustainability disclosure programmes and have been included this year in the Dow Jones Sustainability Index and the FTSE4Good index.

CDP (Carbon Disclosure Project) grading

<table>
<thead>
<tr>
<th>Climate</th>
<th>Supplier engagement</th>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>B -</td>
<td>C</td>
</tr>
</tbody>
</table>

In collaboration with FTSE4Good
Strong global presence

- Direct/offices
  - Hospitals, home care dealers
  - Sales/support offices in North America, Europe, Asia, South America, Middle East and Australasia, 18 distribution centres
  - ~1,000 employees in 39 countries
  - Ongoing international expansion
- Distributors
  - +150 distributors worldwide
- Original Equipment Manufacturers
  - Supply most leading ventilator manufacturers
- Sell in more than 120 countries in total
Ownership structure and listings

- Listed on NZX and ASX (NZX.FPH, ASX.FPH)
Consistent growth strategy

OUR INPUTS

- Our 5,000+ people
- 50 years of trusted relationships
- Excellence in R&D
- Global supply networks
- Trusted brand

OUR OUTPUTS

- Improved care & outcomes for patients
- Increased efficiency of care
- Increased shareholder value
- Benefits to our people
- Doubling our constant currency revenue every 5-6 years

MARKET CONTEXT

AGEING POPULATION | TECHNOLOGY ADVANCEMENT | HEALTHCARE COSTS INCREASING | OTHER EXTERNAL FACTORS

Care by Design.
Improving care & outcomes through inspired and world-leading healthcare solutions
References

1. Clinical guidelines for use of NHF on COVID-19 patients, including those issued by the HHS, WHO, SCCM, ACEP, NIH and the CDC.


