<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td>8:30am</td>
<td>Welcome</td>
<td>Marcus Driller (General Manager, Corporate)</td>
</tr>
<tr>
<td></td>
<td>Why Mexico?</td>
<td>Lewis Gradon (Managing Director &amp; CEO)</td>
</tr>
<tr>
<td></td>
<td>Overview of Mexican Operations</td>
<td>Raul Sanchez (General Manager Mexico Operations)</td>
</tr>
<tr>
<td>9:15am</td>
<td>Tour of Parque Industrial Pacifico Manufacturing Facility</td>
<td>Raul Sanchez (General Manager Mexico Operations)</td>
</tr>
<tr>
<td>10:15am</td>
<td>Complete facility tour and board coach</td>
<td></td>
</tr>
<tr>
<td>10:45pm</td>
<td>Visit to new Tijuana campus site – La Encantada</td>
<td></td>
</tr>
<tr>
<td>11:15am</td>
<td>Depart for San Diego</td>
<td></td>
</tr>
<tr>
<td>12:00pm</td>
<td>Lunch break in San Diego</td>
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</tbody>
</table>

Time will be made available at the end of each presentation specifically for questions and answers.
Lewis Gradon
Managing Director and CEO

Why Mexico?
Why Mexico?

Mexico is performing extremely well
- Grow manufacturing outside New Zealand for geographical risk mitigation
- Working day overlap with Auckland
- Access to raw materials
- Economic and political stability
- Ease of personnel transfer (work permits etc)
- Proximity to our largest market over a 10 year horizon
- Great people – skill, productivity and availability of people

Manufacturing Output by Region
12 months to 31 March 2016
Why Mexico?

The BCG Global Manufacturing Cost-Competitiveness Index

August 19, 2014
Categories: Manufacturing, Globalization

Average manufacturing cost index, 2014 (China = 100)

Use as base index:
China

The BCG Global Manufacturing Cost-Competitiveness Index estimates shifts in direct costs for the world’s 25 leading manufacturing exporting economies in four dimensions: manufacturing wages, productivity, energy costs, and currency exchange rates. To identify and compare shifts in relative costs, the index uses data for each economy for 2004 and 2014, as well as projections for 2018.

https://www.bcgperspectives.com/content/interactive/lean_manufacturing_globalization_bcg_global_manufacturing_cost_competitiveness_index/
Raul Sanchez
General Director
Mexico Operations

Overview of Mexican Operations
Tijuana Benefits

- Medical device manufacturing skills (>38,000 people)
- Proximity to major North American markets
- Low and relatively stable manufacturing labour costs
- Bilingual Spanish, English
Proximity

10,462 km
Distance from Auckland to Tijuana
Tijuana and Mexico Demographics

- Population of Mexico estimated at approximately 120 million
- 3.15 million people in Baja California
- 1.7 million people in Tijuana metropolitan area

74.9 years life expectancy
1.8% annual population growth
27.0 average work force age
1.2 million people labor force

Source: Tijuana Medical Cluster
## Medical Device Industry in Tijuana

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees in the Maquiladora Industry in Mexico in 5,000+ companies</td>
<td>&gt;2.4 million</td>
</tr>
<tr>
<td>Employed in Baja California in 900+ companies</td>
<td>&gt;290,000</td>
</tr>
<tr>
<td>Employed in Tijuana in 500+ companies</td>
<td>&gt;200,000</td>
</tr>
<tr>
<td>Medical device manufacturing plants in Tijuana</td>
<td>50</td>
</tr>
<tr>
<td>Employees in medical device manufacturers in Tijuana</td>
<td>&gt;38,000</td>
</tr>
</tbody>
</table>

Source: Tijuana Medical Cluster/Instituto Nacional de Estadística y Geografía (INEGI)
Quality

- Commitment to manufacturing quality healthcare devices
- Environmentally-controlled environment: temperature, humidity, pressure and contaminant levels are kept within strict limits
- Production quality is continuously monitored and our products are rigorously tested before shipment
- As in NZ, certified to ISO13485 (the Medical Devices Quality Management Systems standard) by TÜV SÜD
Timeline

2009
- Lease agreement signed and fit-out starts.

2010
- Fit-out completed.
- First full face mask shipped.
- First breathing circuit shipped.

2011
- First shipments to Europe.
- Received Japan accreditation.

2012
- Started mask production.
- Second chamber line installed.

2013
- Commenced production of Evaqua II.

2014
- Commenced production of Optiflow products.
- Commenced production of Eson.

2015
- Started production of Simplus mask.
- Implemented SAP.

2016
- Started production of nasal prongs and Nivairo mask.
- Negotiated purchase of new Tijuana campus.
Our People

Total number of Mexico employees at August 2016

811

EDUCATION

World class universities

Public & Private universities

Technical Schools

35

14

Degrees and Masters

- Mechanical Engineer
- Industrial Engineer
- Mechatronic Engineer
- Biochemistry Engineer
- Electrical Engineer
- Master and Doctorate in Sciences and Digital Systems
- Master in R&D in Digital Systems
- Master in Information Tech and Communication

Source: Tijuana Medical Cluster
Organization Chart

VICE PRESIDENT
Products & Technology

GENERAL DIRECTOR
Mexico Operations

HUMAN RESOURCES DIRECTOR

OPERATIONS & ENGINEERING DIRECTOR

FINANCE & GROUP SERVICES DIRECTOR

MATERIALS MANAGEMENT DIRECTOR

QUALITY DIRECTOR

NEW ZEALAND

MEXICO
Products Made in Mexico

Chambers

Circuits
Products Made in Mexico

Masks and accessories
Valuing Our People

- Educational excellence
- Children’s Day open house
- Environmental and community initiatives
- Health awareness campaign
- Transport
- Subsidized meals
New Tijuana Campus - La Encantada
New Tijuana Campus - La Encantada
What is next for Mexico?

- Adding capacity growth in Mexico, generally not moving production from New Zealand
- Currently in process of establishing a manufacturing campus in Tijuana
- New manufacturing facility in Tijuana to be completed in 2019
- Continued gross margin expansion – 50 to 100bps for at least the next three years
Questions?

Raul Sanchez
General Director
Mexico Operations
### Afternoon Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Speaker(s)</th>
</tr>
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<tbody>
<tr>
<td>3:00pm</td>
<td>The Opportunity</td>
<td>Lewis Gradon (Managing Director &amp; CEO)</td>
</tr>
<tr>
<td>3:20pm</td>
<td>North American Business Overview</td>
<td>Justin Callahan (President US Operations)</td>
</tr>
<tr>
<td></td>
<td>US Hospital</td>
<td>Steve Lacke (VP Sales &amp; Marketing – US Hospital)</td>
</tr>
<tr>
<td>4:20pm</td>
<td>Afternoon Break</td>
<td></td>
</tr>
<tr>
<td>4:30pm</td>
<td>Optiflow nasal high flow with AIRVO</td>
<td>Dr Robert Goldberg (Pulmonologist, Mission Viejo, California)</td>
</tr>
<tr>
<td>5:00pm</td>
<td>US Homecare</td>
<td>Justin Callahan (President US Operations)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Steve Polgar (National Sales Manager – US Homecare)</td>
</tr>
<tr>
<td>5:30pm</td>
<td>Health of the Homecare Industry</td>
<td>Doug Coleman (CEO, Major Medical Supply, Colorado)</td>
</tr>
<tr>
<td></td>
<td>Closing Comments</td>
<td>Lewis Gradon (Managing Director &amp; CEO)</td>
</tr>
<tr>
<td>6:00pm</td>
<td>Finish</td>
<td></td>
</tr>
<tr>
<td>6:30pm</td>
<td>Dinner</td>
<td>FPH NZ and US Management Teams</td>
</tr>
</tbody>
</table>

Time will be made available at the end of each presentation specifically for questions and answers.
Lewis Gradon
Managing Director and CEO

The Opportunity
Our Business: Hospital

Invasive Ventilation
Noninvasive Ventilation
Hospital Respiratory Support
Surgical Humidification

“NEW APPLICATIONS”
Applications outside of invasive ventilation
Our Business: Homecare

Home Respiratory Support

CPAP Therapy
Global Opportunities

Demographics:

- 60% of total lifetime healthcare cost incurred over 65 years of age
- US population over 65 years of age to grow by ~80% over the next 20 years
- Healthcare spending per capita increasing by 5-7% pa in developing countries
- Focus on reducing healthcare costs: in hospitals, ~6% of expenditure is on medical devices
Strong Global Presence

- International reach
- Selling into 120 countries
- Our people based in 36 countries
- New sales offices in Brazil, Norway
- 100+ distributors worldwide
- 15 distribution centres
- 3,500+ employees
- Will continue to grow our global presence
More than NZ$1 billion of annual operating revenue within the next two years

Doubling our constant currency operating revenue every 5-6 years

Targeting gross margin of 65% and operating margin of 30%

Targeted dividend pay-out ratio of approximately 70% of net profit after tax
New Product Development

- Investment into R&D: 500+ people, NZ$73.3M (9% of operating revenue)*
- Working on new products and ideas many years prior to release
- Just released three new products, more to come
- New products will support long-term growth

* As at 31 March 2016
Competitive Advantage – 45 Years’ Experience

Significant expertise in, and history, of changing clinical practice

High barriers to entry:
- Years in market
- Dedicated and focused sales force
- Strong distribution channels, supplier/dealer relationships
- Substantial and growing clinical evidence showing efficacy of our products
- Proprietary technology and IP protection of that technology
  - Hospital: Evaqua / Optiflow / Airvo / F&P 850 / F&P 950
  - Homecare: Masks / myAirvo
Importance of North American Market

- Our largest market – 47% of revenue FY16
- New direct sales model for hospital products to accelerate growth
- Unique sales process – GPOs, reimbursement
- Looking at ways to reduce overall healthcare spend
Justin Callahan
President US Operations

North American Business Overview
Overview of our North American Business

North American Revenue
US$M

North American Employees

Revenue by Region
12 months to 31 March 2016

8,000 direct customers
250,000 square feet of distribution facilities
Structure

PRESIDENT

US

Hospital Sales Team  Homecare Sales Team  Canadian Team  Commercial Operations  Finance  HR  Legal
State-wide coverage of hospital and homecare products by FPH reps

US Head Office
Irvine, California

Distribution Center
Moreno Valley, California

Distribution Center
Louisville, Kentucky

Canada Head Office
Laval, Quebec
Drivers of Growth

**Affordable Care Act 2010 (“Obamacare”)**
- Expanded insurance coverage
- CMS reimbursement linked to quality of care
- Hospital Value Based Purchasing (VBP): Incentives for clinical practice and patient experience improvements

**Increasing Prevalence of Obesity**
- 2012: 32% of the US population is obese
- 2030: 42% of the US population is predicted to be obese

**Aging Demographics**
- 2015: 15% of the US population older than 65
- 2030: 20% of the US population older than 65
Customer Segments

DRG – Diagnosis Related Groups
Reimbursement tied to specific diagnosis during inpatient stay.

FFS – Fee for Service
Reimbursement tied to specific product HCPC code for use in the home.
US Hospital Distribution Change

Transition Update:
- Established Distribution Contracts
- Established GPO Contracts
- Shipping Product
- Uninterrupted Supply to Hospitals

Benefits:
- Focused Sales Force
- Increased Access to Customers
- Strengthen Customer Relationships
- Customer Education & Evaluations
- Promote New Product Applications
Justin Callahan
President US Operations

Questions?
Optiflow™ - Displacing Conventional Oxygen Therapy

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

NONINVASIVE VENTILATION
Optiflow Focus – Go With the Flow

- Driving Adoption
  - Powerful clinical research
  - Improved patient outcomes
  - Strong economic message
  - Positive patient experience

- Activities to drive awareness
  - Focused sales force
  - Clinical forums
  - KOL development
  - Ongoing research activity
High-Flow Oxygen through Nasal Cannula in Acute Hypoxemic Respiratory Failure

Nasal High-Flow versus Venturi Mask Oxygen Therapy after Exubation
Effects on Oxygenation, Comfort, and Clinical Outcome

Nasal High Flow Clinical Papers Published Annually

Source: PubMed
Optiflow – Reduces Mortality Rate

Frat et al. 2015
The New England Journal of Medicine

STUDY
A 23-center study compared nasal high flow (NHF) therapy to use of a non-rebreather mask and NIV as a primary treatment (pre-intubation).

METHOD
• 310 patients in acute hypoxemic respiratory failure (PaO₂:FiO₂ ≤ 300 mmHg) were randomized to receive NHF, non-rebreather mask or NIV.
• Primary outcome: number of patients intubated at day 28 - not attained.

RESULTS
• NHF significantly reduced ICU mortality: NHF 11%, standard O₂ therapy 19%, NIV 25% and 90-day mortality: NHF 12%, standard O₂ therapy 23%, NIV 28%
• NHF significantly reduced need for intubation in more acute patients (PaO₂:FiO₂ ≤ 200 mmHg)
• Significant increase in ventilator-free days on NHF
• NHF significantly reduced intensity of respiratory discomfort and dyspnea
Optiflow – Reduces Escalation of Care

Hernández et al. 2016

**STUDY**

A 7-center study compared the efficacy of nasal high flow (NHF) to use of conventional oxygen therapy (COT) post-extubation.

**METHOD**

- 527 patients at low risk of reintubation (defined as age <65; APACHE score <12; BMI <30 etc.) were randomized to receive NHF or COT (via nasal prongs or a non-rebreather).
- Primary outcome: reintubation within 72 hours

**RESULTS**

- NHF significantly reduced **reintubation:** 4.9% (13/264) NHF patients vs. 12.2% (32/263) COT patients
- NHF significantly reduced post-extubation respiratory failure: 8.3% (22/264) NHF patients vs. 14.4% (38/263) COT patients
- Successfully extubated patients had a shorter:
  - Duration of mechanical ventilation (1 vs. 3 days)
  - ICU stay (2 vs. 11 days)
  - Hospital stay (9 vs. 13 days)
- NHF did **not** delay reintubation compared to COT

Journal of the American Medical Association
CASE STUDY: ESCALATION

OKLAHOMA UNIVERSITY MEDICAL CENTER
OKLAHOMA CITY, OK
Julie Fanselau, Respiratory Care Director

RESULTS

Analysis after the three-month evaluation found:

- Early intervention (with Optiflow) in patients in respiratory distress may prevent escalation
- Patients found Optiflow less stressful to wear than a bi-level mask
- Bi-level rental savings per month of $1,500 to $4,000
- RNs, RTs and MDs found it easy to set patients up with Optiflow

Average BIPAP days per month

Before | After
--- | ---
60 | 30
-50%

Disclaimer: Any clinical opinions in this Case Study are the opinions of the contributing author and are given for information purposes only. The clinical opinions are not intended as and do not substitute medical advice.
Invasive Ventilation

- Strong market share position
  - Converting market to best circuit solution
  - Better patient care
  - Improved clinician efficiencies
  - Barriers to entry

- Strong product pipeline
  - Further raise the bar
  - Enhance the clinician’s experience
  - Easier adoption across therapies

F&P 950 will be available in the US upon receipt of FDA 510(k) approval
Non-invasive Ventilation

- Improves patient comfort and compliance
- Supports better therapy outcomes
- Growing market penetration greater than underlying growth
- Strong product pipeline

F&P Nivairo will be available in the US upon receipt of FDA 510(k) approval
Steve Lacke
VP Sales & Marketing

Questions?
Guest Speaker: Dr. Robert Y. Goldberg

- Pulmonologist at Mission Hospital, Mission Viejo, CA
- Board certified in Internal Medicine, Pulmonary Medicine and Critical Care Medicine
- Medical School: Sackler School of Medicine, Tel Aviv University, Israel
- Internship: Cedars-Sinai Medical Center, Los Angeles
- Residency: Cedars-Sinai Medical Center, Los Angeles
- Fellowship: University of California Irvine, Medical Center, Irvine

Interests include asthma, COPD, lung cancer and sleep medicine, as well as the care of critically ill patients. Additionally, Dr. Goldberg has an interest in less invasive diagnostic and therapeutic procedures.

In his spare time, Dr. Goldberg enjoys spending time with his family, golfing and biking, as well as rooting for his UCLA Bruins.

Fisher & Paykel Healthcare will make a donation to the Mission Hospital Foundation and Dr Goldberg will be reimbursed for any expenses incurred in connection with his participation in today’s event.
Mission Hospital, Mission Viejo, CA

Mission Hospital is a not-for-profit combined 523-bed acute-care full-service facility with campuses in Mission Viejo and Laguna Beach, and member of the St. Joseph Health alliance. Mission Hospital Mission Viejo houses south Orange County’s only regional trauma center and only pediatric health center.

Quick Facts

- Total Beds: 523
- Total ICU Beds: 46
- Annual # Admissions: Approx 21,000
- Annual # of ER Visits: Approx 71,000
- Annual # of Births: Approx 5,200
- Regional ranked: #33 in California, #16 in Los Angeles metro area
St. Joseph Health is not-for-profit, integrated Catholic healthcare delivery system sponsored by the St. Joseph Health Ministry of The Sisters of St. Joseph of Orange, who trace their roots back to 17th century France. What began as a single 28-bed hospital in 1920, is today 15 acute-care hospitals in Northern and Southern California, West Texas and Eastern New Mexico.

<table>
<thead>
<tr>
<th>Quick Facts</th>
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<tbody>
<tr>
<td>Licensed Beds:</td>
<td>4,122</td>
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<tr>
<td>Total ICU Beds:</td>
<td>Approx 525</td>
</tr>
<tr>
<td>Annual # Admissions:</td>
<td>Approx 145,000</td>
</tr>
<tr>
<td>Annual # of ER Visits:</td>
<td>Approx 510,000</td>
</tr>
<tr>
<td>Annual # of Births:</td>
<td>Approx 25,000</td>
</tr>
</tbody>
</table>
Experience with Optiflow™ Nasal High Flow Therapy

• How Optiflow was used at Mission Hospital initially

• The impact of Optiflow on patients (ie. comfort, compliance, outcomes)

• The impact of Optiflow on the hospital (ie. patient outcomes, cost avoidance, reduction in intubation, increase in vent free days, patient satisfaction scores)

• The use of supplementary oxygen, NIV and Optiflow in the hospital

• Growing body of clinical evidence: Frat and Hernandez studies
Obstructive Sleep Apnea

- The Mask Matters Most
- Market leading mask technology
- Unique patented designs
- Growing share of new patient starts
  - Ease of use
  - Patient comfort
  - Less refits
  - Improving DME efficiencies
F&P Eson™ 2

- New RollFit™ seal
- Intuitive, easy to use headgear
- Long life washable diffuser
- Introducing VisiBlue, the use of color cues to assist with mask use and care

Will be available in the US upon receipt of FDA 510(k) approval
F&P Brevida™

- A quick and easy fit
- Innovative AirPillow™ seal
- Designed for confidence, built for comfort

Will be available in the US upon receipt of FDA 510(k) approval
OSA Market Update

- Home Sleep Testing (HST) accepted and stabilizing
- Majority of sleep diagnostics (PSG & HST) administered through traditional channel
- HST driving moderate increase in volume
- Homecare Providers adjusting to the new reimbursement environment
- DME consolidation in some regions though still a very fragmented market with >5,000 DMEs nationally
- Providers continuing to embrace patient resupply
  - Improves patient outcomes and supports a healthy financial model
COPD Challenge

- Over 15 million diagnosed and perhaps an equal number undiagnosed COPD patients in the United States

- Exacerbation of COPD is the primary cause of readmission and the increasing cost of care

- United States’ projected cost for COPD exacerbation will exceed $90 billion in 2020
  - Currently 50% of cost is hospitalization
  - Pharmaceutical interventions
Nasal High Flow Therapy in the Home

- Building a body of clinical evidence
- Developing early adopters
- Focused on vertically integrated health systems
  - Self funded
  - Risk Managed plans
  - Medicare Advantage contractors
  - Accountable Care Organizations
Steve Polgar
National Sales Manager

Questions?
Doug Coleman is CEO of Major Medical Supply, Colorado. He is also the President of the Colorado Association of Medical Equipment Services (CAMES).

Major Medical Supply was founded in 1983 and has locations in Brighton, Colorado Springs, Denver, Ft Collins, Greeley, Longmont and Loveland. Major Medical Supply is a leader in the medical supply and equipment industry and stocks a range of durable medical equipment, aids and supplies, including respiratory equipment.

Doug Coleman will be paid an honorarium for, and be reimbursed for any expenses incurred in connection with his participation in today’s event.
Lewis Gradon
Managing Director and CEO

Concluding Remarks