

To: All Invacare customers

October 17, 2023

React Health understands the need for a service and repair solution across the nation to support the installed base of Invacare products. We acknowledge the business disruption that the transition from Invacare to React Health may have caused. As such, we wanted to provide an update, and share some of the challenges that have contributed to the timing of this transition.

FDA - Invacare has been in business for many years and produced products according to the FDA requirements at the time of manufacturing. React Health, the new legal manufacturer of the products, is committed to meeting all the applicable FDA and ISO requirements. We have taken the time necessary to assure the highest level of regulatory compliance while transferring the operation from Invacare to React Health.

Supply Chain - It is no secret that the supply chain has been challenged over the last 2-3 years. React Health has been working to stand-up relationships with former Invacare suppliers, which takes time. Additionally, some suppliers discontinued items to focus on larger volume items to minimize financial impact and the disruption seen in the supply chain. Where component manufacturers desired to continue manufacturing the items needed, time to source, schedule, and produce these items has been apparent. In instances where manufacturers discontinued or no longer desired to continue to manufacture items, new vendors needed to be sourced, and their products tested/validated to ensure effectiveness of the products they were going to support.

Manufacturing - Immediately post-acquisition, the transition of inventory and manufacturing equipment was kicked off. The React Health team quickly coordinated this inventory and equipment transfer across the nation to our manufacturing facility. Upon receipt, manufacturing equipment had to be inspected, reinstalled, fixed where necessary, tested/validated, and then the manufacturing process audited by outside agencies to obtain required certifications. As assembly lines are established (both current and future state), the training of manufacturing associates has to take place before manufacturing can begin. This training is customized per manufacturing environment and needed to be created. Upon completion of the assembly process, the products go through testing and validation to ensure the product aligns with the specifications of that item. In instances of non-conformance, common among the establishment of new assembly lines, problems are investigated, solutions are developed then implemented, and are finally executed across the next round of items being produced. This process is standard across all manufactured items, and takes time to finalize to ensure the process output is always high quality product.

The three concepts detailed above are the areas which represent the transition time which has been necessary to make products and parts available as soon as possible. React Health continues to quickly address any additional challenges to expedite our return to market with the acquired Invacare parts and products. We fully

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understand our customer concerns and remain committed to working expeditiously to produce the items sought by our customers.

Update on Repairs and Service Parts

As part of React Health's management of the repair network, going forward only React Health approved Independent Repair Centers (IRCs) will be authorized to perform repairs and purchase service parts for Invacare respiratory equipment. Customers who are not an approved IRC will only have access to purchase items needed for product use, defined as consumable items.

Frequently Asked Questions

- 1. Why did React Health change the policy that was in place with Invacare? Why is React Health only selling parts to and allowing repairs by authorized IRCs?
 - React Health intends to maintain our commitment to regulatory compliance by proactively managing partnerships with approved IRCs to control the parts and processes necessary to ensure safety and efficacy of the device. This change is also driven by React Health's commitment to compliance with FDA regulations for timely complaint reporting and investigation.
- 2. Which IRCs have been approved to perform repairs on Invacare equipment?
 - This list is currently being finalized and details will be shared as soon as possible.
- 3. Specifically, which parts are deemed "service" vs. "consumable"?
 - Please see the attached crossover list of repair parts that React Health will offer. Each is identified as either service, consumable or discontinued. Note that most items sold through Invacare's parts division, The Aftermarket Group (TAG), have been discontinued. Many of these items have equivalent Invacare Service Part numbers, which are noted on the list.
 - What happens to the repair parts that non-IRCs currently have on order? Orders for "serviceonly" parts will be canceled. Our team will provide a notification of any order cancellations. Please refer to the crossover list for details.
- 4. When will React Health have parts to support IRC repairs?
 - We have some parts available now with more becoming available daily.
- 5. How will this change impact the recall on Perfecto2 V? Can DMEs still update their own concentrators?



- React Health is committed to supporting Invacare's regulatory obligations and processes surrounding this recall. We are working with Invacare to determine the best process by which to provide these kits to customers. We will share details once the plan is finalized.
- 6. How will warranty repairs be handled?
 - Going forward, React Health-approved IRCs will be authorized to process warranty claims directly with React Health. DME customers should work with the IRC of their choosing. The IRC will handle the acquisition of parts and submission of all documentation directly with React Health.
 - For repairs in-progress or performed prior to React Health-IRC authorization, or repairs performed by non-React Health-authorized entities, warranty claims shall be processed by Invacare.
- 7. How will non-warranty repairs be handled?
 - Non-warranty repairs should be handled the same way as warranty repairs. Simply put, all repairs on all products need to be performed by a React Health-authorized IRC.
- 8. Will IRCs be repairing Platinum Mobile Portable Concentrators (POCs)?
 - No, as POC parts become available, POCs will be repaired in-house by React Health. React Health will provide additional updates as parts become available. Please request to join the Invacare Update distribution list, if you haven't already done so, to receive these updates.
- 9. How can my business become a React Health-approved IRC?
 - React Health is working to establish an initial authorized IRC network.
 - At some point in the future, after React Health has had time to assess and optimize our IRC onboarding and management processes, we may consider authorizing additional repair centers. However, this will not be near term nor is it a guarantee.
 - Send an email to <u>Invacare-serviceteam@ReactHealth.com</u> to express your interest in consideration for becoming an IRC.

React Health is committed to supporting the needs of your business and is looking forward to supporting our customers with the addition of these world class products to our product offering.