

||NI|| NUHEARA

Hear that sound

2022FY Q1 Results

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Jean-Marie Rudd, CFO

27th October 2021

TIME
BEST

INVENTIONS

2020

Agenda

01	Summary of Q1 FY22	03
02	Our expanding hearing market opportunity	05
03	Financial Position	11
04	Key Priorities for Q2 FY22	13

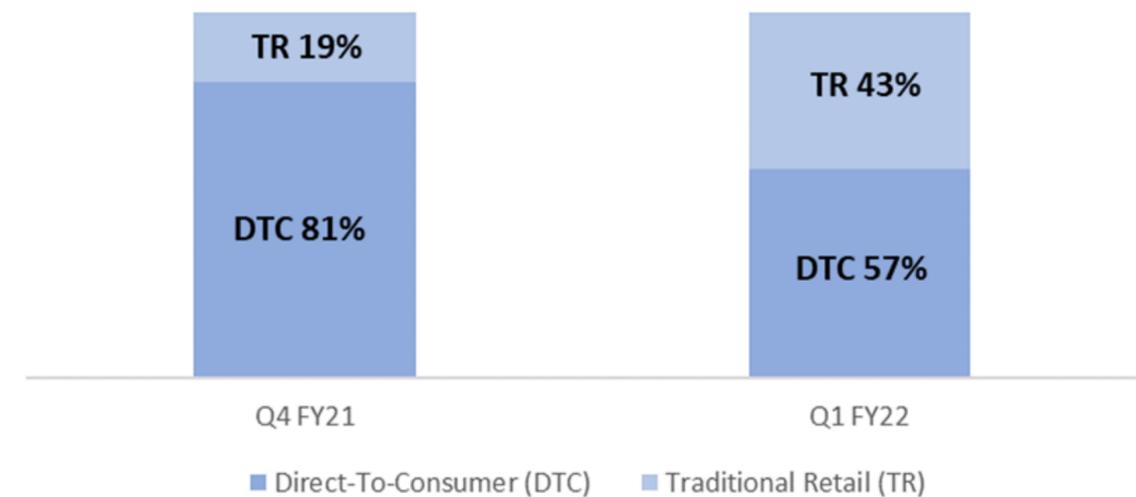


Summary Q1 FY22

Resurgent traditional retail sales underpin 112% YoY growth in cash receipts

- ✓ Strong customer receipts (\$1.1m) and invoiced sales (\$1.2m) of IQbuds² MAX & accessories
- ✓ Direct To Consumer (DTC) sales continue to deliver, particularly Australia
- ✓ Resurgent Traditional Retail sales growth in US, as retail re-opens post COVID
- ✓ Diversified sales channel has Nuheara well positioned to continue growth
- ✓ Traditional Retail sales for October 2021 already exceed total for Q1 FY22
- ✓ Preparing to further scale as a medical device company, with clinical trials of self-fit hearing aids backed by new US OTC hearing legislation

Invoiced Sales by Channel



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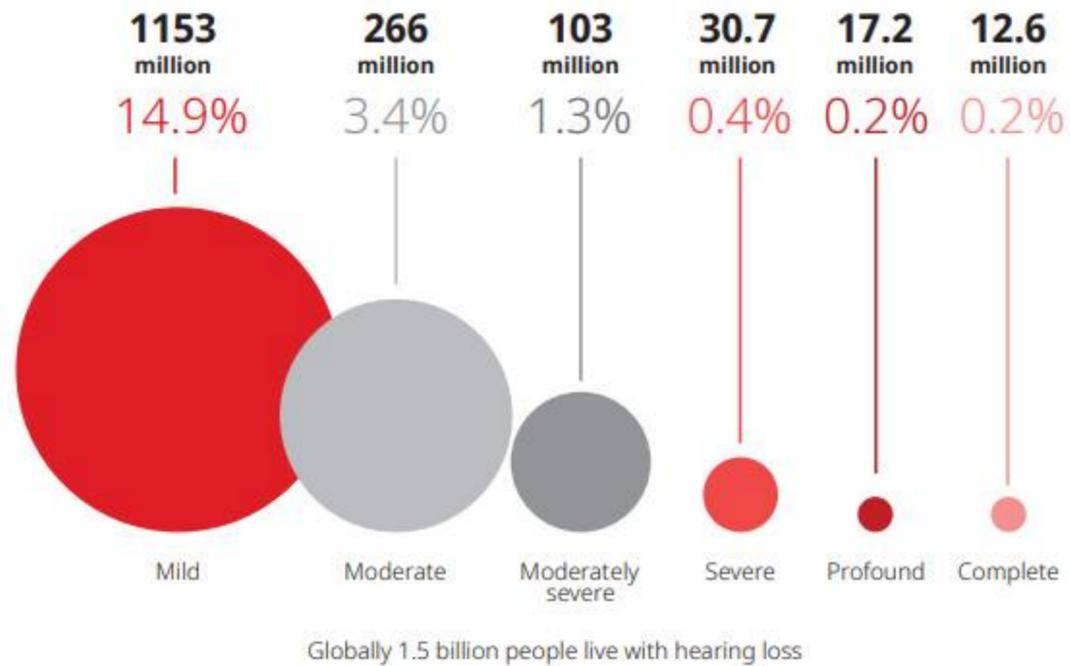
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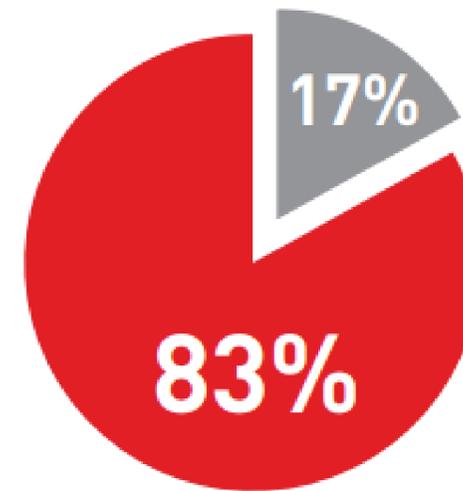
The hearing market opportunity for Nuheara

Meeting the unmet global need in hearing health

01 20% of global population have hearing loss



02 Massive gap in global hearing aid use

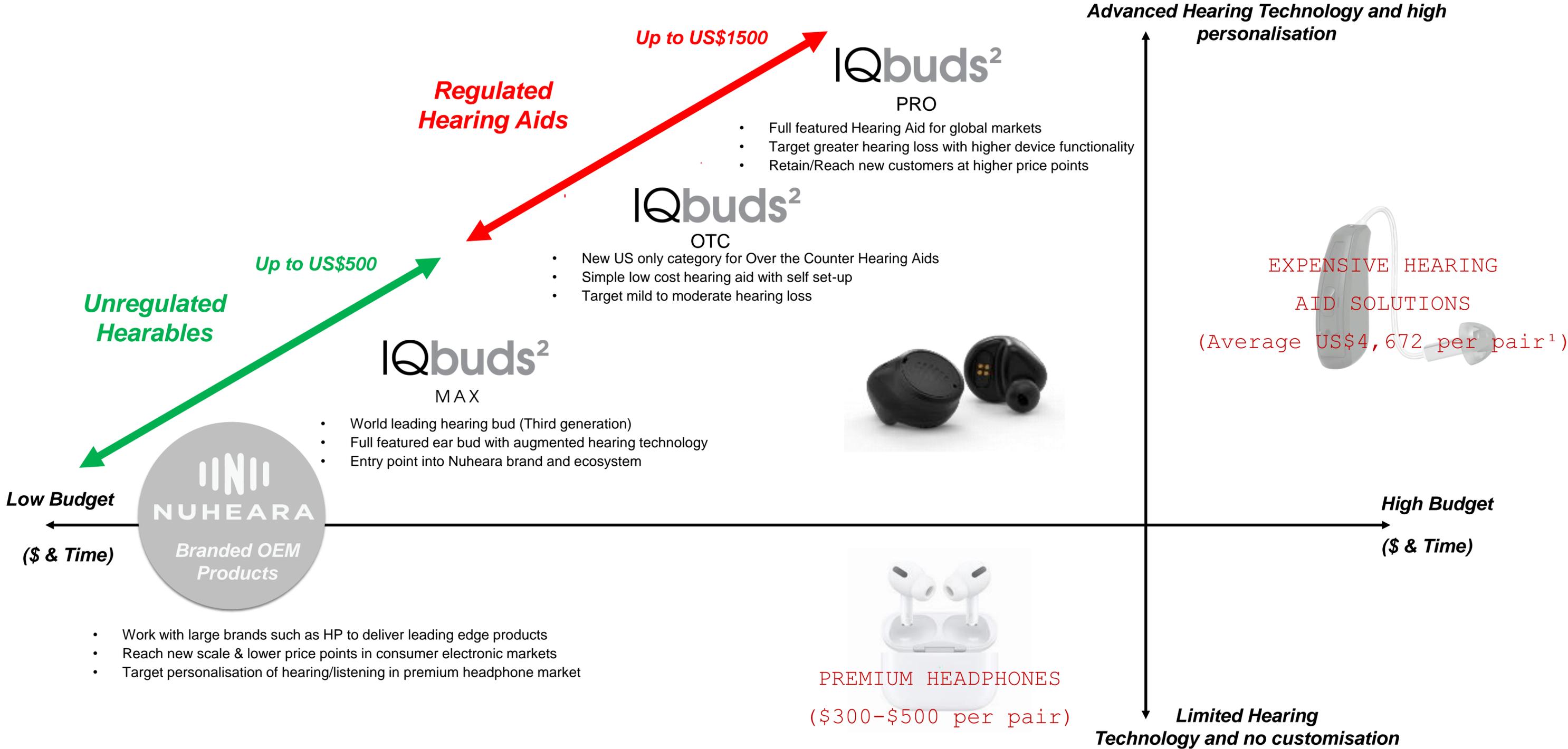


- ✓ Of the 400 million with moderate to severe hearing loss only 17% have hearing aids
- ✓ Gap range is consistently high in all parts of the world, ranging from 77% (Europe) to 90% (Africa), and from 74% to 91% across all income levels
- ✓ Negligible penetration of hearing aid use for those 1.1 billion people with mild hearing loss

Sell innovative products with self-fit technology to meet the varying hearing needs of consumers

Smart Hearing with Hearables and Hearing Aids

Deliver hearing innovation, with features tailored to varying consumer needs, across increasing price points



Source 1: Technological Advancements in the Hearing Aid Industry, Ahlstrand and Green, 2021



Nuheara enters the regulated hearing aid market

How 7 years building hearables category will overcome the barriers to entry for hearing aids

TRADITIONAL HEARING AIDS

TECHNOLOGY

Supporting the ear is hard, as everyone's hearing is unique. R&D is expensive and time consuming. Technology is difficult to support increasingly diverse needs.

DISTRIBUTION

Audiology clinic driven. B2B with limited Hearing Aid manufacturers, who also now own an increasing percentage of retail clinics

REGULATION

Hearing Aids are a very specialized field with limited manufacturers supplying into heavily regulated markets around the world.

Entry barriers to US\$8 billion+ p.a.² hearing aid device market



5 companies hold greater than 90% of global hearing aid manufacturing market¹

sonova
HEAR THE WORLD

Demant

GN

WSAudiology

Starkey
Hearing Technologies



NUHEARA

TECHNOLOGY

7 years of R&D and 3 generations of IQbuds in market, has provided a rich technology set and the experience to deliver the right hearing solutions.

DISTRIBUTION

Empowering the consumer to control their own hearing healthcare journey with DTC engagement model and the right self-help technology features.

REGULATION

Regulations have now changed. With our extensive track record, experience and user base, we have commenced clinical trials to validate the technology and products as a hearing aid for global registrations.

US only OTC Hearing Aid category for mild to moderate hearing loss that potentially lays the foundation for change in other countries.

US FDA issues landmark proposal for OTC Hearing Aids

What this New hearing aid category means to Nuheara

- ✓ Levels playing field with big 5 hearing aid companies – 501K required now for all OTC hearing aids
- ✓ OTC significantly opens up regulated points of distribution to the consumer – DTC, Consumer Electronics Retailers, Pharmacy Chains, Big Box
- ✓ Nuheara has existing relationships with major players (Best Buy, Walgreens, Amazon)
- ✓ New service models will move away from hearing clinics to telehealth and beyond – Nuheara is building out this new model
- ✓ Self-fit technology will dominate OTC product innovation. Nuheara is a pioneer in this with EarID since 2018



Nuheara clinical trial

The process and timing

- ✓ Clinical trial for self fit hearing aid already commenced designed for international regulatory approval
- ✓ Clinical trial being conducted by internally renowned National Acoustics Labs (NAL)
- ✓ In parallel completing Cytotoxicity testing, UL certifications and ISO 13485 medical device standards
- ✓ Expected trial completion early 2022, with submission by end of Qtr. 1
- ✓ First submission is for USA FDA 501K with a 3325 Self Fit Hearing Aid (Bose Predicate)
- ✓ 3325 Submission will allow Nuheara be one of the first Self-Fit Hearing Aids ensuring first mover advantage after Bose.
- ✓ 3325 will ensure Nuheara has a smooth transition to the OTC category in September 2022 when first new OTC products can enter the market.

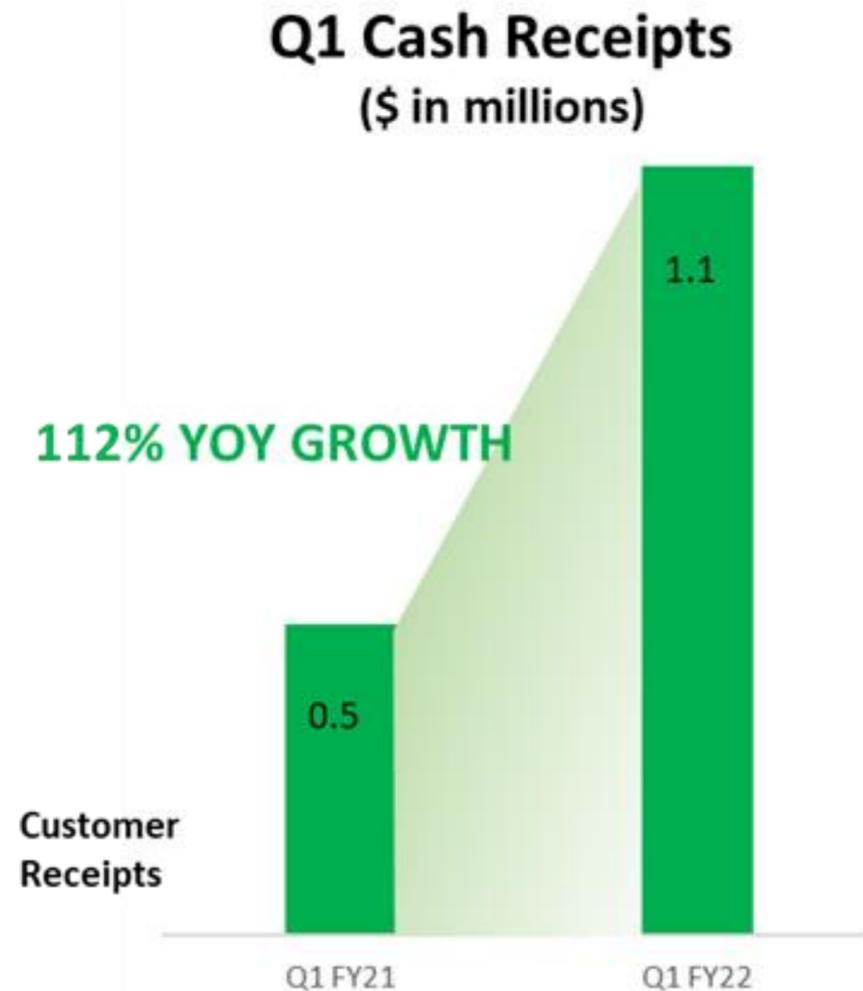


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Strong financial position supports our growth initiatives



✓ Strong first quarter performance

- \$1.1m in customer receipts
- \$1.2m invoiced product sales revenue
- 20% increase in Average Selling Price to \$478 from FY21 average \$405
- Maintaining circa 50% product Gross Margins

✓ Solid balance sheet

- \$3.7m in cash with no debt
- \$1.7m R&D tax rebate expected Q2 FY22

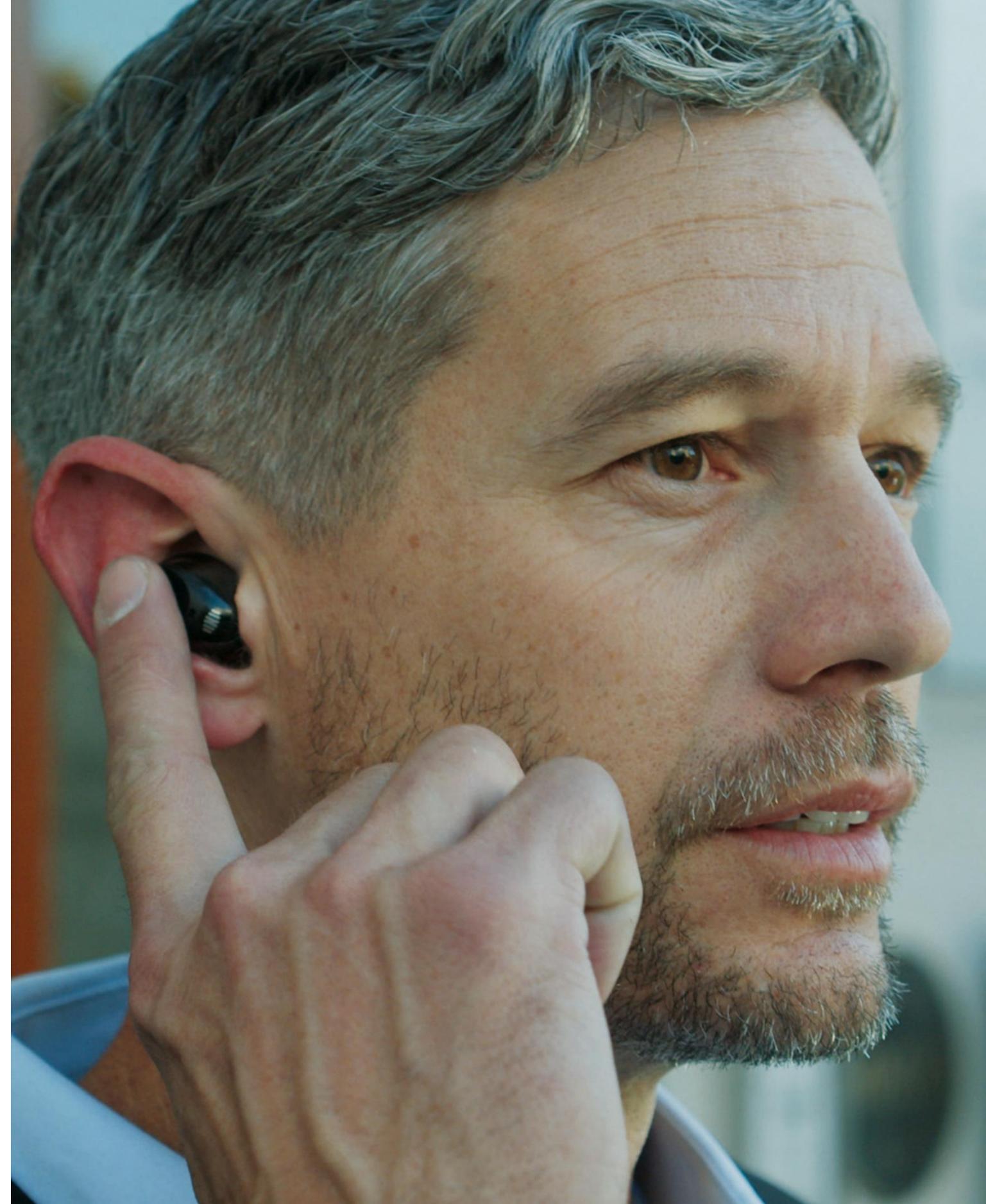
✓ Investing to continue growth trajectory

- Strong inventory levels provide solid foundation to deliver growth in Q2 FY22, seasonally the largest quarter of the year
- Additional investment in R&D to drive new product lines and accreditation as medical device company – 34% increase on Q1 FY21
- Continues to highlight that we are scaling appropriately and affordably
- Strategically positioned to capitalize on the unregulated and regulated OTC Hearing Aid category opportunity



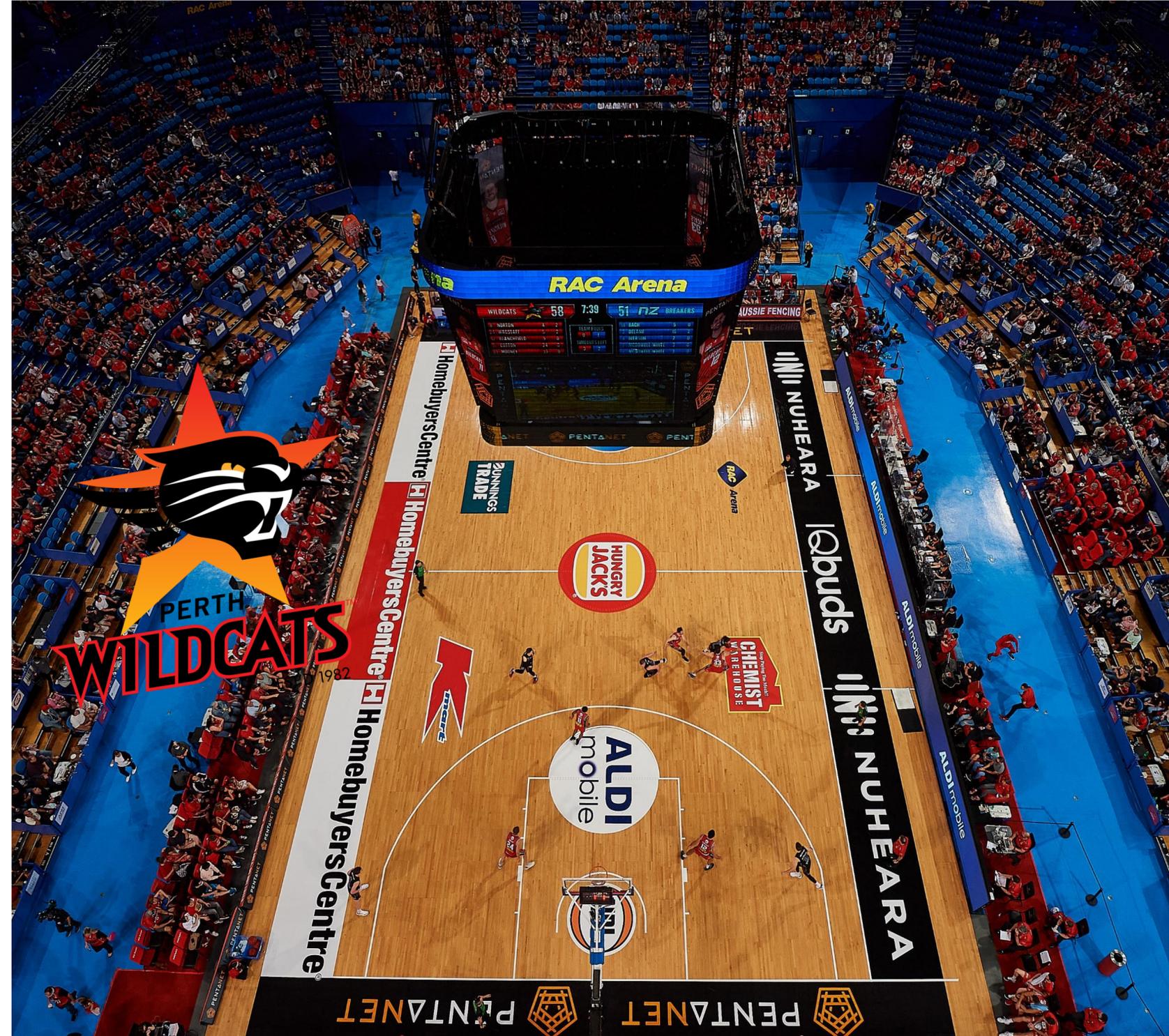
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Key Priorities for Q2 FY22

- ✓ Maintain the growth in DTC sales of IQbuds² MAX and accessories with new campaigns, across multiple geographies
- ✓ Broaden the geographical reach and continue to improve the sell through of traditional retailers
- ✓ Increase shipping of OEM products
- ✓ New hearing aid product developments, backed by new OTC regulation, to broaden hearing customer reach and maximise sales opportunities
- ✓ Gain consistent returns from the diversified revenue streams offered by each of the omni sale channel pillars



CHANGING THOUSANDS OF LIVES AROUND THE WORLD

INI NUHEARA
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SCOTT - RETIRED POLICEMAN CAN

BRANDON - FUNERAL DIRECTOR USA

SCOTT - RETIRED POLICEMAN CAN

MARINO - TV EDITOR CAN

MARTY - DISC GOLFER USA

VIOLET - STUDENT USA

MARK - CYBER SECURITY USA

ANA - MUM USA

MIKE - VETERAN COUNSELLOR USA

CLIVE - VOICE TECH UK

LEWIS - PLUMBER UK

CARSTON - SALES GER

PHLO - SINGER AUS

VENERO - WRITER AUS

MARK - CEO AUS

MICHAEL - TELEHEALTH AUS

LESLIE - WRITER AUS

ILAN - ARCHITECT NZ

QUESTIONS?

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