

ASX Announcement

Release Date: 29 August 2023

NUHEARA ACCELERATES US EXPANSION WITH SEVERAL RETAILERS, INCLUDING WALMART

Over 5,000 US stores to retail HP Hearing PRO before the end of CY2023

HIGHLIGHTS

- **Walmart:** Nuheara's HP Hearing PRO in over 4,000 stores from October 2023
- **Best Buy:** Increasing to 600 stores over coming months with other retailers to follow
- **Increasing affordability and accessibility to broaden reach:** With distribution materially increased, Nuheara reduces HP Hearing PRO consumer price point
- **New generation single chip hearing aid** expected to be launched at the US Consumer Electronic Show (CES) in January 2024

PERTH, AUSTRALIA: Medical device and consumer electronics manufacturer, Nuheara Limited (ASX:NUH) (Company or Nuheara) is pleased to announce the acceleration of its expansion in the United States (US) through a materially increased distribution footprint, technology advancements and more attractive consumer pricing.

Since inception, Nuheara has been focused on providing affordable and accessible hearing devices to those people that can't afford traditional expensive solutions. The Company's refreshed growth strategy has focused on substantially increasing retail points of sale, while continuing to enable direct to consumer channels. In line with this strategy, Nuheara HP Hearing PRO will be sold in over 5,000 stores across North America before the end of this calendar year, and the Company has moved to a highly affordable and accessible price point of US\$499 for its US FDA approved hearing aid.

Over 4,000 Walmart stores to sell Nuheara HP Hearing PRO

Nuheara has been selected by Walmart, the world's largest retailer, to provide its US FDA approved self-fit Over-The-Counter (OTC) hearing aids in Walmart retail stores.

This will be the first time that Nuheara's products are deployed in Walmart, and comes at a time when OTC hearing aid accessibility and affordability is being recognised as pivotal in the medical hearing device market.

Initially, HP Hearing PRO by Nuheara will be on display at over 4,000 Walmart retail stores for purchase in the United States. Nuheara is currently working with Walmart on in-store displays, and product deployment is planned for October 2023 in preparation for the holiday period covering Thanksgiving and Christmas.

300 more Best Buy stores with more retailers to follow

In addition to the Walmart expansion, Nuheara HP Hearing PRO will also be available in 600 Best Buy stores by October (from 300 in June 2023).

In addition, Nuheara is engaged with other retailers and expects to commence sales in further stores before the end of this calendar year.

Accessibility and affordability for US consumers to be enhanced by new price point

In conjunction with this substantial increase in distribution footprint for Nuheara HP Hearing PRO, to further enhance accessibility and affordability to US consumers, Nuheara will be reducing its consumer retail pricing to US\$499.

With first mover advantage in the newly created medical device market for US FDA approved OTC self-fit hearing aids, Nuheara wants to ensure that the addressable market for its products is as wide as possible, while quickly building momentum as more retailers, pharmacies and health care networks look to provide these products to their customers and consumer adoption is accelerated.

New single chip hearing aid expected to be launched at CES 2024

Over the last 18 months Nuheara and Realtek have invested heavily to design and implement a single chip solution, creating a lighter and more functional hearing aid and a lower cost of production. This new single chip feature is expected to be launched by Nuheara as its Generation 4 product at the US Consumer Electronic Show (CES) in January 2024.

As well as providing enhanced consumer benefits and features, the Generation 4 product with a single chip (instead of four), will have a lower cost of production that is expected to offset the reduced price point of the HP Hearing PRO.

Managing Director and Co-founder of Nuheara, Justin Miller said:

“One of the proudest moments for our Company is being selected by Walmart to provide our life-changing US FDA approved medical device hearing aids to Walmart customers.

“Walmart is the largest retailer in the world. Expanding Nuheara’s retail footprint into more than 4,000 Walmart stores in the US will be a significant game-changer in providing affordable and accessible medical grade, over the counter hearing aids to US consumers.

“It has taken 12 months since the OTC regulation was passed into law, but US retailers are now shifting into gear to provide their customers with FDA approved OTC medical hearing aids. Nuheara has been ahead of the curve on this, and our first to market strategy has given us a first mover advantage, in what will ultimately be a huge market.

“A key driver of success in this new market will be delivery of leading product that is affordable and accessible to consumers. We are encouraged by the endorsement we have received from Walmart and other retailers in the US that our product and pricing can deliver what their customers need and ultimately drive success for Nuheara.”

Distribution:

- HP Hearing PRO by Nuheara available in over 4,000 Walmart stores from October 2023
- HP Hearing PRO by Nuheara has been available in 300 Best Buy stores since June 2023, and will be available in 600 Best Buy retail stores by October 2023
- Nuheara is expecting to have over 5,000 points of sale (ie retail stores) in the US before the end of this calendar year.
- In light of Nuheara’s direct relationship with Walmart, the Company has terminated its previously announced MOU with Innerscope (ASX release of 12 December 2022).

Technology:

- Nuheara collaboration with Realtek over the last 18 months has led to a single chip solution.
- Nuheara and Realtek have invested heavily to design and implement this single chip solution, creating a lighter and more functional product and a lower cost of production that will offset the reduced pricepoint of the Nuheara HP Hearing PRO.
- Nuheara expecting to launch its 4th generation medical device hearing aid (GEN4) at the US Consumer and Electronic Show (CES) in January 2024.
- GEN4 will provide game changing hearing and audio integration with its single chip and advanced features.

Pricing:

- Nuheara adapts HP Hearing PRO pricing to increase affordability and accessibility, and accelerate US consumer adoption, signalling new price points as part of Walmart launch.
- Nuheara HP Hearing PRO will move to US\$499 on Walmart deployment.
- US retailers are being incredibly selective with the OTC products they are choosing to feature and Nuheara HP Hearing PRO continues to be consistently selected for the launch of this new retail medical device category.

-ENDS-

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ABOUT NUHEARA

Nuheara is a global leader in smart hearing technology which change people's lives by enhancing the power to hear. As a global pioneer in Hearable products, Nuheara developed proprietary, multi-functional, personalised intelligent hearing devices that augments a person's hearing. Nuheara is headquartered in Perth, Australia and was the first consumer wearables technology company to be listed on the Australian Stock Exchange (ASX).

In 2016, the Company released its revolutionary wireless earbuds, IQbuds, which allow consumers to augment their hearing according to their personal hearing preferences. In 2020 Nuheara released its third generation IQbuds² MAX, recognised by Time Magazine as one of the Best Inventions of the year. In 2021, Nuheara transformed its operations to include medical device manufacturing for its hearing aid products to meet global demand for mild to moderate hearing loss. Nuheara products are now sold Direct to Consumer (DTC) and in major consumer electronics retailers, professional hearing clinics, pharmacies and speciality retailers around the world.

In October 2022, Nuheara received an FDA 510(k) certification for its self-fit hearing aid, having previously signed a worldwide trademark licensing agreement with HP Inc to sell Nuheara hearing aid products under the HP brand name.

The Company's mission is to transform the way people hear by creating smart hearing solutions that are both accessible and affordable. For further information, please visit <https://www.nuheara.com/>.