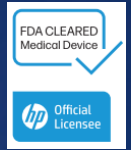




# ASX Announcement

Release Date: 22 May 2024



## Nuheara Strategic Review update including variation of employment terms for Managing Director and CEO

**PERTH, AUSTRALIA: Nuheara Limited (ASX:NUH) (Nuheara or the Company)** is pleased to provide an update on the Company's Strategic Review process announced on 9 April 2024.

As part of this process the business is shifting its strategy and is currently restructuring its investment levels, including limiting new production and marketing spend, with a prioritisation on the completion of the new chip development with Realtek and the next generation of the HP Hearing PRO product. The Company has also undertaken a review of resourcing levels and all costs associated with these resources. Accordingly, while this reduced investment will limit sales and revenue of current generation product, it reduces the level of additional external capital expected to be required to complete the Strategic Review process.

The Strategic Review is ongoing, including active discussions with multiple potential M&A partners. Azure Capital Pty Ltd is advising the Company with the Strategic Review.

In an effort to streamline resources and limit cash costs, the Company is pleased to announce that Mr Justin Miller, Managing Director and CEO of Nuheara, has agreed to a temporary variation to his terms of employment with the Company in a manner which aligns his remuneration package with shareholder interests.

Pursuant to the variation, Mr Miller has agreed to a 60% reduction of his monthly salary from 16 April 2024 until the end of the Company's Strategic Review process. Mr Miller's remuneration package prior to the temporary variation to the terms of his employment conditions was \$407,200 per annum (excluding statutory superannuation). For the duration of the Company's Strategic Review, Mr Miller's remuneration package will be \$162,880 per annum (excluding statutory superannuation).

All other terms of Mr Miller's employment with the Company remain the same.

In consideration for Mr Miller agreeing to the temporary variation to his terms of employment with the Company and to recognise the importance of Mr Miller to the success and future of the Company, the Company is proposing to issue 5,429,334 performance rights to Mr Miller (and/or his nominees). The performance rights would only vest and be convertible to shares on successful completion of an M&A transaction. The issue of performance rights to Mr Miller will be subject to a resolution seeking shareholder approval at the Company's upcoming general meeting to be held on Monday, 24 June 2024. Please refer to the Notice of Meeting announced on ASX today for further details.

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To preserve the cash reserves of Nuheara, the Company will also seek shareholder approval at the Company's upcoming General Meeting to enable certain directors of the Company, including Mr Miller, to salary sacrifice a portion of their cash salary or directors' fees (as applicable) for shares in the Company.

The Company's shares are currently in a trading suspension pending the lodgement of its half yearly financial statements. Given the ongoing Strategic Review, the Board has determined that following the release of the financial statements, it will request from ASX a voluntary suspension of trading pending the conclusion of the Strategic Review.

**-ENDS-**

This announcement was authorised for release by the Board of Directors of Nuheara Ltd.

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#### **ABOUT NUHEARA**

Nuheara is a medical device company with smart hearing technology, designed to change people's lives by enhancing the power to hear. As a global pioneer in Hearable products, Nuheara has 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 IQbuds<sup>2</sup> 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 April 2022, Nuheara submitted an FDA 510(k) for its self-fit hearing aid and signed a worldwide trademark licensing agreement with HP Inc to sell its 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/>.