



ASX MARKET RELEASE

Nuheara Investor Webinar

06 February 2020 – Perth Australia

Nuheara Limited (**ASX: NUH**) (**Company or Nuheara**), transforming the way people hear by creating smart hearing solutions that are smart and affordable, is pleased to provide the following presentation to be delivered at a Company Investor Webinar session on **Thursday 6 February 2020 at 8.30am AWST**.

The presentation provides a general update on recent Company activities and developments including the launch of IQbuds² MAX and the subsequent successful IQbuds² MAX pre-order campaign, which has resulted in January 2020 being the Company's best ever recorded sales month.

An audio recording of the webinar will be available on the Nuheara website shortly after the session.

-ENDS-

This announcement has been approved for release by Nuheara Managing Director & CEO, Mr. Justin Miller.

CONTACTS

Media and Investor Relations:

Shane Murphy, FTI Consulting

Office: +61 8 9321 8533

email: shane.murphy@fticonsulting.com

Mobile: +61 420 945 291

ABOUT NUHEARA

Nuheara is a global leader in smart personal hearing devices which change people's lives by enhancing the power to hear. Nuheara has developed proprietary and multi-functional intelligent hearing technology that augments a person's hearing and facilitates cable free connection to smart devices. Nuheara is based 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 and connect hands free with their voice-enabled smart devices. Nuheara products are now sold online and in major consumer electronics retailers, professional hearing clinics and optical chains around the world.

The Company's mission is to transform the way people hear by creating smart hearing solutions that are both accessible and affordable.

Learn more about Nuheara: www.nuheara.com

For personal use only



NUHEARA

Hear's to Life

INVESTOR WEBINAR

6TH FEBRUARY 2020

JUSTIN MILLER
CEO & CO-FOUNDER



DISCLAIMER

This presentation has been prepared by Nuheara Ltd (“Nuheara”). The information contained in this presentation is a professional opinion only and is given in good faith. Certain information in this document has been derived from third parties and though Nuheara has no reason to believe that it is not accurate, reliable or complete, it has not been independently audited or verified by Nuheara. Any forward-looking statements included in this document involve subjective judgement and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and may be unknown to, Nuheara. In particular, they speak only as of the date of this document, they assume the success of Nuheara’s strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties and risks.

Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Recipients of this document (Recipients) are cautioned to not place undue reliance on such forward-looking statements. Nuheara makes no representation or warranty as to the accuracy, reliability or completeness of information in this document and does not take responsibility for updating any information or correcting any error or omission which may become apparent after this document has been issued.

To the extent permitted by law, Nuheara and its officers, employees, related bodies corporate and agents (Agents) disclaim all liability, direct, indirect or consequential (and whether or not arising out of the negligence, default or lack of care of Nuheara and/or any of its Agents) for any loss or damage suffered by a Recipient or other persons arising out of, or in connection with, any use or reliance on this presentation or information.

This presentation is not an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this presentation nor anything in it shall form the basis for any contract or commitment whatsoever.

All amounts in Australian dollars unless stated otherwise.



BOARD & MANAGEMENT

BOARD OF DIRECTORS

	The Hon. Cheryl Edwardes AM Non-Exec Chairperson	<ul style="list-style-type: none">▪ Company director and Chair of multiple ASX Boards, private companies and not-for-profits▪ Former Attorney General for Western Australia
	Mr Justin Miller Managing Director	<ul style="list-style-type: none">▪ Co-founder, Managing Director and CEO▪ Co-founder & CEO Empired (ASX:EPD) & Sensear
	Mr David Cannington Executive Director	<ul style="list-style-type: none">▪ Co-founder, Executive Director and CMO▪ 25+ years global sales and marketing experience
	Ms Kathryn Foster Non-Exec Director	<ul style="list-style-type: none">▪ Non-Executive Director▪ 20+ years experience Senior Director of Microsoft managed 232 geographies for xBox
	Mr David Buckingham Non-Exec Director	<ul style="list-style-type: none">▪ Non-Executive Director▪ Former CEO of ASX200 companies iiNet and Navitas

Advisory Board:

Nuheara is also guided by an advisory board, comprising Mr Joel Beilen (Chief Advisor – Audiology, Ex-Sivantos, Siemens) and Mr Brian Hall (Ex Microsoft, Doppler Labs)

EXECUTIVE TEAM



Chief Executive Officer
Mr Justin Miller



Chief Financial Officer
Ms Jean-Marie Rudd



Chief Marketing Officer
Mr David Cannington



Chief Product Officer
Dr. Alan Davis



Chief Operations Officer
Ms Michelle Halle

COMPANY DETAILS

ASX Ticker	NUH
Ordinary Shares on issue (m)*	1,082
Unlisted Options (m)	45
Share Price \$ (AUD) 4 Feb 2020	0.029
Market Capitalisation \$m (AUD)	31.4
Debt \$m (AUD) 31 Dec 2019	-
Cash \$m (AUD) 31 Dec 2019	3.4*

* Does not include \$2.5m Convertible Note announced 24th January 2020



OUR OPPORTUNITY

Provide smart, affordable
& MULTI-PURPOSE
hearing solutions to the
people who are not being
serviced with traditional
hearing solutions today.



Hear
loss
servi
unsu
more

Ve
yo

Hear
for u
don't

Hi
He
los
ser
un
mo

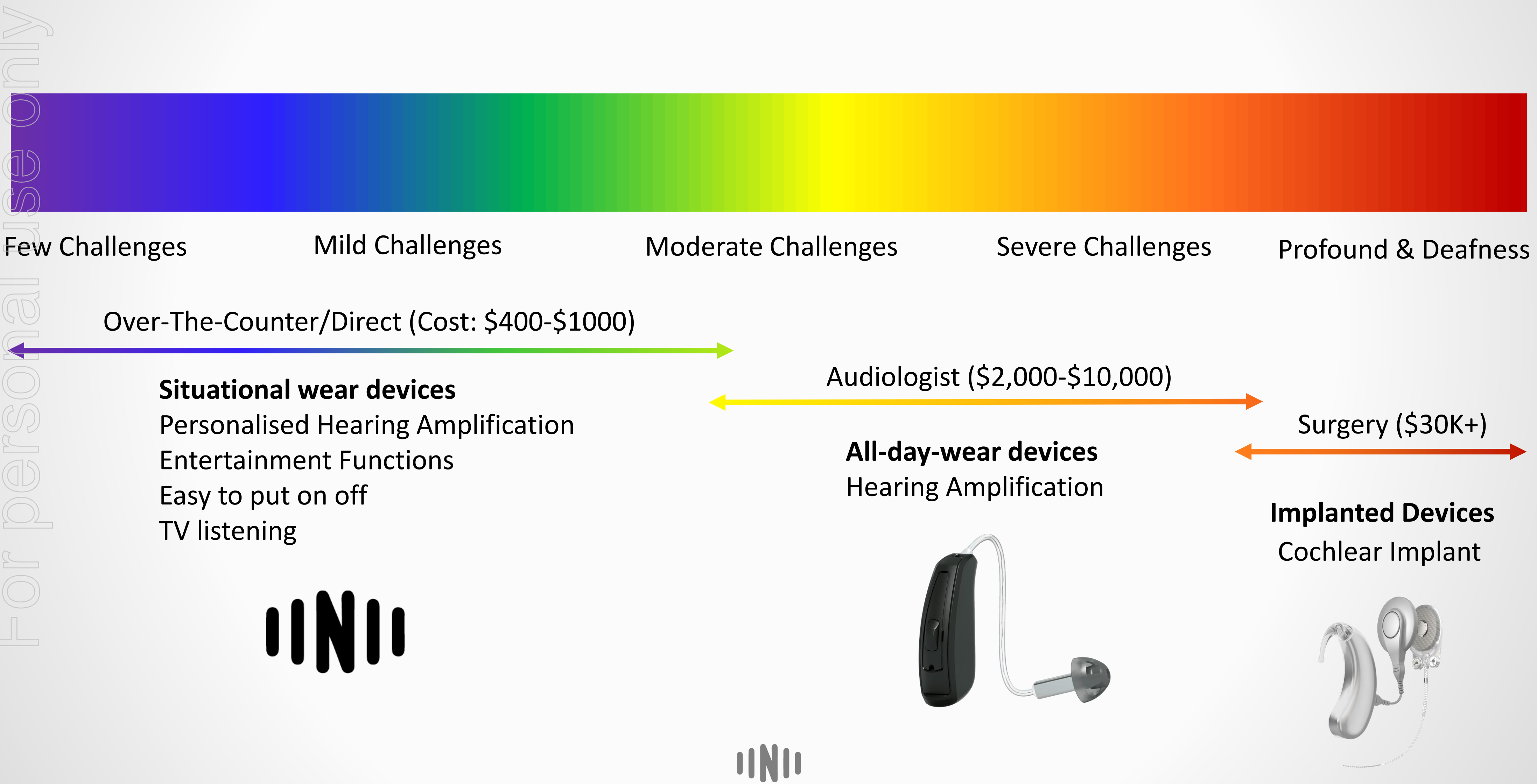
He
for
do



"90% of people with mild to moderate loss are not being catered for, representing more than 30 million people in the US alone."

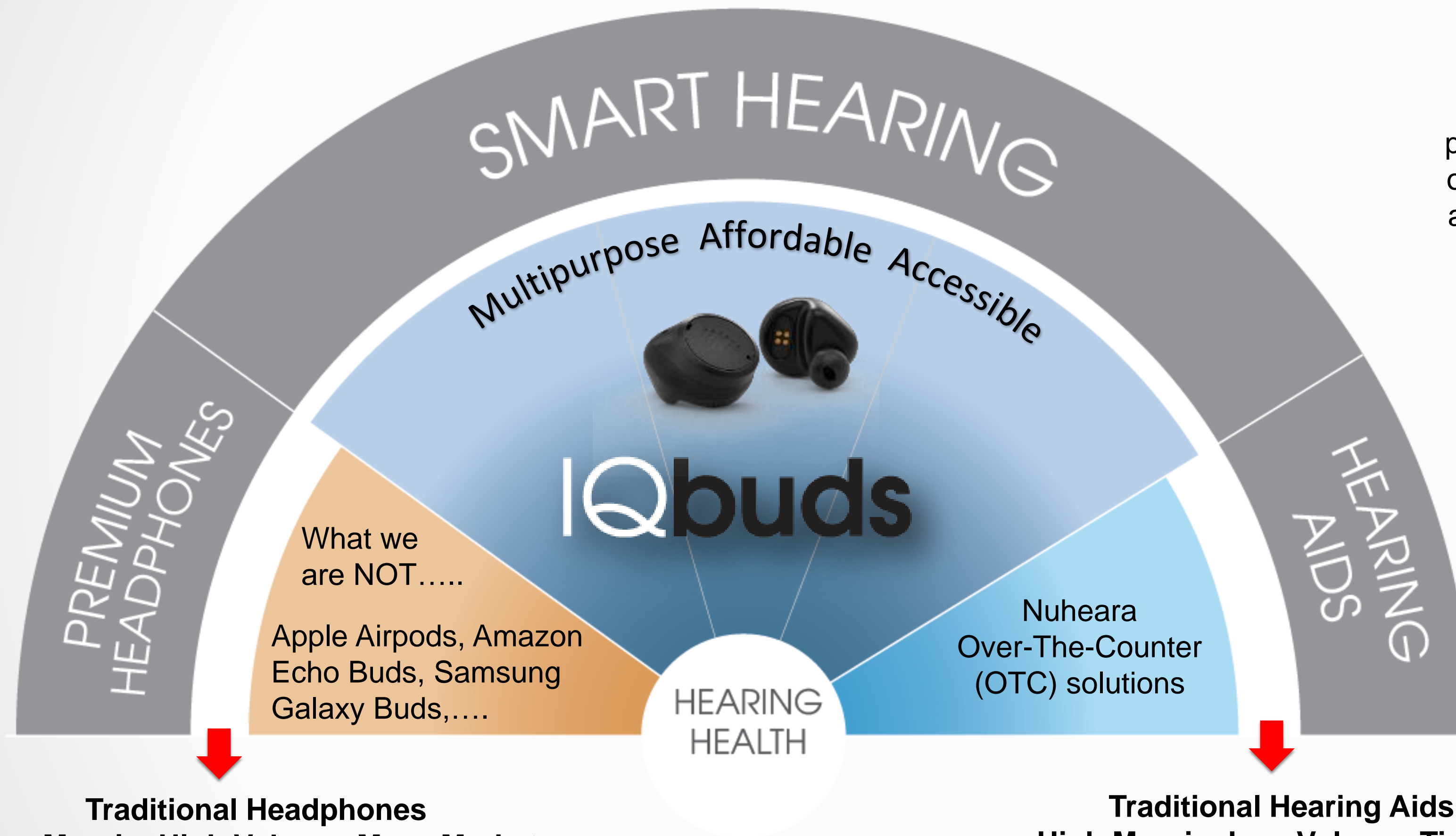
HEARING SPECTRUM

DIFFERENT HEARING ABILITIES NEED DIFFERENT SOLUTIONS



MARKET OPPORTUNITY – FILL THE VOID

NUHEARA CREATING A NEW CATEGORY OF HEARING DEVICES



In August of 2017, the US president officially signed a new over-the-counter (OTC) hearing aid legislation into law, with it to be in effect by 2020.

OTC will create new product possibilities for Nuheara

Nuheara's current hearing products have first mover advantage to support OTC:

- Self-Assessing (EarID)
- Self-Fitting
- Auto configurable (NAL-NL2)
- Already sold in broader retail

Traditional Headphones

Low Margin, High Volume, Mass Market

- 300+ Million devices sold p.a.
- \$8billion p.a. market
- True Wireless now price driven, race to bottom

Traditional Hearing Aids (HA)

High Margin, Low Volume, Tight Market

- 13 Million devices sold p.a.
- \$10billion p.a. market
- 5 companies have 95% of global HA market



MARKET OPPORTUNITY - OUR CUSTOMER

SALES ARE CONSISTENT WITH OUR TARGET MARKET

With 40,000+ pairs of IQbuds sold today, our customers (average age of 54) are showing they are not “quite ready” for a hearing aid:

Nuheara addresses barriers to purchase of hearing aid:

1. Different value proposition to a Hearing Aid
2. Lower cost
3. Simple purchase at online/retail and self-setup
4. No stigma, more like a Bluetooth headphone

Nuheara addresses limited use case of hearing aid:

1. Many reasons to put them in your ears
2. Many use cases beyond hearing assistance (sport, phone, media streaming, TV)
3. Situational devices not designed to be worn all day

“Nuheara is now reaching its hearing customers, on average, 18 years in advance of hearing aid users”



MARKET OPPORTUNITY – HOW IT HAS DEVELOPED

THE EVOLUTION OF PRODUCT AND SALES CHANNELS



OUR STRATEGY - PATH TO MARKET

COMMERCIALISATION SEQUENCE AND WHERE WE ARE NOW



OUR FOCUS - SMART HEARING/HEARABLES

HOW NUHEARA IS EFFECTING GLOBAL HEARING HEALTHCARE CHANGE

Accessibility

From back street clinics to main street retail

Optical, online, pharmacy, specialty & big box retail are now selling hearing devices. Sales are no longer exclusive to manufacturer owned & operated hearing clinics. Nuheara now sold **40,000+ pairs** of IQbuds range plus accessories.

Government Support

Contracts for fully subsidized Nuheara products

Nuheara products secured on Australian Government Hearing Services Program (HSP) for hearing challenged and National Disability Insurance Scheme (NDIS) for Autism sufferers. Also National Health Service (NHS) in Scotland and Northern Ireland for hearing challenged.

Affordability

IQbuds - 10% cost of average pair hearing aids

Unbundling of services, online sales competition, new technology and retail diversity allows us to drive down the cost of hearing devices

Multipurpose

Stream media, make phone calls & provide hearing assistance

Nuheara's innovation and new technologies are creating more variety & multi-functionality for **situational** hearing products

Research & Technology

World leading hearing research

Focus research attention to large population bases that are not adequately serviced by current technology and products.

Legislation Changes

Regulators supporting Nuheara model

Over-The-Counter (OTC) hearing devices in USA will provide accessible and affordable hearing healthcare to millions of people who might not otherwise seek or afford hearing assistance. Lays foundation for global change.

Patient-centered Care

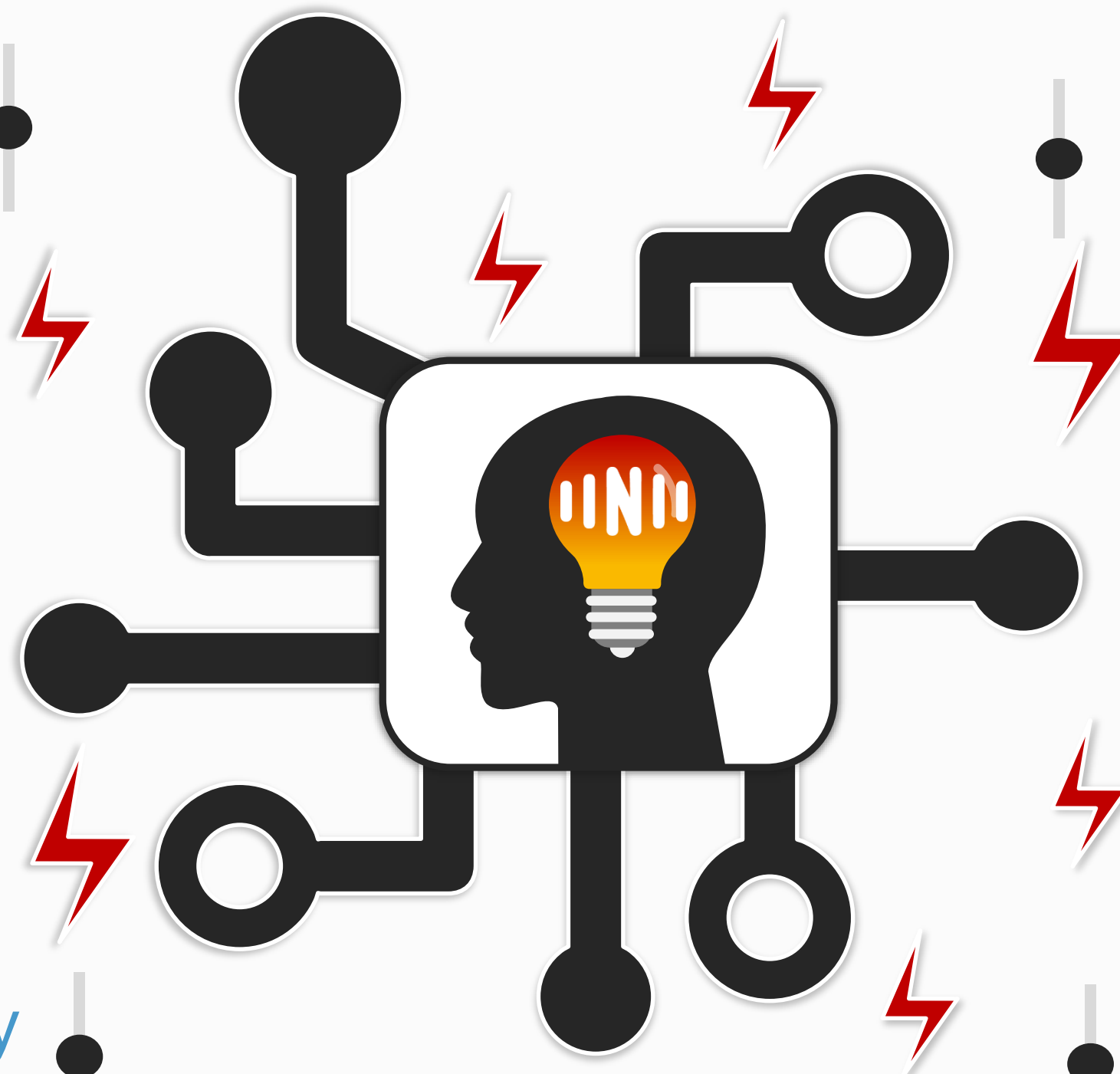
Nuheara places hearing decision making in hands of consumer

Away from clinics, Nuheara allows people to take control of their own hearing healthcare journey with Self Assessment, Self-fitting and Auto-configuration tools.

Form Factor

Looks like an ear bud NOT a hearing aid

The proliferation of wireless earbuds has made ear-ware fashionable and the prospect of hearing buds, rather than prosthetic hearing aids, very real.



OUR SALES STRATEGY

HEARING HEALTHCARE FOCUS

Nuheara's consolidated customer hearing offering aims to specifically target the underpenetrated mild to-moderate hearing loss market, addressing the issues faced by traditional hearing aid products.

Access Sales Channels	Industry Trends	Over-The-Counter (OTC) Hearing	Government Endorsed Channels
<ul style="list-style-type: none">■ Nuheara has 3 years of global non-clinic hearing retail experience■ Big consumer electronic partners continue hearing push - Best Buy introduce Nuheara Hearing Kiosks in North America■ Optical chain hearing penetration in Europe■ Direct to Consumer growth■ Independent audiologists	<ul style="list-style-type: none">■ Hearing customers want more control of their healthcare journey■ First level hearing healthcare is moving to main street and away from stand alone clinics■ Hearing healthcare already being serviced by Big Box, Pharma and Optical chains■ Direct-To-Consumer (DTC) and online sales are increasing	<ul style="list-style-type: none">■ OTC represents further broadening of retail opportunities but only with adequate self serve hearing solutions■ OTC Hearing Aid Specification due to be published by FDA in early 2020■ Nuheara positioned well (in comparison to hearing aid manufacturers) to push further up valuation chain with an OTC product offering	<ul style="list-style-type: none">■ Nuheara contracted as an approved supplier to the Australian Government's HSP and NDIS contracts for hearing■ IQbuds BOOST & IQstream TV now (from July 1, 2019) bundled offering on HSP■ Independent audiologist support■ IQbuds BOOST selected as a hearable solution in UK's NHS hearing program for Scotland and Northern Ireland



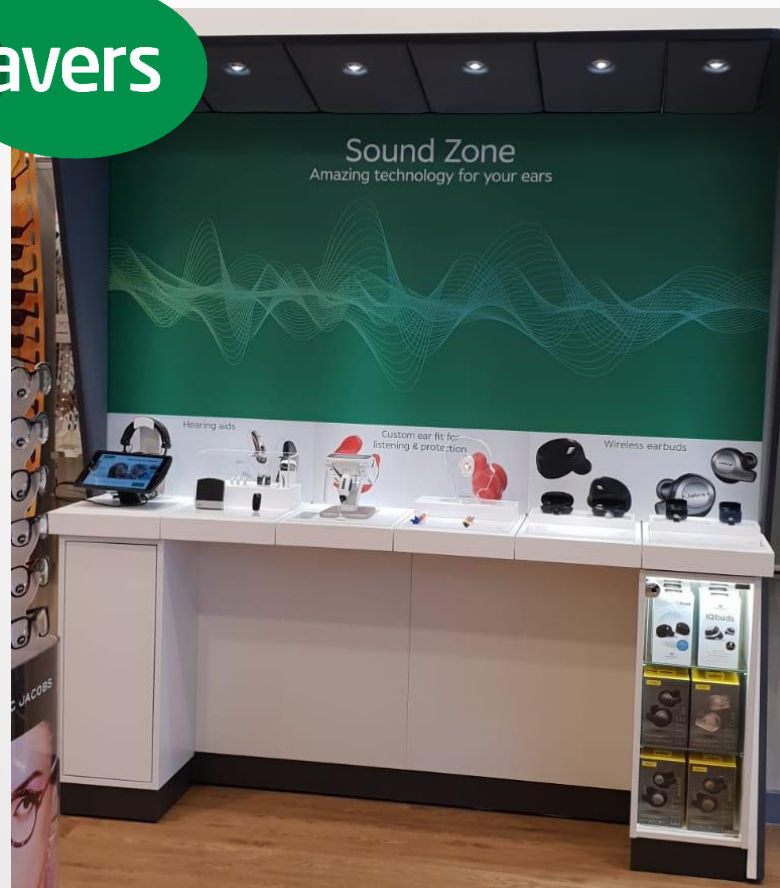
REACHING THE HEARING HEALTHCARE CUSTOMER

THERE WAS NO BLUEPRINT FOR SMART HEARING PRODUCTS, CATEGORY OR RETAIL

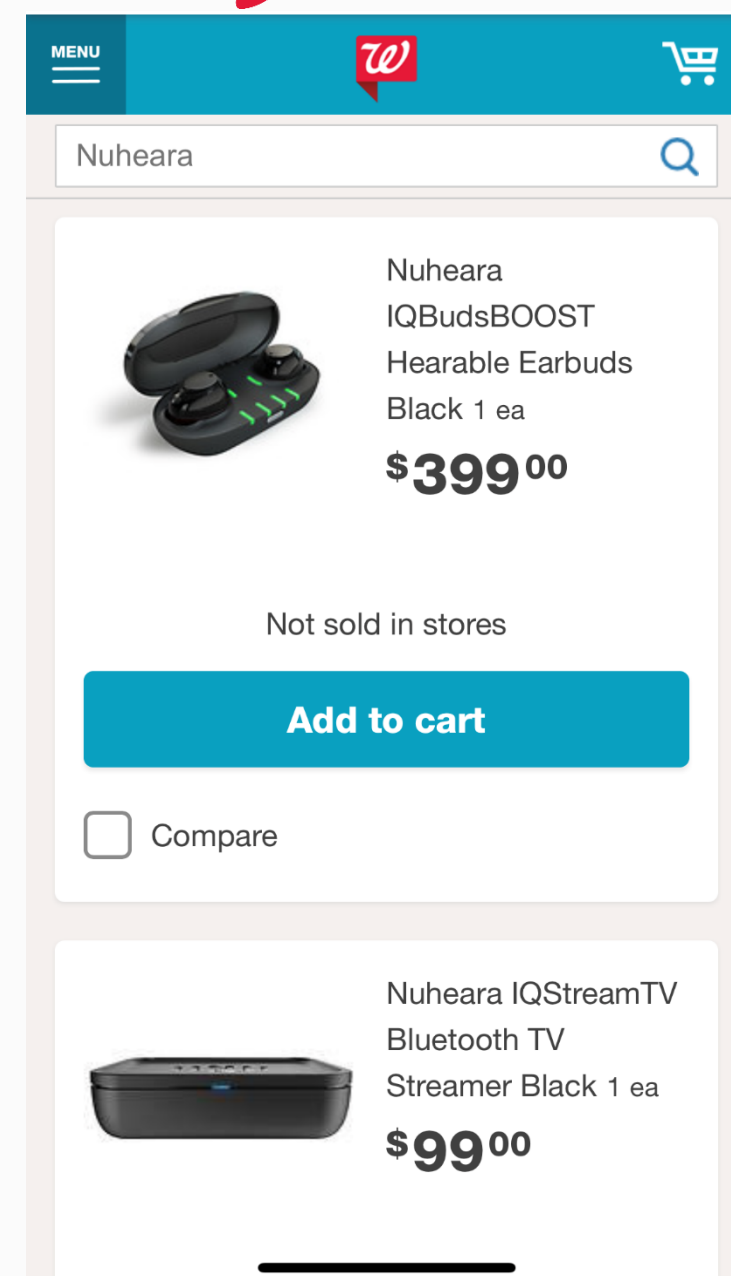
Nuheara has been retailing Smart Hearing Bud products (IQbuds) online and in mainstream locations since 2017, providing us with a unique global leadership position in non-clinic hearing sales experience.



Specsavers



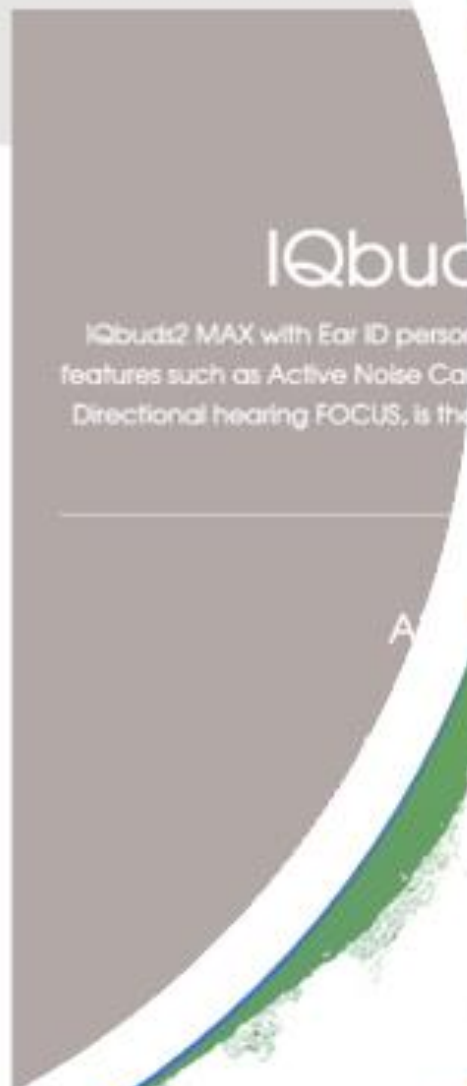
Walgreens



Here is what we have learned:

- Hearing devices should not be sold on a peg or retail shelf alone – they need to be supported.
- Assisted sales environments work – screen/test, demonstrate and educate.
- Hearing health is a personal issue and a considered sale, it is not a spontaneous purchase.
- Price doesn't drive sales – device must solve a real problem.
- Hearing health is positive – hearing loss is negative – Messaging needs to be universally positive.
- All of these can (and are) being applied to online DTC sales.
- Consideration to OTC hearing aid sales needs a complete sales channel solution – not just a device on a peg!





OUR STRATEGY - DIRECT TO CONSUMER

NUHEARA WEBSITE DRIVES HIGH MARGIN SALES

- 7 Shopify sites globally generating online revenue with a focus on North America, Australia and UK.
- DTC sales driven by Google, Facebook, Instagram digital campaigns.
- Nuheara's DTC Return On Advertising Spend (ROAS) within industry "all category" average of \$2.50 to \$3.00 revenue return for every \$1 spent on advertising¹.
- Very positive RAOS for Nuheara as new products are overcoming the challenges of building a new category, being high priced and also a once off purchase.
- Online visitors growing >150% year on year with growing database of engaged leads through Nuheara's online hearing screen (test)
- Sophisticated marketing automation framework in place to optimize user engagement and increase conversion rates
- In house video production and creative team producing high quality video content for YouTube and social campaigns to build brand engagement

Note¹: The CPG Advertising Benchmark Report, Nielsen Catalina 2016

OUR OTC STRATEGY

WE CAN SUCCEED BY PROVIDING A COMPLETE HEARING CATEGORY SOLUTION

Hearing BUDS

IQbuds offer multipurpose entry level hearing solutions that:

- Self Fit
- Self Test
- Auto configure
- Compel early stage hearing customer

Hearing AIDS (OTC)

- Completes patient centred hearing healthcare product offering
- Converts loyal hearing bud customer
- Upward not downward product offering for Nuheara
- OTC now fuelling an expanded range of retail partnership discussions for Nuheara in USA



Hearing KIOSK – IQconnect

In-store kiosks provide a simple entry point to help customers:

- SCREEN: Hearing screening – learn about your own hearing levels.
- EDUCATE: Learn about hearing loss.
- KNOWLEDGE: Product showcase – help consumers understand the products.

Hearing ACCESSORIES

Accessories that that compliment hearing experience and are supported across the complete hearing product range:

- TV streamer

IQbuds² MAX

OUR THIRD GENERATION OF HEARING BUDS & SOFTWARE

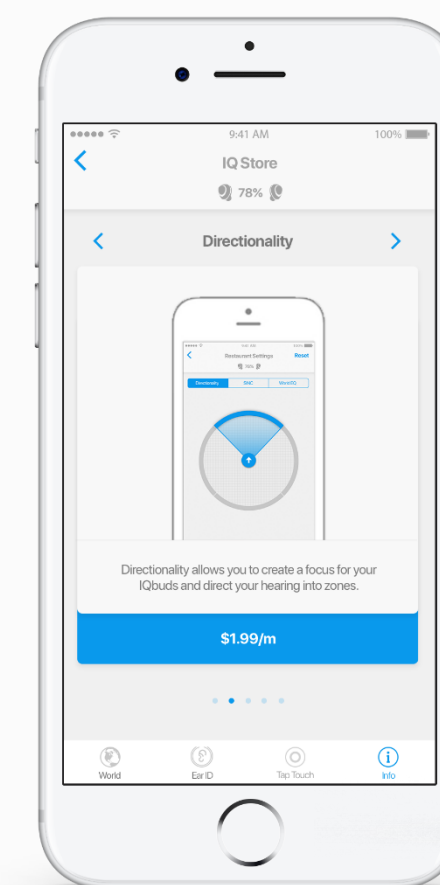
IQbuds² MAX:

- Launched at CES 2020, triple innovation award winner.
- Developed as a hearing platform that will spur multiple products.
- Designed to support hearing healthcare product lifecycles of up to 3 years – NOT as a short term consumer electronic headphone.
- Currently in certification and final stages of mass production in Malaysia.
- IQbuds² MAX units from production line have been shipped to key media and partners for review.
- Nuheara App and firmware have redesigned and built to support new IQbuds² MAX platform.



Coming soon - IQstore for IQbuds² MAX:

- Enhances hearing eco-system for all IQbuds platforms
- Additional monthly revenue stream
- Post-purchase value enhancement
- Hardware, accessory, consumables purchases



IQbuds² MAX

THE REVIEWS ARE IN

CONSUMER AFFAIRS

"IQbuds MAX, a product that can enhance a consumer's basic hearing experience, if not replace the need for hearing aids altogether."

Technology in audio wearables creates a blur between earbuds and hearing aids – Consumer Affairs

THE VERGE

"Nuheara's secret sauce with its IQbuds² MAX is its EarID technology... is able to analyze your hearing and tailor its sound appropriately"

At CES 2020, the AirPods Pro competitors arrived in droves – [The Verge](#)



"The Nuheara IQbuds² Max also tune themselves to your ears using an app-based version of the NAL-NL2 test procedure used by audiologists "

The future of augmented reality might be in your ear – [CNET](#)



"In-ear headphones like AirPods Pro play music, and use active noise cancellation to block ambient sound. Nuheara's offerings can do that too, but that's just the start."

Nuheara assistive earbuds get active noise cancellation, lower cost – [Cult of Mac](#)



"In addition to offering active noise cancellation, the trio of microphones on each earbud can focus on sound in front of the wearer while reducing the surrounding noise."

How these AirPods competitors are plotting to take on Apple in 2020 – [Fast Company](#)

FINANCIAL REVIEW

"And without hesitation, we can say the noise-cancelling betters any earbuds or headphones we've ever reviewed."

Turn off the world with Nuheara's IQbuds² MAX – [Financial Review](#)

IQbuds² MAX

THE PRE-ORDERS

IQbuds² MAX:

- Open for Pre-order 5th January with overwhelmingly positive response
- IQbuds² MAX sales have contributed significantly to January 2020 being the best ever recorded sales month in the Company's history.
- All IQbuds² MAX sales to date have been exclusively Direct To Consumer
- Geographic breakdown of IQbuds² MAX sales: 60% North America, 30% Asia/Pacific and 10% Europe/UK
- Traditional retailer orders for IQbuds² MAX to follow (with some retailers to participate in pre-order campaign)



WHY NUHEARA

SUMMARY

- **Pioneer in smart hearing with proven track record in delivery of leading edge products**
- **Achieving growth in scalable global sales channels**
- **Launched as a first-mover in consumer hearing healthcare space**
- **Now focussed on mild-to-moderate hearing loss product suite and expanding pipeline with IQbuds² MAX**
- **Significant growth opportunity for mild-to-moderate hearing loss segment**



For personal use only

THANK YOU

||NI||
NUHEARA

Hear's to Life

justin.miller@nuheara.com