

A U D E A R A

Jun 8, 2022

ASX ANNOUNCEMENT

AUA presentation to Morgans Financial Limited

Audeara Limited (ASX: AUA) provides a presentation by CEO Dr James Fielding to Morgans Financial Limited on Wednesday 8 June 2022 at 11:00am AEST.

A copy of the presentation is available in the following pages.

For more information please visit, audeara.com.

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ABOUT AUDEARA

Audeara makes perfect sound, always.

Audeara Ltd (ASX: AUA) is a hearing health technology company that delivers high-quality personalised audio to listeners via Bluetooth headphones.

A proprietary personalisation algorithm calibrates the headphones for an individual's unique hearing profile. This provides crystal clear sound quality for video conferencing and telephone calls and using mainstream applications like watching television, listening to music and gaming.

Categorised as an assistive listening device (ALD), Audeara's unique technology emphasises better, not louder sound. This means listeners can have a safer, high-quality listening experience that protects the hearing they have.

The Company sells its products through distributors and resellers in Australia and North America, and via e-commerce channels.

A U D E A R A

Audeara Presentation

2022

Disclaimer | Important information

January 2022

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Problem we're solving: hearing loss

Medical doctors, Audiologists and Engineers striving to address the growing issue of hearing loss and reduce the impacts on our society.

Hearing loss is a problem being worsened by:

- ▶ an ageing population
- ▶ behavioural noise induced hearing loss in young people
- ▶ industrial hearing loss from occupational hazards

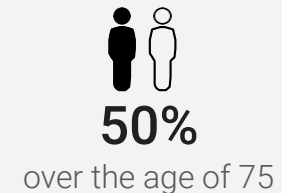
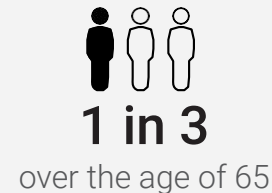
Number of people suffering from hearing loss ¹

BY AGE GROUP



1 in 5

teenagers



BY LOCATION



6%

of the global population
(499 Million people)



17%

of Australia
(4.3 Million people)



15%

of the USA
(50 Million people)

Additionally:

- ▶ Hearing loss is the most common service-related disability for military veterans in the USA: 2.7 million veterans. ¹
- ▶ 9% of Dementia cases are linked to preventable hearing loss. ²
- ▶ 1 billion young adults are at risk of permanent, avoidable hearing loss due to unsafe listening practices. ¹

1. Frost & Sullivan - Market Report: The Headphones Market March 2021

2. thelancet.com - Dementia prevention, intervention, and care: 2020



Our solution

Current Products

- ▶ User generates a hearing profile using the Audeara App
- ▶ Software adjusts left & right ear independently using the hearing profile
- ▶ Profile is stored in the headphone and sound is personalised for user (Music, TV, Phone, Video calls, Gaming)



1. Check

Every person hears differently and your left ear hears differently to your right.

2. Tailor

Your Audeara headphones tailor the audio to your individual hearing.

3. Experience

Find new parts in your favourite song. Hear notes you didn't know were missing.

What makes us different



Hearing profile accurate regardless of interface device ¹



Proprietary firmware, software and hardware which can be placed into any audio system

1. Not for the purpose of diagnostics



Who buys Audeara products?



Consumers

End Users - providing personalised sound to users to optimise their listening experience.

Primary

People who have a known hearing loss.

Secondary

People who know they need a personalised solution and are health conscious.



Customers

Hearing Health Clinics (90% current revenue)

Why Hearing Clinics Choose Us

- ▶ Increase the lifetime value of their clients
- ▶ Reduce time to client first purchase
- ▶ Increase customer conversion rates
- ▶ Provide revenue above 'only hearing aids'
- ▶ Drive traffic to their locations

Why Audeara Chooses Hearing Clinics

- ▶ Increases Audeara primary customer reach by:
 - ▷ being available where people in need are seeking a solution
 - ▷ offering simple setup for ageing population who are tech averse
 - ▷ utilising government and insurance reimbursement
- ▶ Industry recognition and validation
- ▶ Strong global growth opportunities through international groups
- ▶ Future product development with industry input



Industry overview | Clinics

Audiology Clinics

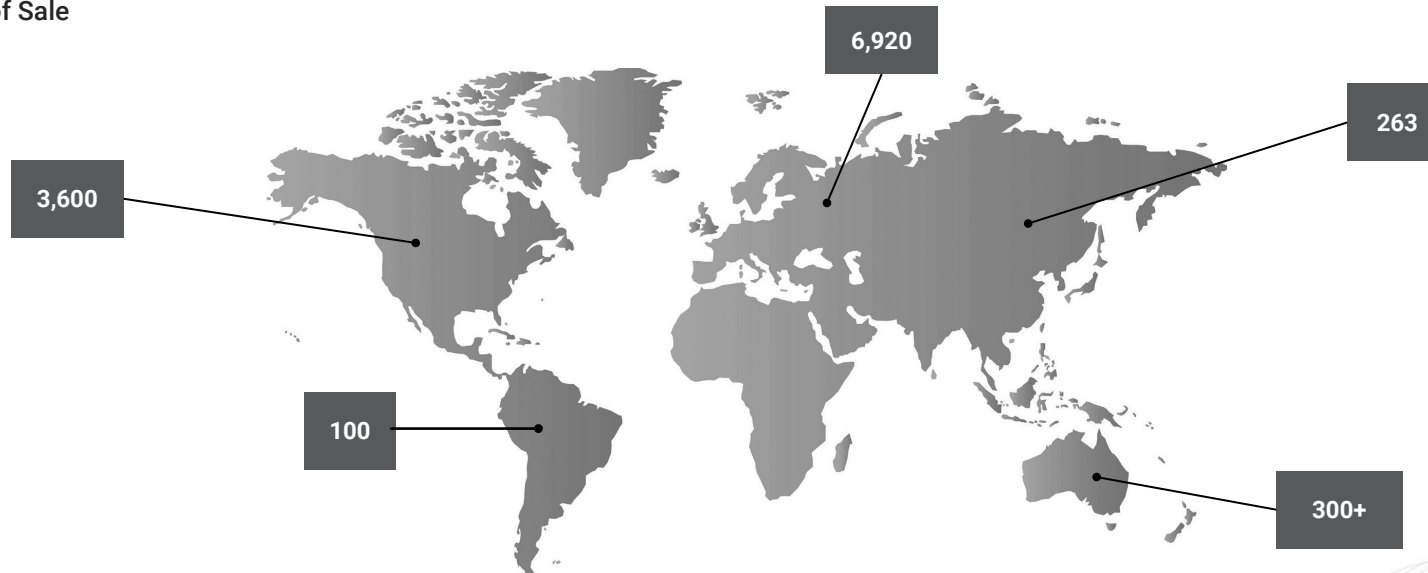
A group of international audiology clinics traditionally dominate the Hearing Health retail industry, namely **Amplifon**, **William Demant**, **Sonova Group AG**, **WSA**, GN Resound and **Starkey Hearing Technologies**. Large optical chains like **Specsavers** and Fielmann are also moving into the Audiology industry and thus become opportunities for Audeara growth.

Leading Hearing Health Providers and Locations per Company, Australia and Global, 2021

	Number of Locations (Australia) ¹	Number of Locations (Global) ¹
Amplifon	300+	~11,000
Demant	400+	~2,500
Sonova	130+	3,300+
Specsavers	330	2,111

International footprint of example hearing health provider: Amplifon

~11000 Points of Sale



1. Frost & Sullivan - Market Report, The Headphone Market March 2021



Participants in Australian Government Programs

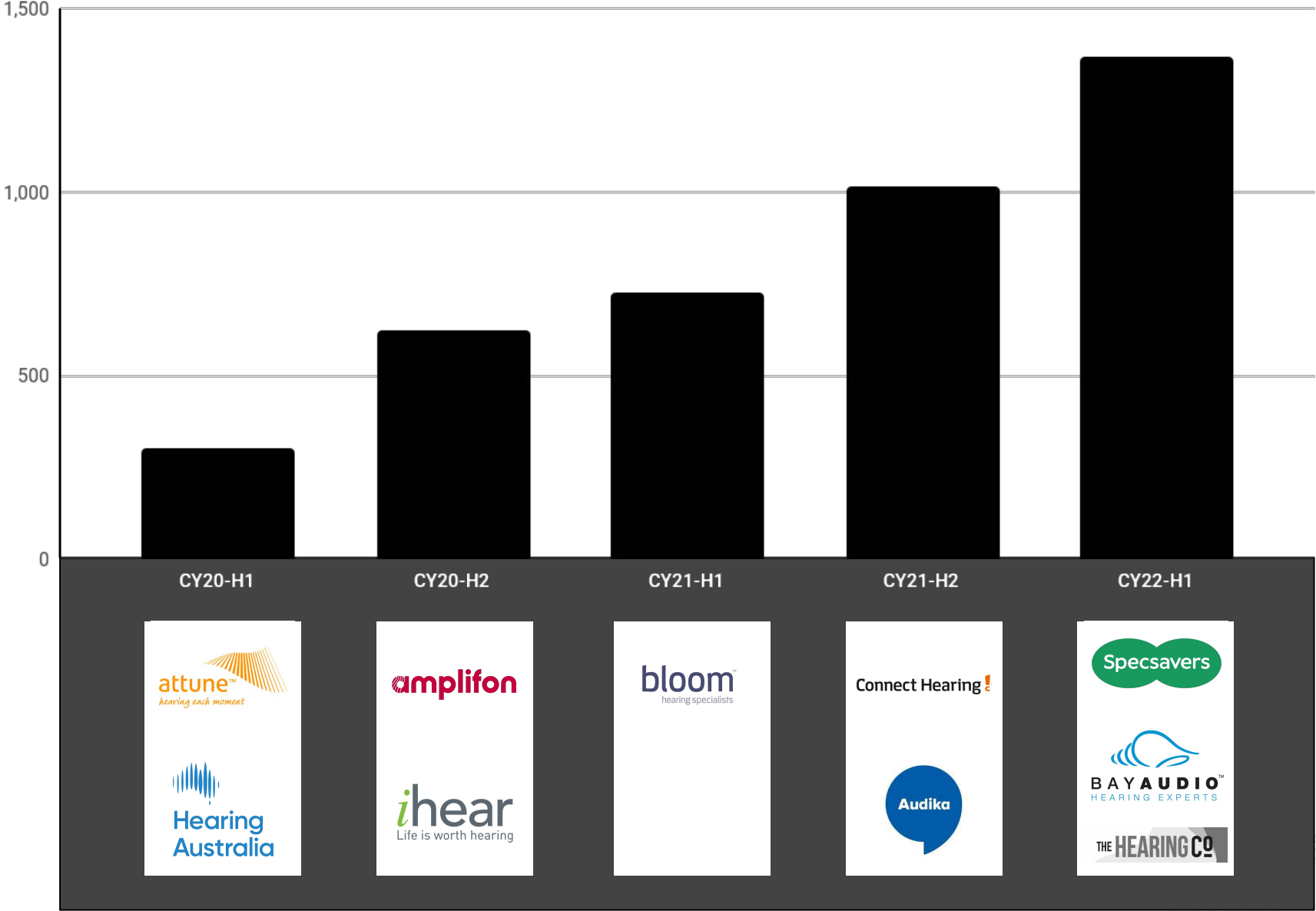
Australia, 2021

People with access to Government funding	Eligible participants ¹
DVA Gold Card holders	110,772
DVA White Card holders	155,751
Total Australian population with mild or greater hearing loss who are also eligible for the Hearing Services Program	2,121,580
NDIS participants with hearing loss, Autism and Sensory/Speech as the primary impairment	193,344
NDIS total active participants	502,413

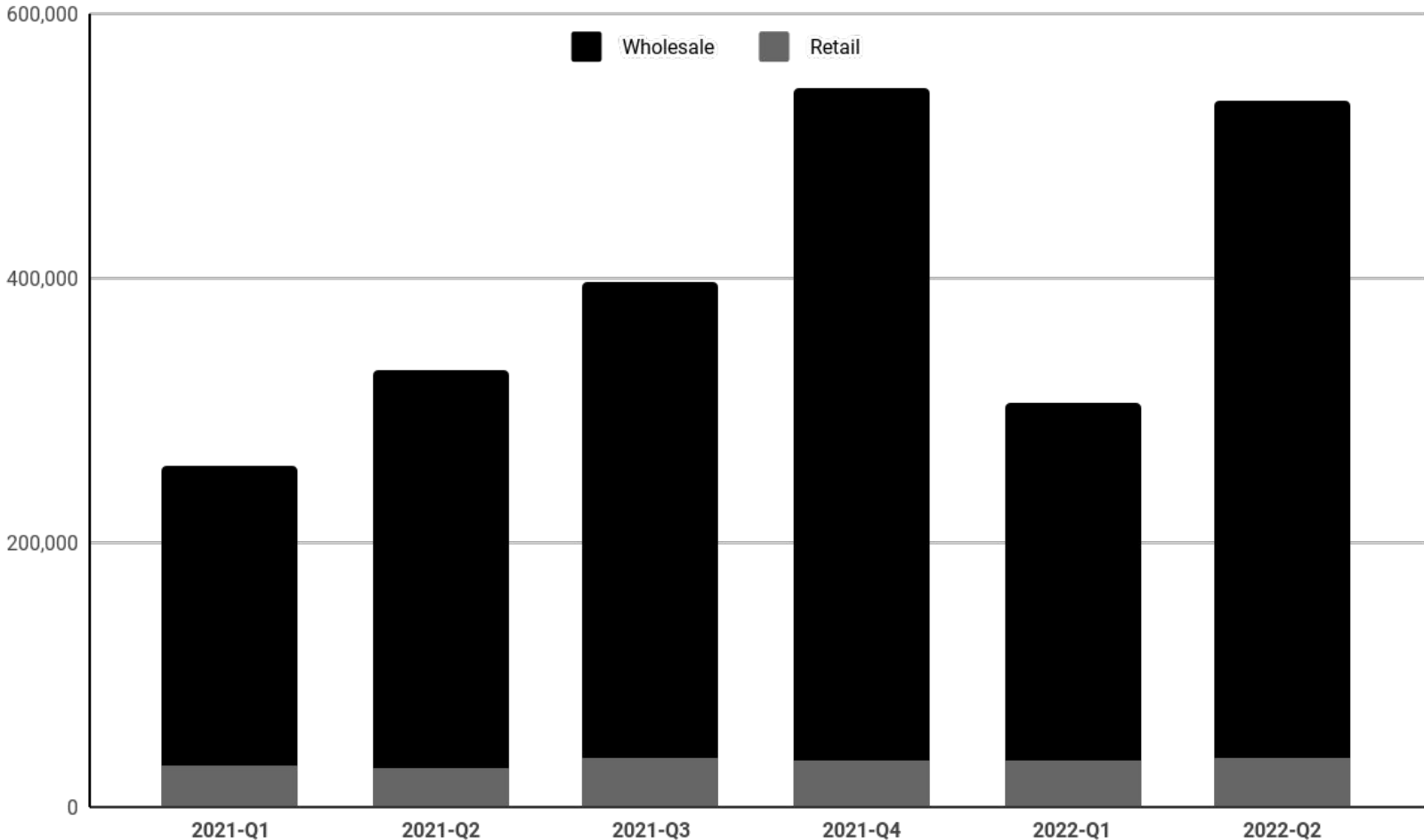
1. [DVA Sept 21](#), [NDIS Dec 21](#), [HSP 21](#)



Australian clinics stocking Audeara | Lead indicator

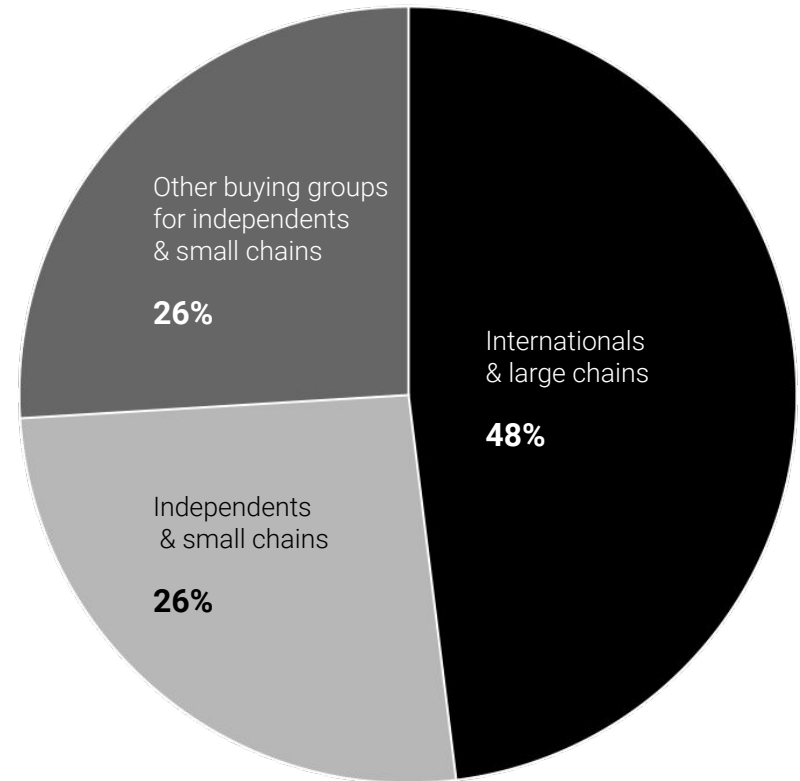


Australian sales | at 31 May 2022



US market

- ▶ 2 staff deployed
- ▶ Initial conversations underway with
 - ▶ National clinic groups
 - all seven US leading hearing health companies
 - ▶ Multi-site independent clinic groups
 - in active conversations with five leading buying groups, and key independent clinics representing >1,000 locations
- ▶ Increasing our reach through trusted hearing health distributors
Westone + OakTree Products
- ▶ CEO temporarily relocated to US for Q1, 2022 to drive growth



Product roadmap

CURRENT RANGE

A-01



The original Audeara product, incorporating the proprietary personalisation algorithm and packaged in a high quality, Bluetooth noise cancelling, over the ear headphone.

BT-01



A sleek and compact Bluetooth audio transceiver that streams Hi-Fi digital audio wirelessly from your TV or wired music system to your favourite pair of Bluetooth headphones or speakers.

2022 RANGE

A-02



The next generation in Audeara headphones, taking consumer feedback to refine for the target market. Everything great from the A-01 in a new design and enhanced functionality.

BT-02



A sleek and compact Bluetooth audio transmitter that streams Hi-Fi digital audio wirelessly from your TV or wired music system with an updated, simplified pairing for two headphones at once using a digital display.

FUTURE POTENTIAL

MUSICIANS

An ear-worn, headphone style device that attenuates sound to a comfortable level while maintaining a very high fidelity signal.

KIDS

Volume limiting headphones that don't sacrifice sound quality by using Audeara personalisation platform.

GAMING

Enhance every gaming session with personalised wireless audio.



Verticals

CURRENT

OPPORTUNITIES

CURRENT		OPPORTUNITIES		
Audiology Clinics	Direct To Target Customers	Healthy Musicians	Healthy Kids	Healthy Gaming
Current - launched 2019 <ul style="list-style-type: none"> ▶ Foundation of Audeara current revenue generation ▶ Strong barriers to entry ▶ Preferred supplier arrangements ▶ Provides validation of hearing health foundation ▶ Provide a solution that others can't (less competition) ▶ Ready access to end users who know they need our solution ▶ Less education required for sale ▶ Use of government funds 	Current - accelerate 2022 <ul style="list-style-type: none"> ▶ Health conscious consumers seeing the benefit of personalised sound ▶ NDIS ▶ Health aligned veterans groups ▶ Licencing of Audeara's current and future technology 	R&D underway <p>Hearing Protection that doesn't sacrifice sound quality</p>	R&D underway <ul style="list-style-type: none"> ▶ Prevention is better than cure – get in early in the life journey to educate about the importance of hearing health ▶ Volume limiting headphones that don't sacrifice sound quality, using Audeara personalisation platform 	Potential <ul style="list-style-type: none"> ▶ Compensate for a known hearing loss ▶ Health conscious gamers (or parents of gamers)



Growth | current and future markets

	Plan at IPO : May '21	Status at June 22
Growth in current markets	Invest To Scale	
	Expand Australian hearing health market share <ul style="list-style-type: none"> ▶ Staff: Sales/Marketing + Account Management 	<ul style="list-style-type: none"> ✓ 45% to 99% market share, including new optical channel: <ul style="list-style-type: none"> ▶ Specsavers ▶ Healthia ✓ Hired 6 people
	Expand geographically in hearing health <ul style="list-style-type: none"> ▶ Europe + USA + Asia Pacific ▶ Staff: Sales leads + account management 	<ul style="list-style-type: none"> ✓ Opened communication with <ul style="list-style-type: none"> ▶ >50% of USA, >50% Hungary + Poland ▶ 2 of 6 players at global headquarters level ✓ Hired: USA - 2 people, Europe - 1 person
	Research Validation + Certification	
	<ul style="list-style-type: none"> ▶ ISO certification to expand government funding 	Not a core focus
	<ul style="list-style-type: none"> ▶ Unlock additional medical device opportunities 	Not a core focus
	Inventory	
	<ul style="list-style-type: none"> ▶ Supply to meet growing demand ▶ Streamline inventory management across multiple locations 	<ul style="list-style-type: none"> ✓ Chipset stock management ✓ Australia x 2, USA x 2, EU x1
Expansion into new target markets	Product Development	
	Healthy musicians + kids + gaming <ul style="list-style-type: none"> ▶ Staff: Firmware engineers + software engineers 	<ul style="list-style-type: none"> ✓ Launched A-02, launched AudAssist specialist software ✓ Hired 3 people ✓ R&D underway for musicians and kids
	Market Development	
<ul style="list-style-type: none"> ▶ Build business units around each new vertical 	Not required	

