

Cash deposit received from Clinico: Taiwan's largest hearing aid retailer for new healthy hearing earbuds

Highlights

- ▶ **\$180,000 cash deposit secured from Clinico Inc. as part of ongoing development of healthy hearing earbuds for the group**
- ▶ **Deposit secured for components prior to the anticipated receipt of maiden purchase order in coming months**
- ▶ **Funds follow execution of agreement with Clinico to develop healthy hearing solutions to meet the needs of group's audiology and health distribution network**
- ▶ **The product developed to be distributed exclusively by Clinico through China and Taiwan - launch scheduled for this half**
- ▶ **Clinico is the largest hearing aid retailer in Taiwan with over 33% market share - Group has a strong presence in China and unlocks new sales channel for AUA**

Audeara Ltd (ASX: AUA) ('Audeara' or 'the Company') is pleased to advise that it has secured a cash deposit from the largest hearing aid retailer in Taiwan, Clinico Inc. ('Clinico') valued at \$180,000 for the ongoing development of a series of healthy hearing earbuds, which will be exclusively distributed through China and Taiwan by Clinico.

Strategic Importance of the Deposit

The cash deposit secured from Clinico is a clear indication of their intent to engage in a substantial purchase order, underscoring their confidence in Audeara's product line. While a formal purchase order is anticipated, it has not yet been finalised. Nevertheless, this deposit represents a significant financial and strategic milestone for Audeara.

Financial Impact

- **Material Financial Commitment:** The \$180,000 deposit enhances Audeara's cash flow, providing immediate funding for production components. This financial boost is critical for maintaining operational momentum and preparing for the anticipated demand.
- **Positive Market Signal:** The deposit reflects the trust and commitment from Clinico, a key industry leader, in Audeara's innovative hearing solutions.



Strategic Significance

- **Market Expansion:** Clinico's extensive reach in Taiwan and China opens up significant market opportunities for Audeara. The exclusive distribution rights align with our growth strategy and are expected to contribute substantially to our market share in these regions.
- **Partnership Validation:** This partnership with Clinico validates Audeara's technology and market potential, positioning us as a leading player in the hearing health sector.

The receipt follows the execution of a Cooperative Agreement ('Agreement') in 2023 (refer ASX announcement: 22 February 2023) which stipulated that Audeara would develop a series of healthy hearing earbuds for Clinico, which would be distributed exclusively by the group in Taiwan and China. The exclusivity also allowed Clinico to place Audeara branded products as a priority to sell and promote through its distribution channels.

Funds received to date will be used for a deposit on components, prior to production which is anticipated to commence in the coming months.

Clinico is based in Taipei and is the largest hearing aid retailer in Taiwan, with over 33% market share and a strong presence in China. The group has been a longstanding partner of the Company and was strengthened following a strategic placement to Clinico's CEO, Mr David Lin at a significant premium (refer ASX announcement: 22 November 2022).

The Company anticipates delivery and launch of the product later this year into a very large addressable market. As part of the launch, Clinico will manage all marketing associated with the product, defraying costs for Audeara.

Management commentary:

Chief Executive Officer, Dr James Fielding said:

"We are very pleased to have secured this deposit from Clinico, which highlights the strength of our relationship and further emphasises the potential for our AUA Technology business division. This deposit represents a material commitment that strengthens our financial position and supports our production activities. We are optimistic about the formal purchase order and are working diligently to finalise the details.

"We are very excited to continue to expand on our relationship with Clinico, which is a leader in the audiology industry. This transaction marks an important step in Audeara's growth strategy and our dedication to expanding globally with innovative hearing solutions. The Company plans on providing additional updates as further developments materialise."



This announcement has been authorised by the board of Audeara Limited.

For more information please visit, [audeara.com](https://www.audeara.com)

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ABOUT AUDEARA

Feel connected, your way.

Audeara Limited (ASX: AUA) is a global hearing health leader specialised in innovative listening solutions for people with hearing challenges.

We are passionate about redefining hearing health, with a particular focus on delivering products that provide world-class tailored listening experiences.

We care about connecting people with experiences that bring them joy - whether that's watching a favourite TV show, FaceTiming family or listening to music with confidence.

All Audeara products are purposefully designed and engineered in Australia with precision detail and state-of-the-art technology. Each product delivers optimum listening experiences to enhance quality of life for people of all ages and abilities.

Audeara sells its products through distributors and resellers in Australia, Europe, Asia and North America, and through e-commerce channels.