

Strategic placement to raise \$1.35m

Highlights

- ▶ **Two-tranche placement of 33.75 million fully paid ordinary shares at \$0.04 per share to raise \$1.35m before costs**
- ▶ **Placement well supported by existing shareholders including high net worth investors and family offices**
- ▶ **Placement includes \$0.175m in commitments from Directors (subject to shareholder approval)**
- ▶ **Funds raised will be primarily deployed to increase capacity of the AUA Technology division to meet growing demand of strengthened pipeline and stock purchasing**

Audeara Ltd (ASX: AUA) ('Audeara' or 'the Company') is pleased to advise that it has received firm commitments from professional and sophisticated investors to raise \$1.35m (before costs) through the issue of 33.75 million new fully paid ordinary shares in the Company at \$0.04 per share ('Shares') via a Placement ('Placement').

The funds raised will primarily be used to increase the capacity of the AUA Technology division to deliver on a growing pipeline of opportunities. Additionally, the funds will be used for stock purchasing in connection with the recent launch of Audeara Buds and a range of Auracast-enabled devices, ensuring the Company has adequate inventory levels to meet increased demand. Funds will also be deployed for general working capital purposes.

The Placement was heavily supported by a range of existing shareholders, including Directors, Mr David Trimboli, Mr James Fielding and Mr Bill Peng who will subscribe for \$0.175m collectively (subject to shareholder approval).

Details of the Placement

The Placement price of \$0.04 represents a 4.8% discount to the Closing Price on 27 November 2024 being the last trading day prior to the announcement of this Placement and a 12.2% discount to the 10-day volume weighted average price ('VWAP').

Audeara will raise \$1.35 million via the issue of 33.75 million fully paid ordinary shares. Participants will receive one free option ("Attaching Option") for every three New Shares issued under the Placement with an exercise price of A\$0.080 and an expiration date of 30 January 2027. The Placement will be completed in two tranches, comprised of the following:



Tranche 1: to raise \$1.175 million via the issue of 29.375 million shares, pursuant to the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A. Tranche 1 of the placement was well-supported by the Company's existing network of sophisticated investors, and high net-worth family offices.

Tranche 2: to raise \$0.175 million from Directors of the Company via the issue of 4.375 million shares ('Tranche 2 Shares'). The participation by Directors reflects the continued alignment of incentives and ongoing engagement by the Board with the delivery and execution of Audeara's growth strategy.

The Tranche 2 Shares and the free Attaching Options for both the Tranche 1 and Tranche 2 placements will be subject to shareholder approval at a general meeting of shareholders expected to take place in February 2025.

Bell Potter Securities Limited acted as Lead Manager to the Placement and will receive a 6% fee on funds raised.

Audeara CEO and founder, Dr James Fielding, commented:

"We are pleased to complete this strategic share placement, which will provide the Company with important capital flexibility as we look to convert the sales momentum now established in the high-growth AUA Technology division into a step-change in group revenues and margin growth."

"With the funds raised, Audeara can move quickly to ensure we are well-positioned to meet the growing demand from our international customers. This includes an anticipated follow-up purchase order from Zildjian, a global music instrument manufacturer headquartered in the US, and a recent \$570,000 purchase order from Clinico Inc., the largest hearing aid retailer in Taiwan, to integrate Audeara's technology into its product range."

"The funds will also support our continued growth following the recent launch of Audeara Buds and help prepare for the upcoming release of other Auracast-enabled devices. With a strong and expanding sales pipeline for the AUA Technology division, we are poised to further scale our proprietary tech stack and deliver innovative hearing solutions that enhance the audio experience. We look forward to providing more updates in 2025 as we continue to establish product-market fit with major commercial partners and expand our global sales footprint."



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

For more information please visit, 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.