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InnerScope Hearing Technologies (OTCQB: INND) Reports Second Quarter 2019 Financial Results & Update on Key Revenue Growth Initiatives

ROSEVILLE, Calif., Aug. 30, 2019 (GLOBE NEWSWIRE) -- via OTC PR WIRE -- InnerScope Hearing Technologies Inc. (OTCQB: INND) ("InnerScope") a manufacturer and Direct-to-Consumer ("DTC") distributor/retailer of FDA-Registered Hearing Aids, Personal Sound Amplifiers Products, ("Hearing Products") Hearing Related Treatment Therapies, Doctor-Formulated Dietary Hearing Supplements and proprietary CBD Oil ("Hearing Health Products") (collectively "Hearing Product Portfolio"), today announced its unaudited second quarter ended June 30, 2019 ("Q2 2019") and an update on key revenue growth initiatives.

Second Quarter 2019 Financial Results

- Achieved revenue of \$219,673 with \$120,210 of gross profit and an additional \$71,409 in Customer Orders not delivered as of June 30th, which will be recognized in the third quarter ending September 30, 2019 ("Q3 2019").
- Achieved an incremental increase in Net Revenue of 18% over first quarter ended March 31, 2019 ("Q1 2019") and 439% increase versus the same quarter in 2018.
- Q2 2019 showed a Net Loss of \$1,505,411 equal to \$0.01 basic and diluted loss per share, which was mainly due to interest expenses of \$728,456, and Non-Cash Stock based Compensation of \$233,793. Other contributing factors were the One-Time Costs associated with opening 4 additional Audiological Hearing Aid Retail Clinics in Q2 2019. The Q2 2019 Net Loss was also a 25% decrease compared to Q1 2019 and a 19% decrease versus the same quarter in 2018.

Second Quarter 2019 Business Highlights

- InnerScope Successfully Opened 4 Brick and Mortar Audiological Hearing Aid Retail Clinics.
- InnerScope Launched its own Proprietary CBD Oil Product, primarily marketed to the 50 million people in the U.S. who suffer from Tinnitus symptoms.
- After 9-Months of Research and Development with its Technology Partners, InnerScope Launched the NEXUS, (the "NEXUS") one of the world's first receiver-in-ear ("RIC") DTC Self-fitting Hearing Aids.
- InnerScope developed its own Proprietary Dietary Hearing & Tinnitus Supplements which has been approved to be sold on Walmart.com, Kmart.com, & Sears.com. Additionally, InnerScope has been working with other numerous "Big Box" retailers including national and local vitamin shops and pharmacy chains to carrying its complete line of Hearing Health Products.
- InnerScope signed an Agreement with Sears and Launched its Hearing Products on Sears.com, one of the Largest Online Marketplaces in the United States.
- InnerScope signed an Agreement with Kmart and Launched its Hearing Products on Kmart.com.
- InnerScope finalized the Free Hearing Screening Kiosk Program and the development of the Kiosks to present to National & Local Retailers, including pharmacies, and other Healthcare Professionals and Service Providers.
- InnerScope expanded its Partnership Agreement with Advantego Corporation to Develop Hearing Enhancement Software for TV Sound Bars and Headphones for the Hearing-Impaired Community. InnerScope plans, as part of its Hearing Product Portfolio, to sell and distribute the hearing enhanced TV Sound Bars and Headphones to all of its wholesale/retail distribution channels.
- Signed an Agreement with AsSeenOnTV.pro to produce Direct Response TV and Brand Response TV commercials featuring Kevin Harrington, who is the pioneer of the As Seen On TV empire and an original "Shark" from the Emmy award winning TV reality show, Shark Tank. These commercials will promote the NEXUS, its Self-Fitting Hearing Aids, Dietary Hearing Supplements as "Nutrition for the Ears" and the CBD Oil Product.

InnerScope's Key Revenue Growth Initiatives

- InnerScope is rapidly expanding its "Sales Revenue Pipeline" by continuing its efforts to work with National

"Big Box" Retailers and National Pharmacy Chains and expects to sign many more distribution agreements for its Hearing Products Portfolio by the end of the 2019.

- InnerScope is currently in the process of ramping-up the deployment of its network of interactive fully automated (unattended) Point of Sale Hearing Screening Retail Kiosks and Untreated Hearing Loss Information Center ("Hearing Kiosks") to be located inside large major other public locations, grocery stores, hospitals, sporting venues and retailers, local retailers, pharmacy chains. Hearing Kiosks provides InnerScope a very efficient and cost effective method of generating immediate revenue at each retailer's location. In addition, the Hearing Kiosks also provides continuous DTC Online Sales Revenue regardless of its location.
- InnerScope will be deploying its Hearing Kiosks within a 10 Mile Radius around InnerScope's Audiological Hearing Aid Retail Clinics locations ("Retail Clinic"). These strategically placed Hearing Kiosks will not only drive qualified customers to each Retail Clinic location, but also it's a "Highly Effective Referrals/Leads Program" that will significantly increase each Retail Clinic's Sales Revenue while decreasing each Retail Clinic's marketing cost, which in-turn will have a significant positive effect on the cash flow and the bottom line.
- InnerScope is continuing its Expansion "Rollout Plan" of opening new Retail Clinics.

Business Operations for Long-Term Shareholder Value

- InnerScope is successfully implementing and executing appropriate measures to improve on-time financial reporting practices as well as increasing its communication with its shareholders/stakeholders to ensure more timely information is provided to the investment community.
- InnerScope is continuing to explore strategic options for non-dilutive funding.
- InnerScope with key stakeholders in the investment community, are engaged in a robust effort to raise awareness of InnerScope and its mission to disrupt the current \$10 billion dollar global hearing aid industry by changing the way hearing healthcare and hearing health products are delivered.
- As Revenues and InnerScope's Company Awareness continues to increase, InnerScope plans to up-list to a Senior Exchange.

"I am very pleased to announce that after nearly 3 years since InnerScope became effective as a Public Company, we believe, given its current rapidly expanding Sales Revenue Pipeline, plus its ever-growing multiple revenue streams, InnerScope is now at a pivotal point, ready for "Substantial" incremental Top-Line Revenue Growth," said Matthew Moore, CEO of InnerScope Hearing Technologies. "The recent announcement of InnerScope's development of its Hearing Kiosks has given InnerScope National and even International attention from many different business sectors and healthcare providers. This attention has put InnerScope on a strong revenue path to rapidly build significant momentum to continue to grow exponentially for years to come."

"There are nearly 50 million people in the United States that have reported to have some form of hearing loss. However, currently only about 7 to 8 million of those people are currently using hearing aids and/or any hearing assistive products. This is mainly due to high cost of hearing aids (\$5,000 average cost per pair, of which 90% of health insurance plans don't cover) and lack of accessibility for the general public to have a convenient way to regularly self-check and monitor their hearing, as well as to the ability to decide to easily purchase hearing aids and/or hearing related products if their having any hearing issues," continued Mr. Moore.

"InnerScope has developed Award Winning Direct-to-Consumer Hearing Products that offers the same type of high quality technology and features which delivers the same quality hearing experience for the consumer at an average of 75% less cost than the traditional hearing aids offered by the Multi-Billion Dollar Multi-National Hearing Aid Manufactures. We pride ourselves that the consumer can be ensured that InnerScope's Hearing Products offers a huge saving without sacrificing hearing quality. We have no doubt that InnerScope's Hearing Product Portfolio and its multiple DTC distribution retail channels is leading the way to disrupt the current \$5 Billion Dollar Hearing Industry in the U.S. by giving easy and convenient access to maintain hearing health for the virtually untapped market (currently worth tens of billions of dollars) of the 42 million people that are currently living with untreated hearing loss in America," continued Mr. Moore.

"Furthermore, InnerScope's unique and one of a kind Hearing Kiosk, once deployed, has now given the opportunity for the general public to have easy access at very convenient public locations to regularly check their hearing while also providing easy accessibility to purchase InnerScope's Hearing Products and its Hearing Health Products by either directly at the Hearing Kiosk retail locations or by ordering online directly from the Hearing Kiosk itself to have the products shipped directly to their home. There are a few hearing-screening kiosks out in the market place, but to our knowledge, there is nothing like InnerScope's Point of Sale Retail Hearing Kiosks anywhere. That is why, National Retailers to Local Retailers and even multiple sectors in the Healthcare industry are excited to connect with InnerScope for launching our Hearing Kiosks within their locations. We remain steadfast in our belief that our path to profitability has been clearly defined and we our very confident in with our outlook for the rest of 2019 and continuing

into 2020 and beyond," concluded Mr. Moore.

About InnerScope Hearing Technologies (OTCQB: INND)

InnerScope Hearing Technologies (OTCQB: INND) is a rapidly expanding consolidator of the hearing aid industry. Management is applying decades of profitable industry experience and technology to an antiquated and disjointed industry, unlocking scale and efficiency, which will serve all of InnerScope's stakeholders. Its direct-to-consumer model is revolutionizing the industry with its Walmart.com, Sears.com and Kmart.com relationship representing a paramount shift in the consumption of hearing aids by the hearing impaired.

In addition, InnerScope plans to continue to open, acquire, and operate a physical chain of clinics aid audiological and retail hearing. InnerScope's mission is to serve approximately 1.2 billion people around the globe that are suffering with 25db or greater hearing loss across the entire hearing impaired vertical from R&D and manufacturing through direct consumer sales and services. For more information, please visit: www.innd.com. For the Most Up-to-Date information about InnerScope Hearing Technologies (OTCQB: INND), please visit and follow our Official Twitter account @inndstock Page. <https://twitter.com/inndstock>

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