

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: August 23, 2021
(Date of earliest event)

Turtle Beach Corporation

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

001-35465
(Commission
File Number)

27-2767540
(IRS Employer
Identification No.)

44 South Broadway, 4th Floor
White Plains, New York
(Address of principal executive offices)

10601
(Zip code)

(888) 496-8001
Registrant's telephone number, including area code

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class
Common Stock, par value \$0.001

Trading Symbol(s)
HEAR

Name of each exchange on which registered
The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter):

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Events.

On August 23, 2021, Turtle Beach Corporation (the "Company") issued a response on behalf of its Board of Directors (the "Board") to misleading statements by The Donerail Group ("Donerail") in an August 19, 2021 press release. A copy of the Company's press release with the response is attached hereto as Exhibit 99.1. A copy of the Board's letter to Donerail referenced in the Company's response is attached hereto as Exhibit 99.2.

Item 9.01. Financial Statements and Exhibits

d) Exhibits.

The exhibit listed in the following Exhibit Index is filed as part of this Current Report on Form 8-K.

Exhibit No.	Description
99.1	Press Release of Turtle Beach Corporation, dated August 23, 2021.
99.2	Letter from Turtle Beach Corporation to The Donerail Group, dated August 9, 2021.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereto duly authorized.

Dated: August 23, 2021

TURTLE BEACH CORPORATION

By: /S/ JOHN T. HANSON

John T. Hanson

Chief Financial Officer, Treasurer and Secretary

Turtle Beach Corporation Responds to Misleading Statements by The Donerail Group

WHITE PLAINS, N.Y., August 23, 2021 — Leading gaming accessory maker Turtle Beach Corporation (Nasdaq: HEAR) (“Turtle Beach” or the “Company”), today issued the following response on behalf of its Board of Directors (the “Board”) to misleading statements by The Donerail Group (“Donerail”):

The Board is committed to acting in the best interests of the Company and its shareholders to maximize long-term value. Consistent with this commitment, members of the Board and management team have held numerous discussions with Donerail over the past several months to hear its views with respect to the Company.

On August 19, Donerail stated in a press release that the Board rejected its proposal to acquire the Company. The Company does not normally comment on private communications with individual shareholders, but believes this response is necessary to address Donerail’s false statements and provide its shareholders accurate information about Donerail’s proposal. Donerail’s acquisition proposal by its terms remains preliminary, highly contingent, subject to due diligence and financing, and is therefore not binding. Nonetheless, at the Company’s instruction, its financial advisor Bank of America sought to engage with Donerail constructively over the past few months so that Turtle Beach could review its acquisition proposal in greater detail. The Company also conveyed to Donerail that the Board had concerns regarding Donerail’s ability to consummate a transaction and its financing sources, and that it did not view Donerail’s proposed acquisition price to be sufficient. Still, the Company was willing to continue to evaluate the proposal in an effort to achieve a higher offer price.

In fact, on August 9, 2021, the Company communicated to Donerail via a letter that:

“Notwithstanding the foregoing, we remain open to continuing discussions about your acquisition proposal. Bank of America has not yet received the list of diligence items you agreed to provide that you stated were necessary to significantly increase your offer. Also, in order to facilitate substantive discussions about your proposal, we must have in place a mutually acceptable NDA. As such, we have instructed Bank of America to request the diligence items from you again as well as a markup of the NDA if you remain interested in continuing discussions about your proposal.”

The full letter will be made available with the Company’s Form 8-K filing on the SEC website [here](#).

Donerail has since refused to further engage with Bank of America on a customary NDA (non-disclosure agreement), even though Donerail’s acquisition proposal explicitly requested an NDA. Donerail has also refused to provide a list of diligence items that it had informed Bank of America it would need from Turtle Beach in order to significantly increase its offer despite repeated outreach. In order to better assess the credibility of Donerail’s proposal, the Company, through its financial advisor, has repeatedly requested information about Donerail’s ability to fully finance an acquisition in light of Donerail’s lack of acquisition track record. The Company has not yet received satisfactory evidence of Donerail’s financing sources.

Donerail’s behavior is not consistent with market practice or the actions of a credible, legitimate buyer truly interested in, or capable of, effecting an acquisition of the Company. By refusing to cooperate, Donerail has limited the Company and the Board’s ability to fully assess its proposal and its credibility.

Turtle Beach has constructively engaged with Donerail as it would with any other party that wishes to discuss a potential transaction with the Company. It is unfortunate that Donerail has thus far refused to reciprocate numerous engagement overtures by the Company about its proposal and instead has chosen to send the Board letters and issue press releases with misleading and false information.

Consistent with their fiduciary duties, the Company and the Board remain open to further engagement on Donerail’s acquisition proposal under proper processes and conditions when Donerail is able to adequately demonstrate its ability to credibly support and finance an offer at a price that is fair to the Company’s shareholders.

About Turtle Beach Corporation

Turtle Beach Corporation (<https://corp.turtlebeach.com>) is one of the world's leading gaming accessory providers. The Turtle Beach brand (www.turtlebeach.com) is known for pioneering first-to-market features and patented innovations in high-quality, comfort-driven headsets for all levels of gamer, making it a fan-favorite brand and the market leader in console gaming audio for the last decade. Turtle Beach's ROCCAT brand (www.roccat.org) combines detail-loving German innovation with a genuine passion for designing the best PC gaming products. Under the ROCCAT brand, Turtle Beach creates award-winning keyboards, mice, headsets, mousepads, and other PC accessories. Turtle Beach's Neat Microphones brand (www.neatmic.com) creates high-quality USB and analog microphones for gamers, streamers, and professionals that embrace cutting-edge technology and design. Turtle Beach's shares are traded on the Nasdaq Exchange under the symbol: HEAR.

Cautionary Note on Forward-Looking Statements

This press release includes forward-looking information and statements within the meaning of the federal securities laws. Except for historical information contained in this release, statements in this release may constitute forward-looking statements regarding assumptions, projections, expectations, targets, intentions or beliefs about future events. Statements containing the words "may", "could", "would", "should", "believe", "expect", "anticipate", "plan", "estimate", "target", "goal", "project", "intend" and similar expressions, or the negatives thereof, constitute forward-looking statements. Forward-looking statements involve known and unknown risks and uncertainties, which could cause actual results to differ materially from those contained in any forward-looking statement. Forward-looking statements are based on management's current belief and expectations, as well as assumptions made by, and information currently available to, management.

While the Company believes that its expectations are based upon reasonable assumptions, there can be no assurances that its goals and strategy will be realized. Numerous factors, including risks and uncertainties, may affect actual results and may cause results to differ materially from those expressed in forward-looking statements made by the Company or on its behalf. Some of these factors include, but are not limited to, risks related to, the substantial uncertainties inherent in the acceptance of existing and future products, the difficulty of commercializing and protecting new technology, the impact of competitive products and pricing, general business and economic conditions, risks associated with the expansion of our business including the integration of any businesses we acquire and the integration of such businesses within our internal control over financial reporting and operations, our indebtedness, the Company's liquidity, and other factors discussed in our public filings, including the risk factors included in the Company's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, and the Company's other periodic reports. Except as required by applicable law, including the securities laws of the United States and the rules and regulations of the Securities and Exchange Commission, the Company is under no obligation to publicly update or revise any forward-looking statement after the date of this release whether as a result of new information, future developments or otherwise.

For Investor Information, Contact:

Cody Slach or Alex Thompson
Gateway Investor Relations
On Behalf of Turtle Beach
949.574.3860
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**TURTLE BEACH CORPORATION**

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White Plains, NY 10601
Tel: 914.345.2255
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August 9, 2021

Mr. William Wyatt
The Donerail Group LP
240 26th Street, Suite 3
Santa Monica, CA 90402

Will,

The full Board of Directors of Turtle Beach Corporation has asked me to send this response to your letter of August 4th on their behalf.

We are disappointed in your response as we have been engaging with you in good faith. We have made our financial advisor – Bank of America – available to you and, pursuant discussions with them, provided you with a non-disclosure agreement that we believe, and have been advised, to be consistent with market practice with appropriate adjustments given your demonstrated history of leaking information. Unfortunately, instead of providing us with a markup of the NDA, you chose to send another letter that contained many inaccurate and misleading statements. For example, as you are aware, Juergen did not tell you that he did not want to add a female board member to our board, or that the Company had moved its headquarters three times in three months. As a result of this behavior, you have undermined your credibility in the eyes of the Board.

Notwithstanding the foregoing, we remain open to continuing discussions about your acquisition proposal. Bank of America has not yet received the list of diligence items you agreed to provide that you stated were necessary to significantly increase your offer. Also, in order to facilitate substantive discussions about your proposal, we must have in place a mutually acceptable NDA. As such, we have instructed Bank of America to request the diligence items from you again as well as a markup of the NDA if you remain interested in continuing discussions about your proposal. If you elect not to negotiate a mutually agreeable NDA, then we look forward to having you as a long-term shareholder of the Company and engaging with you in constructive and collaborative dialogue.

Finally, we note your request to speak with additional independent directors and will make arrangements for such a call. In the meantime, please let us know dates and times that work for you the weeks of August 23rd and September 13th.

Best,

A handwritten signature in black ink, appearing to read "W. Keitel".

William Keitel
Lead Independent Director
Turtle Beach Corporation

