

## **Audientes A/S amends previous provision for bad debt to provision for sales revenue for 2022 related to new exclusive India distribution agreement; EBITDA-result almost unchanged at DKK -14 mio.**

Audientes [announced on May 1, 2023](#) an exclusive distributor agreement for India with [Earkart India](#), which now assumes general channel responsibility for Audientes' products in India. This necessitates changes to Audientes' distribution setup, with a decision to taking back unpaid products in the channels, previously reported as revenue for 2022.

### **Recorded revenue and provisions for loss in 2022**

The overall sales revenue recorded during the year 2022 amounts to DKK 3.1 million, reported during 2022 in unaudited quarterly reports and latest in the [Q4/Year-end 2022](#) Financial Report on February 28, 2023.

Due to low sell-through of the Ven v1.0 product from the channels to the end-users and a slow payment pattern from our distributors and retail customers, we have previously in our Q4/Year-end report addressed the uncertainty and risk for bad debt through a provision of DKK 1.6 million in 2022.

### **Channel changes attributed to recent agreement with Earkart India**

Following the recently announced exclusive distributor agreement with Earkart India, Audientes are obliged to withdraw the distribution rights from existing customers. To avoid channel conflicts, we have decided to take back currently unpaid products from such customers. These products will be upgraded with the new Ven v2.0 software and available to support the committed sales to Earkart India.

This decision and the corresponding provision for sales revenue has impacted the previously reported revenue in 2022 with negative DKK 3.0 million. Revenue recorded amounts hereafter to DKK 0.1 million and EBITDA is hereafter realized at DKK -14.0 million in 2022 (vs. DKK -13.9 million as reported in the [Q4/Year-end 2022](#) Financial Report - the deviation of DKK 0.1 million is due to currency fluctuation).

The loss after tax for 2022 hereafter amounts to DKK -24.4 million (previously reported DKK -24.2 million) compared to DKK -12.9 million in 2021.

Taking back the products not paid for increases the Inventory end of December 2022 with DKK 1.2 million to DKK 4.6 million and lowers the Trade Receivables with DKK 1.2 million to DKK 0 million.

All other accounting items including Cash and cash equivalents and Equity are unchanged from the [Q4/Year-end 2022](#) Financial Report.

### **For further information, please contact:**

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### **About Audientes A/S ([audientes.com](http://audientes.com), [audientes.eu](http://audientes.eu) or [audientes.in](http://audientes.in))**

Audientes A/S is a Danish hearing health company specializing in smart, self-fitting and affordable hearing aids and advanced hearables. Audientes' mission is to make high-quality hearing aids and hearables for hearing improvement or hearing enhancement accessible to everyone who needs them globally. Audientes' unique hearing aid solution, Ven™ by Audientes, is available for purchase in the Indian market, online and in retail, and will be introduced to the USA over-the-counter market and other markets in the coming years. Companion by Audientes is an advanced hearable consumer electronics product that is commercially available in Europe and later in 2023 in USA, Japan and other markets. Audientes is listed on Spotlight Stock Market Denmark (AUDNTS) and headquartered in Copenhagen, Denmark with a subsidiary in Hyderabad, India.

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