

## Audientes' Annual Report 2023

Today, Audientes A/S releases its financial results for 2023. Both the financial and operational results are in line with the Q4/Year-end 2023 Financial Report of February 22, 2024.

Audientes A/S' (CVR 36047631) financial results for the period January 01 – December 31, 2023 have been approved by the Board of Directors, and the company has now published its Annual Report 2023.

### Adverse opinion from the Company's auditor

The Board of Directors in Audientes have prepared the Annual Report 2023 as a going concern based on its belief in the Company meeting the sales targets for the coming 12 months and succeeding with its capitalization plans to achieve the needed funding.

Christensen Kjærulff, State Authorized Public Accountant Firm, the auditor of Audientes A/S, have stated an adverse opinion as the Company's management have not been able to provide proper documentation for this, and therefore expressed a reservation that the annual financial statements have been prepared on a going concern basis. Reference is made to the independent auditor's report in the Annual Report 2023 page 17.

### Steen Thygesen, CEO Audientes A/S, comments:

*"Audientes' sales performance in 2023 improved but was below expectations because we had several dissapointments in the Indian market, which we have taken action to rectify. We began to develop the Nepalese market with a new distribution partner and entered the European market with nascent sales on ecommerce in the Nordics. Our focus in 2024 remains on growing our business by entering new markets such as Japan and China and further developing the existing markets. We believe in our ability to secure the necessary funding from existing and new shareholders, and aim to continue our planned activities including developing new products for the coming years with our partners. We are grateful for the support of our shareholders and look forward to an exciting and successful year ahead."*

## Performance highlights for 2023

TDKK	2023	2022	2021
Revenue	1,266	79	0
Other operating income	1,395	856	214
EBITDA	-7,299	-13,964	-13,217
Profit/loss for the year	-13,405	-24,362	-12,901
Cash and cash equivalents	434	6,948	10,554
Equity	4,020	13,049	25,484
Equity ratio (%)	28	49	81
Earnings per share (DKK)	-0.30	-1.28	-1.38
No of shares beginning of the period (pcs.)	28,747,020	9,349,010	9,349,010
No of shares end of period (pcs.)	59,384,318	28,747,020	9,349,010
Average shares	44,065,669	19,048,015	9,349,010

## Financial summary for the Group

- Sales of products amounted in 2023 to DKK 1.3 million compared to DKK 0.1 million in 2022.
- Earnings before interest, tax, depreciation, and amortization (EBITDA) was in 2023 DKK -7.3 million compared to DKK -14.1 million in 2022.
- Depreciation, amortizations, and impairment amounted in 2023 to DKK 4.9 million compared to DKK 9.8 million in 2022 (including an impairment of DKK 4.8 million related to scrapped and replaced developments cost from before 2019).
- Profit/loss for the year amounted to DKK -13.4 million in 2023 compared to DKK -24.4 million in 2022.
- End of 2023, cash and cash equivalents amounted to DKK 0.4 million compared to DKK 6.9 million end of 2022.
- Equity amounted to DKK 4.0 million end of 2023 compared to DKK 13.0 million end of 2022.
- Organization: By the close of 2023, Audientes had 10 full-time employees (some had been made redundant) in Denmark and 6 full-time employees in the Indian enterprise.

## Operational Highlights

- 2023 did not deliver the expected sales performance but served as a foundation for expansion in 2024 in new markets besides India.
- Promising distribution partnership did not deliver the expected sales performance in the Indian market, which has led to Audientes taking back distribution control in 2024.
- Began to develop the NGO sector in India with some initial positive results.
- Broadened our reach to Nepal a.o. countries in the South Asian region.
- Completed v2.0 major upgrade to our software platform for over-the-air product updates.
- The advanced hearable Companion by Audientes made available in Europe via ecommerce.
- Companion localized and approved for the new markets of Japan and China.
- Partnered with Shenzhen Hengtong Partner Company for distribution in China and investment in Audientes.
- Entered distribution agreement in Japan with the large intl. distributor TD SYNEX.
- Audientes and the Companion product was launched in Japan in November 2023, at the Danish Embassy.
- Prepared for product localization and established go-to-market plans in Japan and China with local distribution partners, with promotional activities in Tokyo and Shenzhen.

## Recently in 2023 and Outlook

- Due to the uncertainty around the size and timing of product sales and funding events, Audientes do not provide actual guidance for 2024, as we did not do it for 2023 either.
- However, we are in early 2024 expanding our product sales business with the advanced hearable product, Companion, in Japan and China.
- Japanese subsidiary established in February 2024.
- Focus on bringing the business in India to a point of breakeven in the coming year.
- Emphasize ecommerce sales to grow sales in Europe, with initial focus on Denmark and Sweden followed by Germany.
- Audientes will evolve our new software platform initiative with a licensing model for OEMs and brands. We expect to engage with one or more partners in 2024 to develop new products using Audientes' software platform and reference design.



- The business and financial outlook for Audientes in 2024 is dependent on securing additional funding, successful execution of sales targets, and managing commercial uncertainties. The management believe it is possible to achieve the necessary funding and meet the Company's current and future financial requirements, but there are significant risks and uncertainties involved.
- As previously announced in 2023, Audientes have a significant need for capital to honour existing commitments and to cover the needed future investments in market development activities and new product development. Therefore, Audientes is still evaluating different alternatives to bring in the required financing in the short-medium term as well as exploring more longer-term structures such as partnerships, merger, sale of business or its assets, licensing, or a strategic investment.

## Financial calendar

The Company has today updated its financial calendar – the Annual General Meeting is for planning related reasons moved to April 18, 2024:

Date	Event
April 18, 2024	Annual General Meeting 2024
May 23, 2024	Q1 2024 reporting
August 29, 2024	Q2 / half-year 2024 reporting
November 21, 2024	Q3 2024 reporting
February 26, 2025	Q4 / end of year 2024 reporting

## Link to Annual report 2023

Audientes annual report for 2023 can be found here:

<https://www.audientes.com/investor-relations/>

## Annual report presentation: April 3, 2024 11:00 AM (11:00 CET)

Audientes CEO Steen Thygesen will present the annual report for 2023 and latest news at 11 AM / 11:00 (CET), followed by a Q&A session.

[Link to registration at HC Andersen Capital.](#)

## For further information, please contact:

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## About Audientes A/S

Audientes A/S is a Danish hearing health company specializing in smart, self-fitting and affordable hearing aids and advanced hearables. Audientes' unique hearing aid solution, Ven™ by Audientes, is available for purchase in the Indian and Nepalese markets and will be introduced in other markets in the coming years. Companion by Audientes is an advanced hearable, a consumer electronics product, that is commercially available in Europe and later in 2024 in Japan, China, and other markets.

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 is listed on Spotlight Stock Market Denmark (AUDNTS) and headquartered in Copenhagen, Denmark with a subsidiary in Hyderabad, India.

For additional information please refer to the company's websites, [www.audientes.com](http://www.audientes.com), [www.audientes.eu](http://www.audientes.eu), or [www.audientes.in](http://www.audientes.in).

