

This announcement contains insider information

Audientes A/S publishes sales update for its first quarter of sales and a new guidance for 2022

Audientes announces satisfying revenue for Q2 2022, its first quarter of sales, surpassing DKK 1 million. The interest for Ven™ by Audientes is growing in India and, together with Audientes' commercial partners, a strong foothold has been established. Due to the current underperforming stock markets, Audientes upcoming funding aim has been reduced and outlook for 2022 has been adjusted accordingly, as investments in marketing activities will be eased.

New guidance for 2022

Audientes has – as previously communicated in [Company Announcement 06-2022](#) – an intention to raise approx. DKK 50 million over the next one-to-two years. The funding plan is being evaluated on an ongoing basis to keep both Company and shareholders' interests in mind, with the specific capital need to be determined. As already disclosed, the capital need may be divided into separate tranches over time and, due to current stock market conditions, this is what is most likely as of now.

Consequently, with the change in Audientes funding aim, the management's outlook for 2022 has been adjusted accordingly. Respectively, frontloaded investments in marketing activities incl. broad advertising in online-channels and other business activities in general, will be eased and sales ramp up is expected to happen at a slower pace, thus also impacting the company's revenue growth trajectory.

Audientes' revenue expectations for 2022 have been adjusted to a range of DKK 9-12 million, and in terms of operating profit (EBITDA), a loss is expected in the range of DKK (10)-(12) million.

MDKK	2022 outlook New Guidance	2022 outlook March 24, 2022
Revenue	9-12	23-27
EBITDA	(10)-(12)	(13)-(15)

Steen Thygesen, CEO Audientes A/S, comments:

"While we have been busy executing on our go-to-market activities, the world has changed around us. The development in the stock market in 2022 and the current climate in the capital markets means we are in a very different situation now. We are therefore easing the pressure on the go-to-market speeder to reflect the possible funding possibilities and accordingly adjusting our sales revenue expectations in 2022 to DKK 9-12 million, as the ramping up of sales revenue will be stretched out and into 2023."

Sales update for 2022

Audientes had satisfying revenue for its first quarter of sales, surpassing DKK 1 million. The interest for Ven is growing in India and together with Audientes' commercial partners a strong foothold has been created. Overall operations are progressing very well and market acceptance for Ven has been in line with expectations from earlier market trials and partner discussions.

Steen Thygesen, CEO of Audientes comments:

"Audientes has developed a satisfactory flow in our Indian business across hearing health retail channels in the major urban areas of cities such as Delhi, Mumbai, Bangalore, Hyderabad and many more. Since we began selling our self-fitting hearing aid Ven at the end of March, we have surpassed DKK 1 million in invoiced revenue in India and are steadily ramping up. We have moved beyond the supply chain challenges experienced earlier in the year, mass producing Ven and importing it to India, where we are building inventory, so we can meet the expected sales in the latter half of this year."

Highlights from sales ramp up in India in H1 2022

- Audientes has introduced its self-fitting hearing aid Ven to the market and began in late Q1 2022 shipping Ven in the channels.
- Focus in Q2 2022 was on activating the sales partners and their points-of-sale in India, of which 1/3 at the end of H1 2022 have been trained and actively sold the Ven product.
- Audientes reached more than DKK 1 million in sales revenue in its first quarter of sales in H1 2022.
- Important feedback from Audientes' partners helps to enhance the product offering and delivering new features through online software updates such as the opportunity for professional hearing experts to directly input the individual audiogram parameters.
- Introducing and harvesting synergies is key for Audientes' relationships in the retail space – the company has found that to be a key differentiator. Audientes is focusing on driving customer traffic online to the retail partners via the "Buy from your Local Clinic" initiative on its Indian commercial website (audientes.in).
- Ecommerce is still a longer-term play for Audientes – the company is continuing the work with E-tailers and has introduced Ven on Amazon and FlipKart in India.

Sharpened sales and products focus in H2 2022

- Audientes intends to invest less in marketing, especially in the B2C channels, and prioritize B2B channels which have proven to convert well.
- Continue to work on activating all the retail partners' over 350+ retail points-of-sale, training and supporting them as well as defining concrete co-marketing initiatives in their respective areas.
- Audientes will focus on generating revenue from already developed products while also capitalizing on the existing product platform to create derivative offerings and introduce these in new markets, thus broadening the company's market access in a cost-effective manner.

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About Audientes A/S

Audientes A/S is a Danish technology company specializing in smart, self-fitting and affordable hearing aids. 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 US over-the-counter market and other markets in the coming years. Audientes' mission is to help the approximately 500 million people globally suffering from disabling hearing loss who either cannot afford to buy one of the very expensive hearing aids on the market, or who do not currently have access to a solution to their hearing loss.

Audientes (ticker name: AUDNTS) is currently listed on Nasdaq First North Growth Market Denmark ("First North"), but in the process of changing listing venue to Spotlight Stock Market Denmark ("Spotlight"). The estimated last day of trading in Audientes' financial instruments on First North is September 16, 2022, and the estimated first day of trading on the Danish segment of Spotlight is the following banking day, September 19, 2022.

Audientes is headquartered in Copenhagen, Denmark with a subsidiary in Hyderabad, India.

For additional information please refer to the company's website, <https://audientes.com>.

