



1 February 2021

**Supplementary Information to Appendix 4C - Section 8**

I refer to the Appendix 4C and Activity Statement for the quarter ended 31 December 2020 lodged on 29 January 2021 and the request from ASX for additional information.

The cash flow used in operating activities during the quarter of \$2,769k was significantly higher than in previous quarters due to the fact that we were finalising the development phase of the project with our major vendors in Israel and European countries. These costs included development of MEMS, ASIC, measurement systems and demonstration electronics, wafer dicing and chip packaging costs paid to third party vendors. This resulted in accelerated and non-recurring payments for development and testing during the quarter of \$2,487k as we work towards the completion of the development phase with scheduled demonstration to be completed by the end of February 2021. The payments for the development phase of the project are projected to revert to less than \$1,500k per quarter for the next two quarters. The payments for staff costs (\$139k) and administration and corporate costs (\$171k) were in line with previous quarters and are expected to be of a similar amount for the next two quarters. On the basis of the above reduced development payments, the current cash level is sufficient to fund the next two quarters.

This announcement has been authorised for release to ASX by Fred Bart, Chairman.



### About Audio Pixels Holdings Limited

Audio Pixels Limited, founded in 2006, is a wholly owned subsidiary of Audio Pixels Holdings Limited, listed in Australia under the stock code of AKP (Level 1 ADR's on OTC: ADPXY). Backed by exceptional multidisciplinary scientific research, design, and production capabilities, Audio Pixels has become a world leader in digital loudspeaker technologies. Audio Pixels' patented technologies employ entirely new techniques to generate sound waves directly from a digital audio stream using micro-electromechanical structures (MEMS). Its revolutionary technological platform for reproducing sound enables the production of an entirely new generation of speakers that will exceed the performance specifications and design demands of the world's top consumer electronics manufacturers. For more information, visit [www.audiopixels.com.au/](http://www.audiopixels.com.au/).

### Forward-looking statements

This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of AKP and certain of the plans and objectives of AKP with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.