

28 March 2023

The Manager
Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Increased Funding facility from 4F Investments Pty Limited of \$1,500,000

Audio Pixels Holdings Limited (ASX: AKP) advises that it has entered into an additional unsecured funding facility with 4F Investments Pty Limited, a company associated with the Chairman, Mr Fred Bart, of \$1,500,000.

The interest rate attached to the additional loan facility is 12% per annum and is repayable from the proceeds of a future capital raising. A total of \$750,000 has been advanced under the new loan facility - \$150,000 on 27 February 2023, \$100,000 on 16 March 2023 and \$500,000 today.

As part of the agreement to provide this additional loan facility of \$1,500,000, the interest rate on the existing fully drawn unsecured facility of \$3,285,000 provided by 4F Investments Pty Limited has been increased from 6% per annum to 12% per annum effective from 1 March 2023.

As an incentive to the provision of this additional facility of \$1,500,000 and the continuation of the existing fully drawn unsecured facility of \$3,285,000 (whilst waiting for the Earth Mountain placement proceeds of US\$3m to settle \$969,988 in cash and the Annual General Meeting to request shareholder approval for a placement of 165,358 shares to 4F Investments Pty Limited which would net settle \$2,315,012 of the facility), the Company has agreed, subject to shareholder approval, to provide an incentive of 500,000 unlisted options in the company to 4F Investments Pty Limited. The exercise price of these options is the 5-day VWAP when the first \$150,000 was advanced on 27 February 2023 which equates to an exercise price of \$7.59 for a term of 3 years. These options would be provided, subject to shareholder approval at the next Annual General Meeting to be held on Tuesday 30 May 2023. These options would be issued and vest immediately after shareholder approval was received as they only relate to the loan facility and are not employment related.

This announcement has been authorised for release to ASX by Ian Dennis.



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/.

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.

Audio Pixels Holdings Limited ■ ACN 094 384 273 ■ Suite 3, Level 12, 75 Elizabeth St,
Sydney NSW 2000 Australia

Phone: +61 2 9233 3915 ■ **Fax:** +61 2 9232 3411 ■ **Email:** iandennis@audiopixels.com.au