

#



1 April 2020

The Manager

Company Announcements Office

ASX Limited

Exchange Centre

20 Bridge Street

Sydney NSW 2000

Market Update – New Wafers Received on 30 March 2020

To our valued shareholders,

We are living in unprecedented times. Whether governmental injunctions, health guidelines or self-preservation, Coronavirus (COVID-19) has radically impacted work and life routines across the globe.

At AudioPixels, our first priority is the health and safety of our employees, partners, communities and their families. Company management continues to assess the situation in real time and appropriately respond to the evolving conditions, taking proactive steps not only to ensure the wellbeing of our ecosystem but also the continuity of our business.

Israel has taken some of the farthest-reaching measures of any country in the world to slow the advance of the new coronavirus. As a result, our business continuity plans have been in motion for weeks. We rapidly implemented the very best of available technologies, so as to enable our workforce to remain productive while maintaining strict compliance with government regulations and health guidelines. We have also been contending with the limitations of our fabrication partners, each facing their own evolving constraints, as established in their own regions.

We are pleased to inform that despite many obstacles, the incredible dedication and adaptability exhibited by all key stakeholders has allowed for the delivery on March 30, 2020 of the initial batch of wafers.

As described in the Company's published report (27 February 2020) these wafers incorporate relatively minor design changes to the MEMS structure and its manufacturing process. These changes were introduced in order to return the devices to compliance while diminishing sensitivity

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

#

#



to manufacturing tolerances. Return to compliancy is anticipated to provide substantive and dramatic improvement to the acoustic output of the devices.

Measurements have already begun. Essential on-site personnel required to conduct electromechanical and acoustic characterization, will do so in compliance of regulations, while taking all necessary precautions to protect their health and well-being. Barring new virus-related restrictions, **we anticipate a two-week timeframe to conduct the necessary measurements.**

Rest assured that we are taking every step possible to mitigate the impact this crisis has on our people and operations. We wish everyone good health and wellbeing, especially to all those touched by the virus.

Yours faithfully

Fred Bart
Chairman

#

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

#

#



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

#