

ASX announcement

13 January 2021

Audinate Trading Update for first half of FY21

Audinate Group Limited (ASX:AD8), developer of the professional AV-industry leading Dante® media networking solutions, is pleased to provide the following trading update.

Audinate has generated unaudited US dollar revenue of US\$11.1 million for the six-month period ended 31 December 2020 (H1FY21), up from H2FY20 (US\$9.3 million) and in line with H1FY20 (US\$11.1 million). The strengthening AUD / USD exchange rate has adversely impacted unaudited revenue in AUD which amounts to approximately A\$15.4 million.

Commenting on H1FY21 unaudited revenue, Audinate CEO Aidan Williams said: “Our first half revenue result is pleasing, yet we remain cautious of the near-term economic uncertainty associated with the ongoing impacts of COVID-19 around the world. However, our strong balance sheet has enabled us to remain focused on our medium-term strategic priorities.”


New video development team established in Cambridge (UK)

As a result of an unrelated corporate acquisition in Cambridge, Audinate has been able to attract and establish an experienced video development team of 11 employees. Onboarding of four team members has been completed with the remainder commencing over the coming two months. It is expected that this team will be strengthened further by the end of this financial year.

This initiative aligns strongly with the company’s medium-term strategic priorities (as published in the FY20 Investor Presentation) and adds 165 years of video experience and expertise to Audinate.

Focus areas for the year ahead

Medium-term strategic priorities

-  Investing to double Audinate’s engineering and R&D functions over the next two years
-  Putting in place the business infrastructure platform to support long term growth
-  Developing next generation Dante audio and video software implementations
-  Make Dante video the technology of choice for OEMs
-  Expand its Total Addressable Market with the addition of video & software products

In addition to the video development team, Audinate has also recruited a Vice President of Strategic Partnerships in Cambridge to focus on corporate development and M&A opportunities.

These initiatives are estimated to result in additional cash expenditure in FY21 of approximately A\$1.3 million to A\$1.5 million, a portion of which will be capitalised in accordance with the existing policy on capitalisation of development costs.

Commenting on the recent development in Cambridge, Mr Williams said: "The establishment of a dedicated video team significantly increases the level of video expertise and experience within Audinate and improves our ability to execute more swiftly on our video strategy. The addition of the VP of Strategic Partnerships is another important step in being able to execute on other business opportunities, which are emerging more regularly."

Release of half-year results

Audinate expects to release its audited results for the half-year ended 31 December 2020 on 22 February 2021 and will advise of the details of an investor call in due course.

Authorisation: This announcement was authorised by the Board of Audinate Group Limited

- ENDS -

Investor and media enquiries:

Rob Goss

CFO & Company Secretary

P: +61 2 8090 1000

For more information on Audinate, please visit:

Investor Centre – investor.audinate.com Website – www.audinate.com

Forward-Looking Statements

This ASX release includes certain forward-looking statements that are based on information and assumptions known to date and are subject to various risks and uncertainties. Actual results, performance or achievements could be significantly different from those expressed in, or implied by, these forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Audinate. These factors may cause actual results to differ materially from those expressed in the statements contained in this announcement.

About Audinate Group Limited

Audinate Group Ltd (ASX:AD8) was founded with a vision to pioneering the future of AV. Audinate's award winning Dante audio over IP networking solution is the worldwide leader and used extensively in the professional live sound, commercial installation, broadcast, public address, and recording industries. Dante replaces traditional analogue audio cables by transmitting perfectly synchronized audio signals across large distances, to multiple locations at once, using nothing more than an Ethernet cable. Audinate is headquartered in Australia and has regional offices in the United States, United Kingdom and Hong Kong. Dante technology powers products available from hundreds of leading audio partners around the world. The company's ordinary shares are traded on the Australian Securities Exchange (ASX) under the ticker code AD8.