

30 June 2021

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

Market Update – Progress Report

The Company announced at its Annual General Meeting held on 25 May 2021 that “the adjusted timeframe for Demonstration milestone remain the latter part of the fiscal year.”

As further described in the aforementioned presentation the company had been intensively engaged in adapting to the manual packaging capabilities available at our local packaging vendor. The most significant adjustments pertained to the redesign and fabrication of the package PCB substrate (which due to global capacity shortages were only very recently received), as well as the initiation of improved assembly tools and techniques.

We are pleased to inform that our combined efforts have produced dramatic improvements to the quality and yield of the package chips, especially when compared to the two prior packaged chip deliveries. This recent achievement triggered management’s confidence to authorise packaging our more advanced MEMS chips.

As detailed at the AGM, the company intends to upgrade its current out-of-cleanroom demonstration systems with the improved generation of packaged chips, immediately upon receipt and test of the more advanced generation of packaged chips.

Packaging of the more advanced generation of chips is anticipated to be completed within the next 14 -21 days however it should be noted that a recent outbreak of the COVID-19 Indian variant in Israel, may introduce some limited delays to our execution timelines.

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

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.

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