

ASX announcement

12 July 2021

Audinate recovers from COVID to generate 23% revenue growth in FY21

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

Audinate has generated unaudited US dollar revenue of US\$25.0 million for FY21, up 23% from US\$20.4 million in revenue for FY20. This included a strong finish to the year with the final quarter up 74% on the prior comparable period in US\$. In A\$ unaudited revenue amounted to A\$33.4 million, compared to A\$30.3 million in FY20, reflecting a strengthening of the Australian dollar against the US dollar during the year.

Uncertainties in global supply of chips and electronic components continues to be a near-term risk for both Audinate and our Original Equipment Manufacturer (OEM) customers. Audinate continued to meet customer demand for chips and modules over the past few months despite minor impacts from a COVID-related shut-down of our contract manufacturer's plant in Malaysia and some under-delivery of raw materials from our suppliers. Increasing component lead times and requests by chip manufacturers for demand visibility up to 12 months out have resulted in a record backlog of committed sales orders for FY22 as OEMs have placed orders further into the future compared to their pre-COVID behaviour.

Audinate Co-founder and CEO, Aidan Williams commented:

"We are pleased with the FY21 revenue performance and the resilience of the business in the face of COVID related challenges over the last 15 months. The recent launch of the first Dante video products manufactured by our customers was another substantial milestone and market feedback has been encouraging. While Audinate and our manufacturing customers have successfully navigated supply chain challenges to date, we expect continued uncertainty throughout the remainder of CY21."

Successful launch of first OEM Dante Video products

June marked the successful launch of the first Dante video products by Bolin Technology (Bolin) and Patton Electronics (Patton). Bolin launched a 4k and a full-HD pan tilt zoom (PTZ) camera, as well as two video decoders, while Patton launched a video encoder and decoder. PTZ cameras are commonly deployed across a wide range of verticals including corporate conferencing, higher education, and hospitality. Encoders and decoders are used to enable the connection of non-networked AV products such as cameras, monitors, projectors, and computers to a networked Dante AV installation.

The products from Patton and Bolin represent an initial ecosystem of Dante AV products enabling a system integrator to fully fit-out an AV installation using only Dante networking for video and audio distribution. This milestone was achieved in the time frame foreshadowed a year ago and has been met with a positive initial response from customers.

Further details on these products is contained in the press release on our website, which is also available on the following link: <https://www.audinate.com/news/press-releases/audinates-dante-av-now-available-with-new-products-from-bolin-technology-and-patton-electronics>

Outlook

Audinate Co-founder and CEO, Aidan Williams commented:

"The strong finish to the year, together with the record backlog of sales orders, means that Audinate is well placed to return to US\$ revenue growth in the historical range and consistent with current market expectations in FY22. We expect to release our FY21 financial results on the 23rd August and look forward to providing further details to our shareholders at that time."

The Company will host a webinar via Zoom to discuss its FY21 results at 9.30am (AEST) on 23 August 2021. The webinar is expected to last approximately 60 minutes inclusive of question time.

Register in advance for this webinar:

https://us02web.zoom.us/webinar/register/WN_HYNiaGQ6QYWs4G3EkRRBiA

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

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For more information on Audinate, please visit:

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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.