

Q4 FY25 Quarterly Activities Report & Appendix 4C

Audeara Ltd (ASX: AUA) ('Audeara' or 'the Company') is pleased to provide the following update for the three-month period ended 30 June 2025 ('Q4 FY25').

Highlights

- ▶ Record full-year cash receipts of \$4.9m, up 38.4% on FY24 driven by the expanding global sales profile for the AUA Technology division
- ▶ Quarterly group cash receipts underpinned by accelerating momentum for the core domestic wholesale channel, which rose by 34.9% quarter on quarter (q/q) and 115% year on year (YoY)
- ▶ Strategic inventory build expected to flow through to increased net operating cash flows next quarter, with the commencement of product delivery for follow-up purchase order by Zildjian
- ▶ Expanded R&D program to underpin growth of AUA Technology in international markets

Q4 financials reflect broader growth in FY25:

- ▶ Cash receipts of \$957k, consistent with prior comparative period of \$982k
- ▶ Q4 cash receipts contributed to record annual cash receipts of \$4.898m
- ▶ Quarterly unaudited revenues of \$722k contributed to preliminary annual unaudited revenues of \$3.786m, a record high and up 21.9% on FY24
- ▶ Net operating cash outflows of \$757k, largely driven by strategic focus on R&D and stock purchasing
- ▶ Cash at bank of \$1.42m as at 30 June 2025

Outlook:

- ▶ Renewed momentum in core wholesale markets complemented by ongoing growth opportunities for AUA Technology in global markets
- ▶ Zildjian purchase order expected to flow through to material uplift in cash receipts for the September quarter due to timing of payments



Management commentary

Audeara CEO and founder, Dr James Fielding said:

"The June quarter was a period of consolidation for Audeara, during which time the Company executed on several strategic initiatives to ensure it capitalises on the growth established through the AUA Technology division over the previous 12 months. The capacity of AUA Tech to deliver a material uplift in group earnings was clearly demonstrated during this period, with Q4 FY25 contributing to record high annual totals for both revenues and operating cash receipts.

"The follow-up purchase order for the integration of our software with one of the world's largest music instrument manufacturers reflects the market traction we've established for the AUA Technology division, presenting a clear pathway for additional high-margin revenue that can materially expand the scope of our business. What was also pleasing during the June quarter is that this commercial upside was accompanied by strong momentum in our core Australian wholesale markets for Audeara hardware, where sales rose strongly for the second straight quarter.

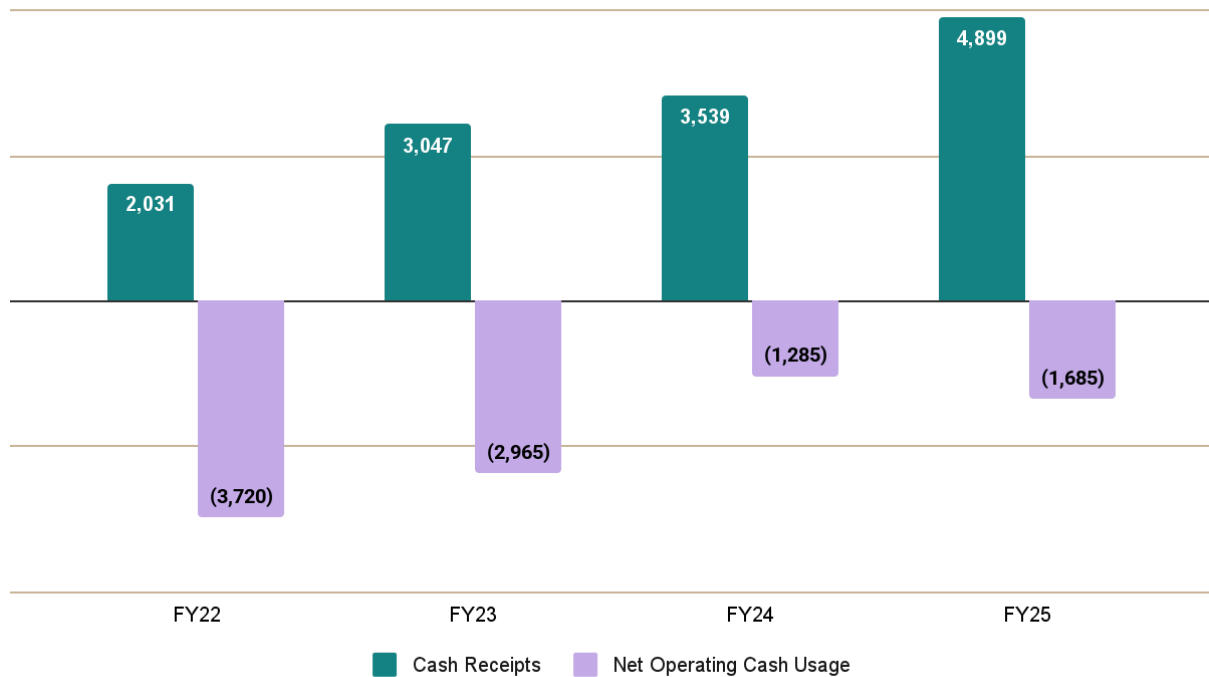
"In summary, our achievements in Q4 rounded out a landmark year in the 2025 financial year, which has positioned the Company to drive further growth through a diversified revenue strategy into FY26 and beyond."

Financial Overview

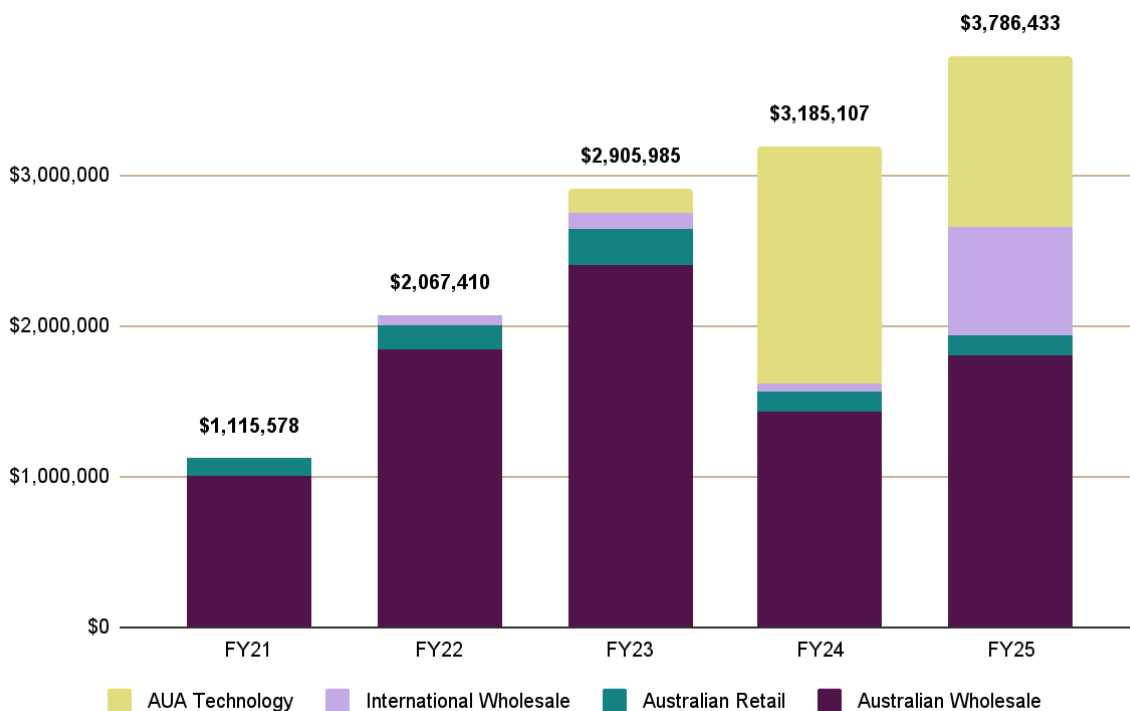
- ▶ Cash receipts of \$957k, consistent with prior comparative period of \$982k
- ▶ Annual cash receipts of \$4.9m, a record high and up 38.4% from FY24
- ▶ Quarterly unaudited revenues of \$722k with record-high unaudited annual revenues of \$3.786m
- ▶ Payments to related parties, including directors' fees, of \$115,000 was a decrease of \$22k when compared to Q3 FY25 due to timing of payments
- ▶ Net operating cash outflows of \$757,000, largely driven by strategic focus on R&D and stock purchasing
- ▶ Cash at bank as at 30 June 2025 of \$1.42m



Annual Cash Receipts vs. Net Operating Cash Usage



Annual Revenue (FY25 unaudited)



¹ All FY25 results are unaudited.



Operational Overview

During the quarter, the Company continued to expand its commercial relationships in the professional audio sector through the extension of post-market support and feature development services for a major global music brand's personalised audio application.

This builds on the previously announced partnership for the integration of advanced hearing personalisation technology in premium headphones, with the scope now increasing to encompass ongoing app enhancements, firmware compatibility testing, and user experience optimisation to support broader product lines.

The extended engagement reflects the successful delivery of prior project milestones and further reinforces the Company's capability to deliver end-to-end software solutions across mobile and embedded platforms.

Operations during the period were led by an expanded strategic focus on R&D to capitalise on the market opportunity for the AUA Technology division, which has now rapidly emerged as a significant growth driver for the business underpinning record growth in annual revenues and cash receipts.

R&D investments were accompanied by initiatives to boost inventory and enhanced product features for existing customers, along with the second phase of mass production to supply the follow-up purchaser order from Zildjian. Shipments of the previously reported PO are scheduled for the September quarter, at which point the purchase order will be recognised as revenue and recorded as an operating cash inflow in accordance with group accounting policies.

Outlook

Commercial activities in the September quarter will include first deliveries in connection with the follow-up purchase order for AUA Technology, which will be recognised as revenue and are expected to contribute materially to cash receipts in the period. Discussions with additional international counterparties remain ongoing for the commercial delivery of AUA Technology products. The Company also expects to maintain the recent quarterly growth trajectory for Audeara hardware products in the Australian wholesale markets.

This announcement has been authorised by the board of Audeara Limited.

For more information please visit, audeara.com.

CORPORATE & MEDIA ENQUIRIES

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ABOUT AUDEARA

Feel connected, your way.

Audeara Limited (ASX: AUA) is a global hearing health leader specialised in innovative listening solutions for people with hearing challenges.

We are passionate about redefining hearing health, with a particular focus on delivering products that provide world-class tailored listening experiences.

We care about connecting people with experiences that bring them joy - whether that's watching a favourite TV show, FaceTiming family or listening to music with confidence.

All Audeara products are purposefully designed and engineered in Australia with precision detail and state-of-the-art technology. Each product delivers optimum listening experiences to enhance quality of life for people of all ages and abilities.

Audeara sells its products through distributors and resellers in Australia, Europe, Asia and North America, and through e-commerce channels.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

AUDEARA LIMITED

ABN

27 604 368 443

Quarter ended ("current quarter")

30 JUNE 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	957	4,899
1.2	Payments for	-	-
	(a) research and development	(242)	(732)
	(b) product manufacturing and operating costs	(785)	(3,351)
	(c) advertising and marketing	(55)	(396)
	(d) leased assets	(1)	(4)
	(e) staff costs	(479)	(2,131)
	(f) administration and corporate costs	(154)	(690)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	20
1.5	Interest and other costs of finance paid	(10)	(13)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	695
1.8	Other (refund of rental bond)	-	18
1.9	Net cash from / (used in) operating activities	(757)	(1,685)
2	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(31)	(141)
	(d) investments	-	-
	(e) intellectual property	(9)	(9)
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:	-	-
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
(e)	intellectual property	-	-
(f)	other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(40)	(150)

3	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,350
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(63)
3.5	Proceeds from borrowings	398	899
3.6	Repayment of borrowings	(39)	(214)
3.7	Transaction costs related to loans and borrowings	(10)	(15)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	349	1,957

4	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,881	1,271
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(757)	(1,685)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(40)	(150)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	349	1,957
4.5	Effect of movement in exchange rates on cash held	(11)	29
4.6	Cash and cash equivalents at end of period	1,422	1,422

5 Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,422	1,881
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,422	1,881

6 Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	115
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

7 Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	920	898
7.2 Credit standby arrangements	-	-
7.3 Other (insurance premium funding)	87	87
7.4 Total financing facilities	1,007	985
7.5 Unused financing facilities available at quarter end		22
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
7.1: (i) Short term loan facility with Sturt Capital Pty Ltd against the anticipated R&D Tax Incentive rebate for FY2025. The loan facility has an establishment fee of 1.5%, bears interest of 1.33% per month with a repayment date which is earlier of the date of receipt of the 2025 R&D Tax Incentive from the Australian Taxation Office and 31 December 2025. (ii) Westpac Banking Corporation credit card facility, secured rolling line of credit for \$21,730 at 20.24% interest on unpaid balances 7.3: Hunter Premium Funding, unsecured 10-month loan fully drawn in April 2025 for \$127,915.82 to fund insurance premiums. Principal outstanding at 30 June was \$86,565. The loan is repayable in monthly instalments at a flat annualised interest rate of approximately 5.6%.		

8 Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(757)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,422
8.3 Unused finance facilities available at quarter end (item 7.5)	22
8.4 Total available funding (item 8.2 + item 8.3)	1,444
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.9
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
No. The Company does not expect to maintain the current level of net operating cash outflows. The Company is actively progressing revenue-generating initiatives and implementing cost management strategies aimed at improving operating cash flows in future periods.	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
No. The entity does not currently anticipate the need to raise further capital, as forecast growth in revenue is expected to support ongoing operations. However, the entity maintains flexibility to access additional funding if required and remains confident in its ability to do so, based on past success and market support.	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Yes. The entity expects to continue its operations and meet its business objectives based on current cash reserves, anticipated improvement in operating cash flows, and its demonstrated ability to raise capital when required.	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 July 2025

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has

been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.