26 February 2026

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

Convertible Notes and Funding

Audio Pixels Holdings Limited (ASX:AKP) (Company) has issued Convertible Notes of A$1,000,000 to three sophisticated investors. The issue of the Convertible Note enables the Company to work toward its short-term objectives and extend its working capital runway.

The Company confirms the investors are not:

- a related party of the Company;
- a member of the Company's key management personnel;
- a substantial holder in the Company;
- an advisor to the Company; or
- an associate of any of the above.

ASX Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of the period. The Company confirms this proposed issue of securities falls within the Company's 15% placement capacity under Listing Rule 7.1.

The terms of the Convertible Notes will include a term of up to 30 April 2027, are unsecured, and will attract an interest rate of 12% per annum, capitalised until the Note is fully repaid or converted into Shares. The Note is convertible to ordinary shares at A$9.04. The issue price may be less than A$9.04 if the Company undertakes a placement of ordinary shares at a lower price at any time until the expiry date, in which case the conversion price will be at a 30% discount to the placement price, with a conversion price floor of $3.50 per share.

The investors will also receive 300,000 unlisted options (150,000 options per A$500,000 invested) with a strike price of A$7.59. These unlisted options expire on 5 May 2027. These options will be issued after shareholder approval at the next meeting of shareholders.

This ongoing financial support reflects confidence in our strategic direction, and we appreciate their commitment to our vision.

In addition, 4F Investments Pty Ltd (a Company controlled by Fred Bart, Chairman) has agreed to extend the maturity date of the unsecured loan facility held with the company to 30 April 2027. All other terms and conditions of the facility remain unchanged, interest rate 12%, capitalised until maturity, conversion or repayment.

Of the $13.75M in convertible notes previously issued by the company in May 2023, November 2023, November 2024 and October 2025, noteholders holding notes with a face value of $13.7M have agreed to extend the maturity date of their notes to 30 April 2027. All other terms and conditions of these notes remains unchanged (12% interest capitalised until maturity or conversion, conversion price $9.04 or lower if a share placement of ordinary shares is undertaken at a lower price before maturity, minimum conversion price $5.00).

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

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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