2 July 2026

CONVERSION OF CONVERTIBLE NOTES

Audio Pixels Holdings Limited (OTCQX:ADPXY) - Conversion of Convertible Notes

Audio Pixels Holdings Limited ("Audio Pixels" or the "Company") is pleased to announce that holders of Convertible Notes with an aggregate face value of $14.0 million have agreed to convert their Convertible Notes, together with all capitalised interest accrued under those notes, into fully paid ordinary shares in the Company.

The Convertible Notes and capitalised interest will be converted at a conversion price of $9.04 per share, resulting in the issue of 1,823,816 new fully paid ordinary shares.

Following completion of the conversion, the total number of ordinary shares on issue will increase to 31,033,916.

The conversion represents a significant strengthening of the Company's balance sheet by eliminating a substantial portion of its debt and reducing future interest obligations. The Board believes the transaction further enhances the Company's financial position and provides increased flexibility as it continues to advance the commercialisation of its proprietary digital speaker technology.

The Company is also pleased to advise that 4F Investments Pty Ltd, a company associated with the Chairman, Fred Bart, has agreed to convert its Convertible Note with a face value of $250,000, together with all capitalised interest, into ordinary shares on the same terms as the other participating noteholders. As 4F Investments Pty Ltd is an associate of a related party of the Company, this conversion is subject to shareholder approval, which will be sought at the Company's next general meeting.

The Board welcomes the strong support demonstrated by the participating noteholders. Their willingness to convert their debt holdings into equity reflects their confidence in the Company's long-term strategy, technology and growth prospects.

Authorised for release by the Board of Directors of Audio Pixels Holdings Limited.

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