

Return to Growth in 2H25 and Extended Market Leading Position

Audinate Group Limited (ASX:AD8), today announced its financial results for the year ended 30 June 2025 (FY25), delivering performance in line with prior market guidance and revenue growth delivered in the second half of the year. FY25 was a transitional year, with financial performance temporarily impacted by an inventory overhang at OEM customers and softening AV industry growth rates.

Importantly, Audinate expanded gross margins, maintained a strong cash position, launched multiple new software and cloud products, and delivered double-digit growth in embedded software revenue. With inventory rebalancing largely behind us, the acquisition of Iris accelerating our video roadmap, and several new platform initiatives gaining traction, Audinate enters FY26 with renewed focus on execution, growth, and long-term value creation. Audinate is positioned at the forefront of the global AV industry's shift from proprietary hardware to IP-based, software-driven solutions, and is well placed to drive the next phase of industry transformation.

Key FY25 Financial Highlights

- Revenue of US\$40.0 million (FY24: US\$60.0 million), gross profit of US\$32.9 million (FY24: US\$44.5 million).
- Gross margin increased to 82.1%, up from 74.2% in FY24, reflecting a product mix shift toward higher-margin software solutions.
- Underlying EBITDA of A\$0.7 million (FY24: A\$20.3 million).
- Positive operating cash flow of A\$7.5 million (FY24: A\$25.4 million).
- Cash and term deposits: A\$110 million, with pro-forma balance of A\$72.8 million post-Iris acquisition (FY24: A\$117 million).

Indicators of Underlying Growth

- **Software growth** - embedded Software revenue rose 15%, underpinned by sustained demand for Dante solutions.
- **Continued market leadership in audio** - Dante audio adoption remains robust, with 14x more Dante-enabled products on the market than the nearest competitor (up from 12x in FY24).
- **Design wins** - secured 129 new design wins in FY25, up 12% on the prior year, building a solid pipeline for future revenue.

Key Strategic Achievements in FY25

- **Strategic acquisition** - announced the acquisition of Iris Studio Inc, a US-based leader in AI-powered, cloud-first camera control, significantly strengthening Audinate's video & control capabilities and accelerating strategy execution.
- **Platform & products** - expanded the AVIO adaptor range with the first 'Dante AVIOs for Installation' product tailored for the professional AV market, launched Dante Virtual Sound Card Pro (DVS Pro) with a new subscription model to support software-based workflows, and delivered a major user interface upgrade to Dante Controller to enhance usability and efficiency.
- **Control & management** – commercially launched Dante Director, Audinate's first SaaS AV system management product, and introduced Dante Device Link, advancing our unified audio, video and control platform strategy.

Audinate Co-founder and CEO Aidan Williams commented:

*"In a year of transition, we shipped 1M Dante devices, established our first cloud-based management platform and completed the strategic acquisition of Iris. An AV platform must provide for audio, video & control. With more than 8M AV devices available in our product ecosystem, the time has come to invest in the third leg of the stool – **control**. We have an exciting combination of talent, products and commercial opportunity that will advance our long-term vision to provide the dominant interoperable audio, video & control platform for the AV industry."*

US\$ Revenue and Gross Profit

Key Financial Metrics	1H FY24	2H FY24	FY24	1H FY25	2H FY25	FY25	Variance
Revenue (US\$ millions)	30,422	29,590	60,012	18,873	21,172	40,045	(33%)
Gross Profit (US\$ millions)	21,763	22,749	44,512	15,522	17,351	32,873	(26%)
Gross Margin %	71.5%	76.9%	74.2%	82.2%	82.0%	82.1%	+7.9 pp

Product Mix Shifting to Software; Improvement in Gross Margin Percentage

Audinate delivered substantial gross margin percentage improvement during FY25, increasing to 82.1% from 74.2% in FY24. This reflects a product mix shift toward software-based solutions.

As manufacturers adopt software-based Dante, their unit economics improve, driving broader product adoption. This model also positions Audinate to address cost-effective,

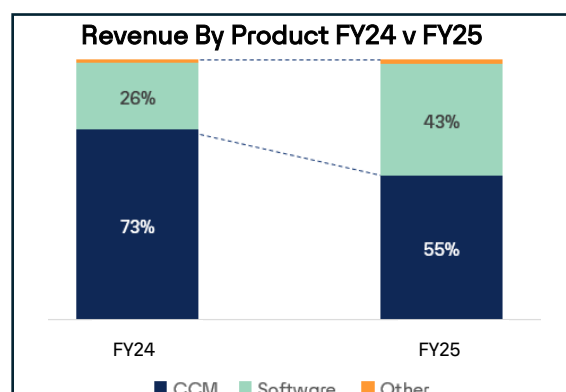
higher-volume product categories while sustaining strong gross profit margins over the medium term.

Importantly, alongside the consistent growth in software solutions, demand for Dante Chips, Cards, and Modules remains. These products continue to offer simple integration and faster time to market, and they remain a foundational component in our portfolio.

Revenue by Product – Software Delivers Ongoing Growth Across Product Portfolio

The table and chart below present revenue by product for FY24 and FY25.

Revenue By Product (US\$ M)	FY24	FY25	Variance
CCM	43,779	22,075	(50%)
Software	15,392	17,144	11%
Other	841	826	(2%)
US\$ Revenue	60,012	40,045	(33%)



The CCM category comprises Adaptors and Embedded CCM products

Adaptors revenue was \$6.3 million (FY24: \$9.5 million), with second-half revenue increasing 18% over the first-half. In Q4, we launched the first of our 'AVIOs for Installation' range, featuring an installer-friendly mounting system and upgraded Pro S1 chip with audio encryption. With strong pre-sales interest, both 'AVIOs for Installation' and the original 'AVIOs for Live' range are expected to contribute meaningfully to revenue in FY26.

Embedded CCM revenue was US\$15.8 million (FY24: US\$34.3 million) with year-on-year decline primarily driven by reduced demand for Brooklyn modules and Ultimo chips due to inventory rebalancing.

The Software category comprises Embedded Software and Platform Software products

Embedded software revenue grew 15%, reflecting increased adoption of Dante IP Core as OEMs continued shifting from hardware-based solutions. Delivered 'on demand' and consumed by manufacturers as needed, software licences are typically not overstocked and more closely track underlying demand for Dante, independent of hardware cycles.

Platform software revenue grew 4%, supported by growing uptake of DVS Pro and early adoption of Dante Director, Audinate's new cloud-based AV management platform. Continued rollout of these solutions is expected to drive further growth in FY26.

Continued Investment in Product Innovation and Platform Expansion

Audinate invested A\$15.3 million in product development during FY25 (FY24: A\$18.3 million), focused on advancing its platform in audio, video, and AV control.

Key product milestones:

- **Dante Director** - a cloud-based management platform for configuring and monitoring large-scale Dante AV networks. It enhances visibility and control for system integrators and enterprise users.
- **Dante Device Link** - a connector for manufacturers that allows key device-level settings - like input volume (gain), sound tone (EQ), microphone power (phantom power), and fault detection to be accessed and managed through Audinate's cloud management platform. This enables centralised control of large fleets of Dante devices – going far beyond basic media routing.
- **Dante AVIOs for Installation** - the next generation of Dante AVIO adaptors, offering enhanced performance and a contractor-friendly form factor to simplify installation into audio/visual systems.
- **DVS Pro** - a higher performance version of DVS for PC/Mac, enabling a broader range of professional recording, broadcast and conferencing workflows.
- **Dante Controller (UI modernisation)** - interface enhances usability and workflow efficiency, enabling quicker access to advanced Dante network management features.

Income Statement (Australian dollars)

Income statement A\$'000	2025	2024
Revenue	62,069	91,483
Gross Profit	51,104	67,959
Gross Margin %	82.3%	74.3%
Operating Costs	(50,453)	(47,699)
Underlying EBITDA	651	20,260
Acquisition costs	(625)	-
Reported EBITDA	26	20,260
Depreciation	(15,612)	(12,173)
EBIT	(15,586)	8,087
Interest income	4,464	3,997
PBT	(11,122)	12,084
Tax expense/benefit	4,744	(1,848)
NPAT	(6,378)	10,236

Operating Expenses - Continued Investment to Support Growth

Operating expenses increased by 6% to \$50.5 million for the year ended 30 June 2025, compared to \$47.7 million for the prior corresponding period, reflecting ongoing investment in core capabilities and product innovation to position Audinate for future growth and deliver on our strategic roadmap.

Employment costs rose 5% to \$36.1 million (FY24: \$34.3 million), primarily driven by an increase in headcount from 225 to 235 as at 30 June 2025. This growth reflects continued investment across audio, video, and management and control capabilities.

Sales and marketing expenses increased 12% to \$6.7 million, reflecting higher advertising spend to support the launch of Dante Director, as well as ongoing participation in key regional trade shows.

Administration and other expenses rose to \$7.7 million, a 4% increase over the prior year, driven by increased spending on software subscriptions, travel, and general administration to support the growing workforce.

EBITDA

Underlying EBITDA declined to \$0.7 million for FY25 (FY24: \$20.3 million), driven by lower revenue from OEM inventory rebalancing and ongoing strategic investment to support future growth.

Underlying EBITDA for FY25 excludes A\$0.6m of acquisition-related expenses primarily comprising of legal, accounting, and tax advisory costs.

Robust Cash Position and Positive Operating Cashflow

Audinate held \$109.9 million in cash and term deposits as at 30 June 2025, compared to \$117.0 million as at 30 June 2024.

On 25 June 2025, Audinate announced the acquisition of Iris Studio Inc., a US-based leader in AI-powered, cloud-first camera control technology. Total cash consideration, inclusive of contingent amounts, is estimated at US\$24 million. After accounting for the Iris acquisition, Audinate's pro forma cash position remains strong at approximately A\$72.8 million.

The Group recorded operating cash flow of \$7.5 million for the year ended 30 June 2025 compared to \$25.4 million in the prior corresponding year.

Business Foundations Robust

Throughout FY25, Audinate continued to strengthen its position by expanding the Dante ecosystem, deepening customer engagement and broadening its product portfolio – positioning the business for long term growth.

Ecosystem scale – growth in Dante-enabled devices

- The number of Dante audio products is estimated at ~14× the nearest competitor
- 4,603 Dante-enabled products now in market.
- 427 new partner products launched during the year.
- 129 design wins secured, up 12% on FY24.
- 300 individual brands now licensed to deliver Dante products.
- Cumulative downloads of the Dante Controller setup tool increased 12.5%.

Training, certification, and engagement – driving broader adoption through education and community growth

- 316,990 trained and Dante-certified professionals globally.
- 48,472 newly trained and certified during FY25.
- Marketing database up 8% to ~799,940 contacts.
- Unique website visitors reached 1.2 million, up 33% year-on-year.

Iris and Video – Reshaping Our Go-To-Market

By the end of FY25, 60 OEM brands were licensed for Dante Video (up from 50 in FY24), and manufacturers had launched 116 Dante Video products (vs 66 in FY24), representing a 76% year-on-year increase. We are committed to serving segments where Audinate has a clear advantage – especially environments already adopting Dante audio and where orchestration and control are central to delivering end-to-end value.

In July 2025, Audinate completed the acquisition of Iris Studio Inc., a US-based leader in AI-powered, cloud-first camera control. Iris significantly enhances our video capabilities and accelerates our vision for seamless control and management of AV-over-IP across a broad range of devices.

Together, our existing portfolio and the strategic addition of Iris are reshaping Audinate's approach to the video market, leapfrogging conventional transport-based competitors.

Dante Director: Progress on Cloud-First Control

Launched in June 2024, Dante Director is Audinate's first SaaS, cloud-based platform for monitoring and managing AV installations. It represents a foundational step in building a broader suite of management and monitoring solutions for Dante-enabled systems.

The initial FY25 release of Dante Director targeted small to mid-sized deployments. Over the next 12 months, we aim to deliver enterprise-grade capabilities — including advanced security for corporate IT environments, performance monitoring and dashboards, and media encryption — to enhance visibility, control and resilience across professional AV networks.

FY26 Outlook

Audinate enters FY26 with a strengthened revenue outlook and clear strategic priorities.

Key Strategic Initiatives for FY26 Include:

- **Ecosystem expansion** - drive growth in Dante-enabled devices to amplify network effects and broaden platform adoption.
- **Integrated solutions** - deliver seamless, end-to-end user experiences across the Dante ecosystem to increase customer engagement and product stickiness.
- **Iris market launch** - execute a coordinated go-to-market plan for Iris, supporting a successful commercial launch and ongoing product development.
- **Dante Director evolution** - expand the functionality and commercial rollout of Dante Director, with a strategic focus on enterprise AV network management.

Outlook – Executing Growth Strategy

For FY26, Audinate expects US-dollar gross profit growth between 13% -15% over FY25, representing 2–3 times the industry growth rate and prudently factoring in the potential impact of U.S. tariffs.

Gross margin percentage is expected to remain broadly consistent with FY25, supported by a revenue mix weighted toward higher-margin software solutions.

In FY26, Audinate will invest in strategic opportunities with Iris, Dante Director and the Dante platform. As a result of these investments, operating costs in FY26 are expected to increase by 25% over FY25.

Audinate expects to report negative free cash flow in FY26, reflecting the purchase of Iris and planned strategic investments. Audinate's strong balance sheet provides flexibility to fund these strategic initiatives.

These investments are expected to position Audinate for meaningful revenue contribution in future years and reinforce its leadership in the rapidly evolving AV-over-IP market.

Investor Briefing

The Company will host a webinar via Zoom to discuss its FY25 results at **9.30am (AEST) on 18 August 2025**. The webinar is expected to last approximately 45 minutes, including question time.

[Register here in advance for this webinar](#)

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

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For more information on Audinate, please visit:

Investor Centre – <https://investor.audinate.com/investor-centre/>

Website – www.audinate.com

About Audinate Group Limited

Audinate Group Ltd (ASX:AD8) was founded with a vision to pioneer the future of AV. Audinate's award-winning Dante 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 cables by transmitting perfectly synchronised AV 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, Belgium, and Hong Kong. Dante technology powers products available from hundreds of leading audio and video partners around the world. The Company's ordinary shares are traded on the Australian Securities Exchange (ASX) under the ticker code AD8.

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.