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ASX announcement

23 July 2020

AUDINATE SUCCESSFULLY COMPLETES A\$28 MILLION FULLY UNDERWRITTEN PLACEMENT

Highlights:

- **A\$28 million raised through an oversubscribed Institutional Placement (“Placement”) supported by our existing institutional shareholders and new institutional investors**
- **Demonstrates strong endorsement for Audinate’s growth strategy to accelerate investment and pursue growth opportunities**
- **Non-underwritten Share Purchase Plan to raise up to A\$12 million (“SPP”) will be opened to existing Eligible Shareholders shortly**

Audinate Group Limited (“Audinate”) (ASX:AD8), developer of the professional AV-industry leading Dante® media networking solutions, is pleased to announce that it has successfully completed a A\$28 million fully underwritten Placement at an issue price of A\$5.15 per share (“**Placement Price**”), representing a 5.1% discount to the 5-day volume weighted average price (“**VWAP**”) of the Company’s shares traded on the ASX up to and including 21 July 2020 of A\$5.43 per share.

The Placement will result in the issue of approximately 5.4 million new fully paid ordinary shares (“**New Shares**”). New Shares will rank equally with existing ordinary shares on issue and allotment is expected to occur on 28 July 2020. Eligible existing institutional shareholders who bid for an amount less than or equal to their ‘pro rata’ share of New Shares under the Placement were allocated their bid in full, on a best endeavours basis. The Placement was undertaken within Audinate’s existing placement capacity under ASX Listing Rule 7.1 and accordingly, shareholder approval was not required.

Proceeds raised from the Placement will be used to:

- increase investment in engineering, R&D capabilities and business infrastructure to extend Audinate’s market leading position in the audio networking space;
- strengthen the Company’s balance sheet position in the uncertain COVID-19 period;
- accelerate investment in additional video and software products; and
- provide flexibility to pursue potential M&A opportunities that complement the Company’s medium-term objectives.

Audinate’s CEO Aidan Williams said: *“We would like to thank our existing shareholders for their ongoing support and we welcome new shareholders to our register. We also look forward to eligible retail shareholders having the opportunity to participate in the Equity Raising via the SPP. Following the Equity Raising, Audinate will be well-positioned to weather further potential COVID-19 impacts, accelerate its growth plans and deliver on its medium-term strategic priorities.”*

As announced on 22 July 2020, Audinate is also offering Eligible Shareholders the opportunity to acquire up to A\$30,000 in New Shares in the non-underwritten SPP to raise up to a further A\$12 million (which may be varied or subject to scale back at the Company's absolute discretion). This represents an increased offer size, both on an absolute and relative basis, from the oversubscribed A\$4 million SPP completed in July 2019 and recognises the strong ongoing support from our retail investor base.

The SPP issue price will be the lower of:

- the Placement Price (A\$5.15 per share); or
- the price that is a 2% discount to the VWAP of ordinary shares in Audinate traded on ASX over the 5 trading days up to, and including, the SPP Closing Date.

The SPP Booklet and Application Form will be released on the ASX separately and despatched to Eligible Shareholders on or about 29 July 2020, being the date on which the SPP offer will open. Application Forms and payments are due no later than 5:00pm AEST on 11 August 2020.

Further information can be found in the announcement and investor presentation titled "Audinate Equity Raising - Investor Presentation" released to ASX on 22 July 2020.

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 – investor.audinate.com Website – www.audinate.com

IMPORTANT NOTICE

This announcement may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or in any other jurisdiction in which such an offer would be unlawful. The New Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, in the United States unless they have been registered under the U.S. Securities Act (which Audinate has no obligation or intention to do or procure) or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws.

The information in this announcement is of general background and does not purport to be complete. It should be read in conjunction with Audinate's other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au.

Forward-Looking Statements

This ASX release includes certain forward-looking statements. Forward-looking statements can generally be identified by the use of forward looking words such as “forecast”, “estimate”, “likely”, “anticipate”, “believe”, “expect”, “future”, “project”, “opinion”, “opportunity”, “predict”, “outlook”, “guidance”, “intend”, “should”, “could”, “may”, “target”, “plan”, “propose”, “to be”, “foresee”, “aim”, “will” and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements and include statements in this announcement regarding the conduct and outcome of the Placement and SPP and the use of the proceeds. You are cautioned not to place undue reliance on forward-looking statements (particularly in light of the current economic climate and significant volatility, uncertainty and disruption caused by the COVID-19 pandemic). Forward-looking statements, opinion and estimates provided in this release are based on information and assumptions known to date and are subject to various risks and uncertainties and subject to change without notice. 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, including but not limited to the risk factors set out in the investor presentation released by Audinate to ASX today. Except as required by applicable law or regulation (including the ASX Listing Rules), Audinate undertakes no obligation to provide any additional or updated information or update any forward-looking statements, whether as a result of new information, future events or results, or otherwise.

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 synchronised 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.