

AUDIENTES: UPDATE Q2'23

Audientes reported a year-on-year increase in revenue, EBITDA, and profit. Revenue increased to 1,042 MDKK (0,987) in the quarter. EBITDA increased to -1,838 MDKK (-3,328), and profit after tax increased to -3,603 MDKK (-4,580) in the quarter. Cash flow from operating activities increased to -1,292 MDKK (-6,624), and cash and cash equivalents amounted to 1,682 MDKK by the end of Q2 compared to 0,774 MDKK by the end of Q1'23.

Leaving a turbulent period behind

Audientes has been navigating through a series of challenges, particularly in its efforts to establish a foothold in the Indian market. In 2022, the company initiated its market entry in India, focusing on the sale of its hearing aid, Ven. Despite creating a platform through collaborations with professional clinics, pharmacies, and NGOs, Audientes faced challenges which significantly impaired its liquidity. Moreover, a miscalculation in assessing the severity of hearing loss in the average Indian patient required a recalibration of the product. This led to a depletion of the funds raised from the 2022 rights issue.

New distribution strategy in India

To address the mistakes made in India, the company stopped working with most of its Indian distributors to focus solely on earKART. Audientes also launched a software update to make Ven work better for Indian patients suffering from severe hearing loss. Audientes now has a more focused approach for the Indian market which we believe is the right way forward. However, this will lead to a slower entry into the Indian market than we initially anticipated.

Strained balance sheet

Audientes' balance sheet is currently under pressure. In our view, the most urgent issue is to strengthen the balance sheet to ensure continued financing of the company's daily operations. Audientes must either start generating a positive free cash flow or secure additional funding to realize its expansion plans in India, China, and Nepal.

Read the complete analysis [here](#)

För mer information, vänligen kontakta:

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Om Kalqyl

Kalqyl är ett nytänkande analysbolag med en snabbväxande plattform och en unik räckvidd bland nordiska investerare. Analyserna skiljer sig från mängden och syftar till att vara förklarande. Det gör innehållet enklare att förstå och tillgängligt för alla.