

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): **May 21, 2024**

WISA TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of Incorporation)

001-38608
(Commission
File Number)

30-1135279
(IRS Employer
Identification Number)

**15268 NW Greenbrier Pkwy
Beaverton, OR**
(Address of registrant's principal executive office)

97006
(Zip code)

(408) 627-4716
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	WISA	The Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 21, 2024, WiSA Technologies, Inc. (the "Company") issued a press release announcing its financial and business highlights for the quarter ended March 31, 2024. The press release is attached as Exhibit 99.1 to this Current Report on Form 8-K ("Form 8-K") and is incorporated herein by reference.

Additionally, on May 21, 2024, the Company hosted a conference call to deliver to the Company's stockholders a presentation of the Company's first quarter results. The Company released presentation materials that incorporate, among other items, the Company's first quarter 2024 update, its WiSA E initiatives, recent business highlights and its stockholders meeting to be held on May 31, 2024. The presentation materials for the conference call are hereby furnished as Exhibit 99.2 to this Form 8-K and are incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

During the conference call with the Company's stockholders, the Company discussed the expected monthly operating expenses of approximately \$900,000 for the next few quarters. The Company's management evaluates the Company's operations and expenses on an ongoing basis and intends to target such amount of monthly operating expenses during such period. The actual amounts in the short term are expected to be higher than the targeted amount due to the needs of ongoing projects. A transcript of the conference call is hereby furnished as Exhibit 99.3 to this Form 8-K and is incorporated herein by reference.

The information contained in this Form 8-K provided under Item 2.02 and Item 7.01 and Exhibits 99.1, 99.2 and 99.3 attached hereto are furnished to, but shall not be deemed filed with, the U.S. Securities and Exchange Commission (the "SEC") or incorporated by reference into the Company's filings under the Securities Act of 1933, as amended (the "Securities Act"), or the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No.	Description
99.1	Press release, dated May 21, 2024.
99.2	May 21, 2024, Presentation Materials.
99.3	May 21, 2024 Earnings Call Transcript
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 22, 2024

WISA TECHNOLOGIES, INC.

By: /s/ Brett Moyer
Name: Brett Moyer
Title: Chief Executive Officer



WiSA Technologies Reports Q1 2024 Results

- Expecting total of 8 WiSA E licensing agreements by year-end 2024, up from 5 currently –
- First WiSA E-enabled products expected to contribute revenue in 2H 2024 -

BEAVERTON, OR — (May 21, 2024) — WiSA Technologies, Inc. (the “Company”) (Nasdaq: WISA), a developer of spatial, wireless sound technology for smart devices and next-generation home entertainment systems, reported first quarter 2024 financial results in its Form 10-Q, which was filed on May 20, 2024. In its conference call and presentation today at 8:00 am PT / 11:00 am ET, management will discuss its WiSA E initiatives, the Company’s results, and provide a general business update.

“In Q1 2024, interest from major brands for WiSA E licensing continued to gain momentum, and to date we’ve secured five agreements, up from two at the start of 2024,” said Brett Moyer, CEO, President, and Chairman of WiSA Technologies. “The first WiSA E-enabled products are anticipated to be delivered and begin contributing revenue in the second half of 2024. In addition, we now expect stronger revenue contributions from WiSA HT customers in the second half of 2024, as their inventories have decreased, and orders have resumed.

“We’ve made strategic investments in WiSA E, and it will be the key driver behind the next phase of revenue growth for WiSA. We’re gaining visibility into that growth as we penetrate multiple end markets working with the top-tier licensing partners that are presently implementing our technology. In addition, we remain in active discussions with multiple brands and expect to add three more WiSA E licensees in 2024.

“To support this growth, we’ve recently completed a series of financing transactions and have bolstered our cash balance to approximately \$8 million as of May 20, 2024. With this strengthened balance sheet, we are well-positioned to execute our WiSA E strategy and launch plans in 2024,” concluded Moyer.

About WiSA E

WiSA E is WiSA’s proprietary technology that delivers seamless integration across platforms and devices, setting a new standard for interoperable high-quality audio excellence. It is System-on-Chip (SoC) agnostic, compatible with a wide range of SoCs including MediaTek, Qualcomm, Amlogic, and more. It is also operating system agnostic, currently integrated with Android devices, and Wi-Fi agnostic, functioning efficiently across any Wi-Fi compliant chip. Additionally, it can be seamlessly embedded into various devices, including TVs, mobile devices, set-top boxes, and projectors. Designed for interoperability between WiSA E audio source devices and playback equipment such as speakers, soundbars, subwoofers, smart speakers, and headphones, WiSA E provides a zero BOM cost solution, ensuring cost-effectiveness without compromising quality or performance.

Q1 2024 and Recent Operating Highlights

- Implemented WiSA E in the Android mobile market, enabling users to watch video on mobile phones and tablets while listening to fully synchronized audio playback on WiSA E-enabled speakers.
- Expanded WiSA E market reach to over 40 million TVs with the addition of a third HDTV licensee.
- Executed a fourth 5-year WiSA E licensing agreement with a major HDTV/PTV (Projection TV) brand.
- Signed a fifth WiSA E licensing agreement with a global consumer electronics company.
- Announced that Optoma, the nation’s leading 4K UHD and DLP® laser projection brand, received WiSA SoundSend Certification.
- Entered into a strategic partnership with CITECH Co., Ltd, a leading South Korean-based manufacturer of hi-fi audio products, digital advertising/information kiosks, and telecommunication media products, to integrate WiSA E software into CITECH’s HiFi ROSE line of media streamers.

Q1 2024 and Subsequent Financial Highlights

- Q1 2024 revenue was \$0.3 million, down 46% from \$0.5 million in Q1 2023. The decrease in overall sales is primarily related to a slow-down in consumer spending on consumer electronics.
- Q1 2024 gross margin as a percentage of sales was negative 33%, compared to negative 267% in Q1 2023. The improvement in gross margin compared to the prior period is mainly attributable to the fact Q1 2023 included a \$1.3 million increase in inventory reserves and Q1 2024 did not have increases in inventory reserves.
- Q1 2024 net income was \$2.7 million, as compared to a net loss of \$0.9 million for Q1 2023. The Q1 2024 increase in net income is primarily due to (i) the change in fair value of warrant liabilities due to fluctuations in WiSA’s share price, and (ii) Q1 2023 had a \$1.3 million increase in inventory reserves impacting gross profit, whereas Q1 2024 did not. The positive impact on net income created by the change in warrant liabilities is not expected to be a recurring event.
- In April 2024:
 - Presented its compliance plan before a Nasdaq hearing panel, which accepted the Company’s plan to achieve compliance with continued listing requirements, giving the Company until June 28, 2024 to demonstrate such compliance.
 - Effected a 1:150 reverse stock split.
 - Regained compliance with Nasdaq’s minimum bid price rule.
- Executed a series of financing transactions that strengthened the balance sheet; as of May 20, 2024, held \$8 million in cash.

Special Stockholders Meeting on May 31, 2024

On May 31, 2024, WiSA Technologies will reconvene its Special Meeting of Stockholders first convened on May 13, 2024, which did not reach a quorum and thus had to be rescheduled. The WiSA Board of Directors again recommend that you VOTE FOR each of the following proposals:

Proposal #1: Authorize a Reverse Stock Split

Proposal #2: Approve an Amendment to the Certificate of Incorporation to Allow the Board of Directors to Amend the Bylaws

Proposal #3: Approve Issuance of Shares upon Exercise of February 2024 Warrants

Proposal #4: Approve Issuance of Shares upon Exercise of March 2024 Warrants

Proposal #5: Consider and Act Upon Other Business

These proposals are detailed in the Definitive Proxy Statement on Schedule 14A, filed with the Securities and Exchange Commission on April 17, 2024, and as amended thereafter. Your vote is important, and we encourage all stockholders to vote. For assistance with voting your shares, please contact WiSA's proxy solicitor, Lioness Consulting, via email at info@lionessconsultingllc.com.

WiSA Technologies Investor Conference Call

Management will host its first quarter 2024 results conference call at 8:00 am PT / 11:00 am ET, on Tuesday, May 21, 2024.

The conference call will be available through a live webcast found here:

[Webcast | First Quarter 2024 Results](#)

Those without internet access or who wish to dial in may call: 1- 833-366-1124 (domestic), or 1- 412-317-0702 (international). All callers should dial in approximately 10 minutes prior to the scheduled start time and ask to be joined into the WiSA Technologies call.

A webcast replay of the call will be available approximately one hour after the end of the call and will be available for one year, at the above webcast link. A telephonic replay of the call will be available through May 28, 2024 and may be accessed by calling 1- 877-344-7529 (domestic) or 1- 412-317-0088 (international) or Canada (toll free) 855-669-9658 and using access code 5191498.

A presentation of the Q1 2024 results will be accessible on Tuesday, May 21, 2024, under the "Investors" section of WiSA Technologies' website.

About WiSA Technologies, Inc.

WiSA Technologies, Inc. (NASDAQ: WISA) is a leading provider of immersive, wireless sound technology for intelligent devices and next-generation home entertainment systems. Working with leading CE brands and manufacturers such as Harman International, a division of Samsung; LG; Hisense; TCL; Bang & Olufsen; Platin Audio; and others, the company delivers immersive wireless sound experiences for high-definition content, including movies and video, music, sports, gaming/esports, and more. WiSA Technologies, Inc. is a founding member of WiSA™ (the Wireless Speaker and Audio Association) whose mission is to define wireless audio interoperability standards as well as work with leading consumer electronics companies, technology providers, retailers, and ecosystem partners to evangelize and market spatial audio technologies driven by WiSA Technologies, Inc. The company is headquartered in Beaverton, OR with sales teams in Taiwan, China, Japan, Korea, and California. For more information, please visit: www.wisatechnologies.com

Safe Harbor Statement

This press release contains forward-looking statements, which are not historical facts, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Our actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements, including statements herein regarding business opportunities and prospects, design production, product launches, licensing initiatives, and projected operating expenses are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Readers are cautioned not to place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of risks and uncertainties impacting, among other items - risks related to market, economic and other conditions; our current liquidity position, the need to obtain additional financing to support ongoing operations, WiSA's ability to continue as a going concern; WiSA's ability to maintain the listing of its common stock on Nasdaq, WiSA's ability to manage costs and execute on its operational and budget plans; and, WiSA's ability to achieve its financial goals and other risks as more fully described in WISA's filings with the SEC. The information in this press release is provided only as of the date of this press release, and WiSA undertakes no obligation to update any forward-looking statements contained in this press release based on new information, future events, or otherwise, except as required by law. WiSA disclaims any obligation to update these forward-looking statements.

Contact Information

David Barnard, LHA Investor Relations, 415-433-3777, wisa@lhai.com

High-quality Wireless Spatial Audio



**WiSA Technologies, Inc.
Investor Call, May 21, 2024**

Forward Looking Statements



This presentation of WiSA Technologies, Inc. (NASDAQ: WISA) (the "Company" or "WiSA") contains forward-looking statements, which are not historical facts, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify these forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements, including statements herein regarding our business opportunities and prospects, strategy, future revenues and profitability, and licensing initiatives and expectations, are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. Readers are cautioned not to place undue reliance on these forward-looking statements. Actual results may differ materially from those indicated by these forward-looking statements as a result of risks and uncertainties regarding, among other items: our current liquidity position and the need to obtain additional financing to support ongoing operations; general market, economic and other conditions; our ability to continue as a going concern; our ability to maintain the listing of our common stock on Nasdaq; our ability to manage costs and execute on our operational and budget plans; our ability to achieve our financial goals; the degree to which our licensees implement the licensed technology into their products, if at all; the timeline to any such implementation; risks related to technology innovation and intellectual property, and other risks as more fully described in our filings with the U.S. Securities and Exchange Commission. The information in this communication is provided only as of the date of this communication, and we undertake no obligation to update any forward-looking statements contained in this communication based on new information, future events, or otherwise, except as required by law.

This presentation shall not constitute an offer to sell, or the solicitation of an offer to buy, nor will there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction. The offering will only be made by means of a prospectus pursuant to a registration statement that is filed with the Securities and Exchange Commission after such registration statement becomes effective.

* WiSA Ready TVs, gaming PCs and console systems are "ready" to transmit audio to WiSA Certified speakers when a WiSA USB Transmitter is plugged in and a user interface is activated through an APP or product design like LG TVs.

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- Overview of WiSA
- WiSA E's Competitive Advantage
- Licensing Deals
- Financial Highlights
- Upcoming Stockholders Vote on May 31, 2024

Key Highlights

- 1 WiSA E's launch marks a major inflection point for the industry and the company
- 2 WiSA E licensing has commenced within the HDTV/PTV and STB market, boasting potent Software Transmission (TX) offerings
- 3 Strong IP position and significant patent coverage for immersive audio, with highly-differentiated multichannel wireless audio technology and existing implementations in premium audio brands
- 4 Uniquely driving interoperability between brands and devices with WiSA LLC (Wireless Speaker and Audio Association)
- 5 WiSA E is being launched into the company's existing Premier Customer base

What is Multi-Channel Spatial Audio?



Spatial audio refers to an audio experience that uses **multiple and separate channels of audio** played back on **multiple discrete speakers** to create an immersive audio experience that **leverages a 360-degree space**



WiSA powers a **wireless spatial audio experience**, enabling the **transmission of multi-channel, uncompressed audio streams** to deliver an immersive spatial audio experience without the need for a traditional wired solution

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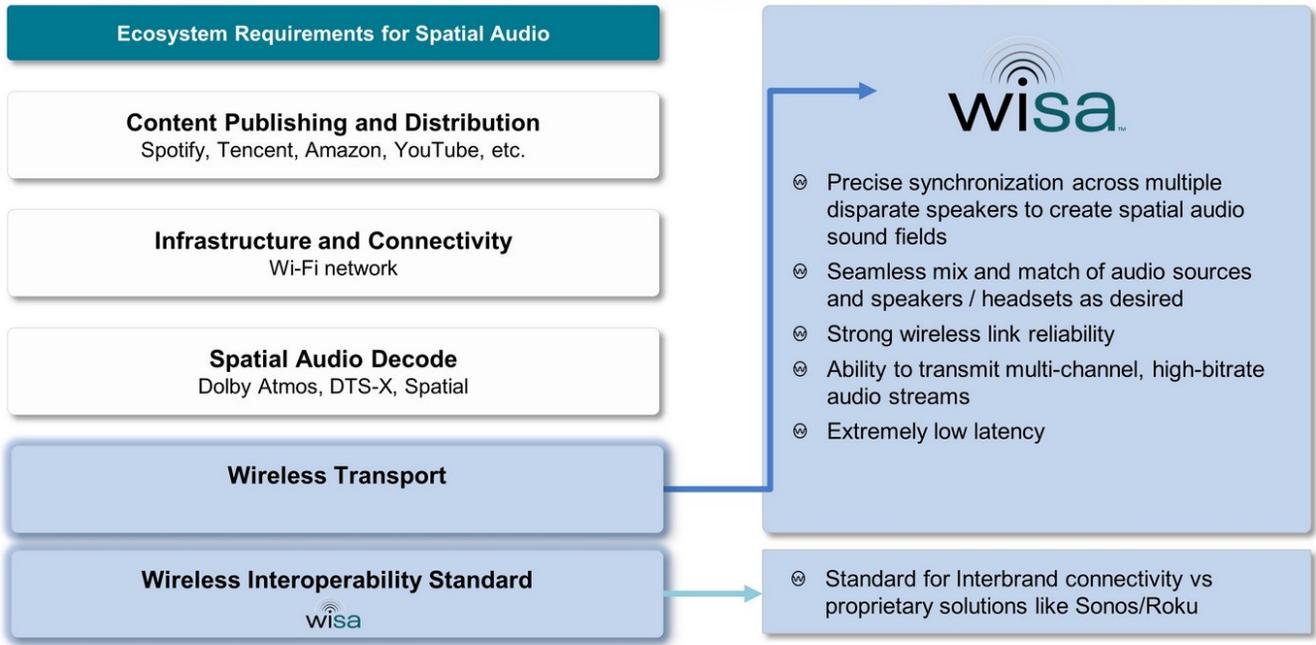
Immersive Audio In The Home With WiSA E



Immersive Audio Formats: Dolby's Atmos, Google's IAMF, Xperi's DTS X

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Where Does WiSA Fit Into The Spatial Audio Ecosystem?

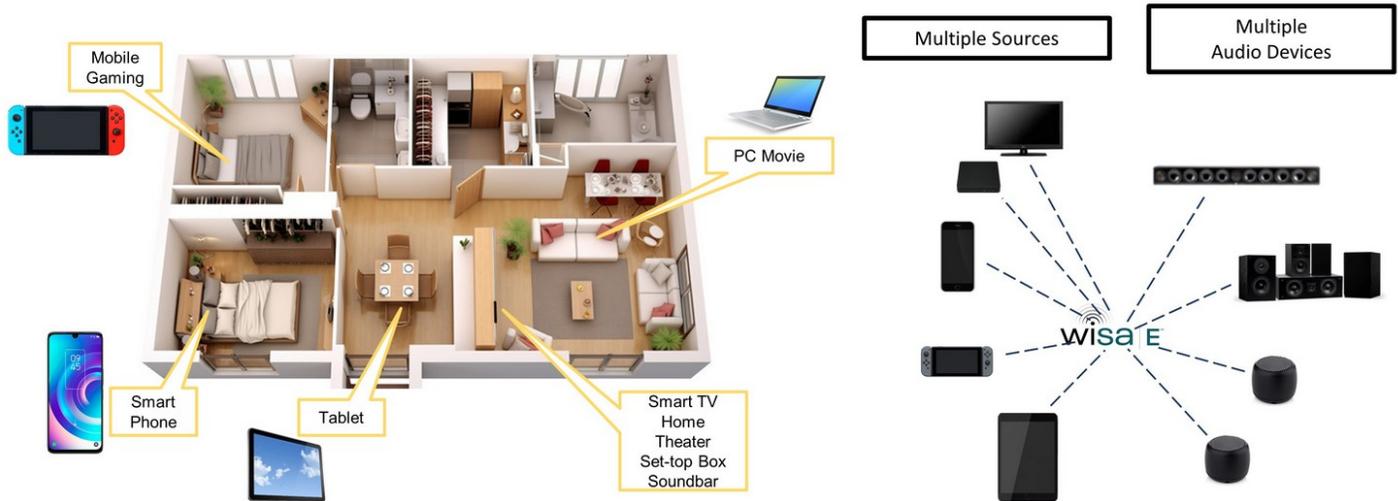


Blue-Chip Customer Base



BANG & OLUFSEN	buchardt	DYNAUDIO	ENCLAVE
	HARMAN	Hisense	JBL
KEF	Klipsch	LG	Platin
PIEGA SWITZERLAND	TCL	SAVANT	
Skyworth Metz	VEDDAN	Wharfedale	

Today: The Home is the Theater



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Universal Wireless Audio



High performance audio transmission

Universality across technology vendors:

SoC: MediaTek, Amlogic, Qualcomm

OS agnostic: Google

Wi-Fi agnostic: Realtek, Espressif, ...

Device agnostic: TV / Mobile / STB / Projector

Zero cost burden to source devices

Interoperable between source and audio brands

Speakers

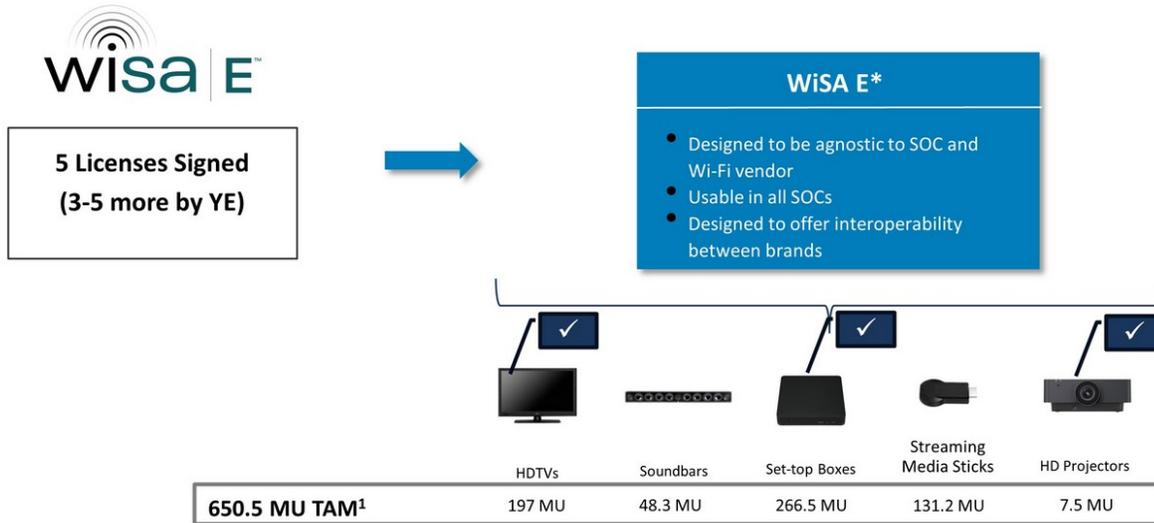
Soundbars

Headphones

Smart speakers

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Software is the Key - Licensing is the Vehicle



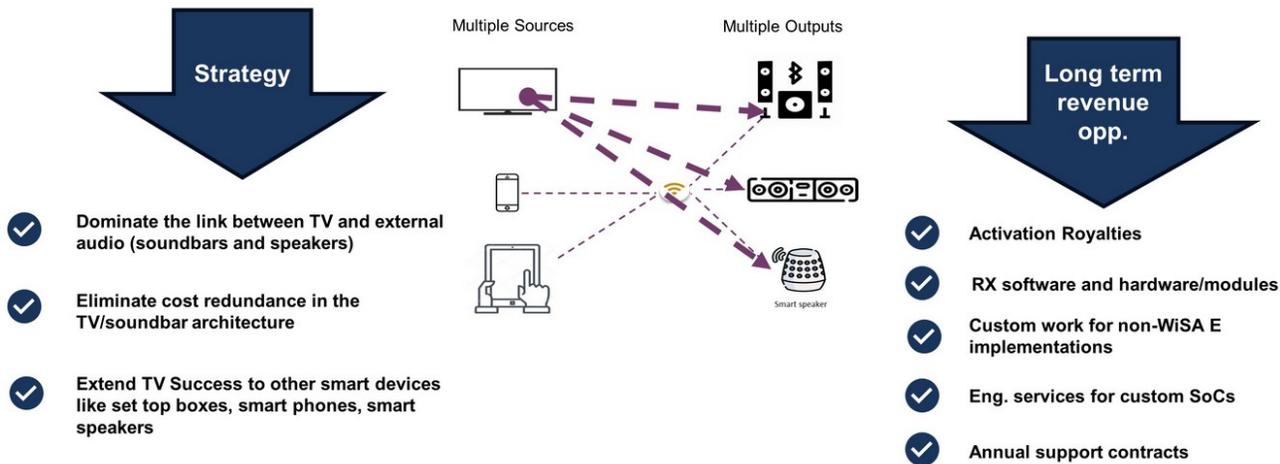
* Initial implementations for Android operating systems

¹ Unit volumes are for 2023 shipments

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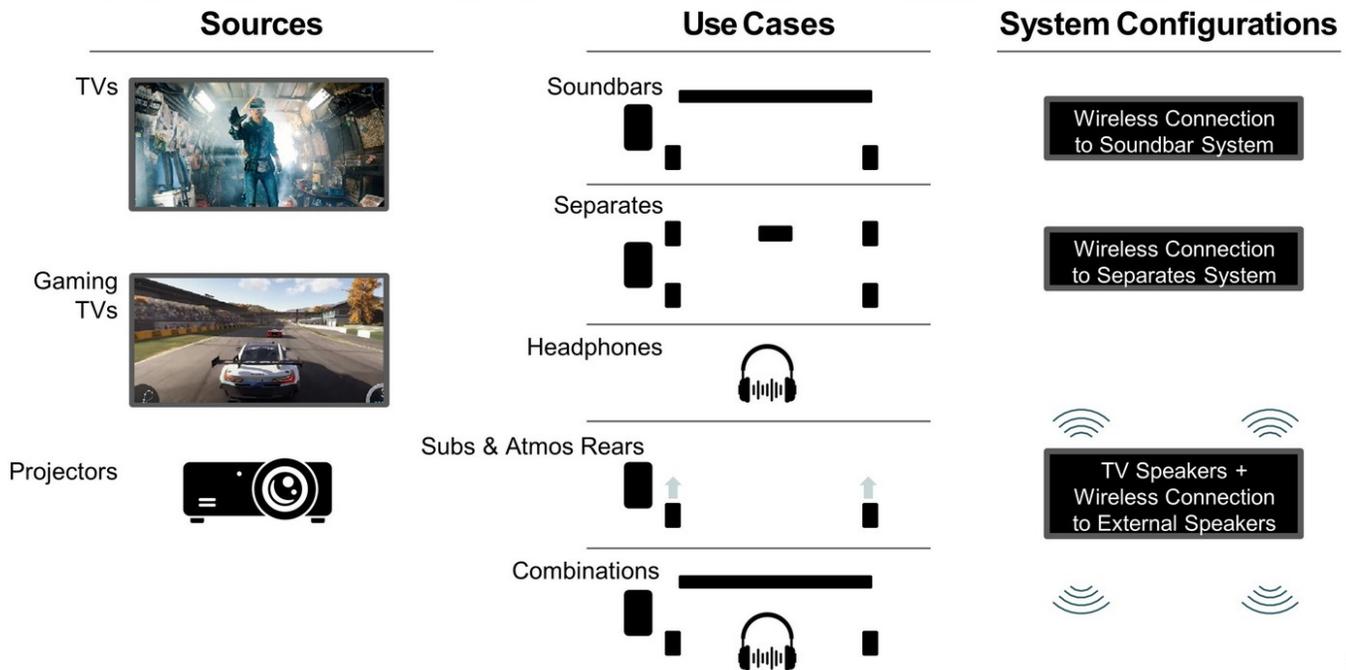
Licensing WiSA E Into TV Royalty Free

Driving Wireless Audio Interoperability between HDTVs, Soundbars and Speakers



License includes WiSA E interoperability specifications and software

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Value of a Signed License - 5 TX Licenses



Licensing Process

- Customer evaluates and tests WiSA E's performance
- Base license agreement is negotiated for each licensee and could include:
 - Royalty rate
 - Activation pricing
 - Engineering Services
 - Speaker module pricing
- Brand decides on go to market strategy roll out

SAM Calculation per Million TV/STB Devices

- CE brand's external audio attach rate range from single digits up to 20-25%
- Typical audio extension is 2-3 speakers per source device

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2024 Guidance:

- Existing WiSA E licensees will start impacting 2nd half revenue
- Expect to sign 3 or more additional WiSA E licenses this year
- WiSA HT customers have worked down inventories and are beginning to order again

Balance Sheet:

- \$8 million cash as of May 21, 2024

Nasdaq Listing:

- Have met the minimum bid price
- Recent capital raises have significantly increased shareholder equity

Stockholders' Meeting, May 31:

- How to vote: email proxy solicitor at: info@lionessconsultingllc.com
- Quorum required: **50.1%** of stockholders need to vote yes/no/abstain to reach a quorum to do business
 - Company wastes cash resources trying to reach that goal with repeated adjournments
 - **Proposal #2** is design to save this money and bring the company in line with normal threshold for quorum
- Proposal #1: reverse split provides Board flexibility to support continued listing on Nasdaq
- Proposals #3 and #4: warrants issued to investors who took risk of investment

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WiSA and Platin Audio

Contact:

Brett Moyer, CEO
bmoyer@wisatechnologies.com

WiSA Technologies, Inc., Q1 2024 Earnings Call, May 21, 2024 (EditedCopy)

TEXT version of Transcript

Corporate Participants

* Brett A. Moyer

WiSA Technologies, Inc. - Chairman, President & CEO

Conference Call Participants

* Edward Moon Woo

Ascendant Capital Markets LLC, Research Division - Director of Research and Senior Research Analyst of Internet & Digital Media

* Jack Vander Aarde

Maxim Group LLC, Research Division - Vice President & Senior Research Analyst

Presentation

Operator [1]

Good day, and welcome to the WiSA Technologies First Quarter 2024 Results Conference Call. [Operator Instructions] This event is being recorded.

I would now like to turn the conference over to Mr. David Barnard. Please go ahead, sir.

David Barnard [2]

Greetings, and welcome to WiSA Technologies conference call to review its first quarter 2024 results and provide a business update. [Operator Instructions] As a reminder, the conference is being recorded.

With us today is Brett Moyer, CEO and President. Before turning the call over to Brett, I'd like to remind everyone that today's conference call will include forward-looking statements, which are subject to various risks and uncertainties that could cause our actual results to differ materially from these statements.

Any such forward-looking statements should be considered in conjunction with the cautionary statements in our earnings release and risk factors discussed in our filings with the SEC. WiSA assumes no obligation to update any of these forward-looking statements, except as required by law.

With that, I'll turn the call over to Brett. Please go ahead.

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [3]

Thank you, David, and good morning, ladies and gentlemen. Thank you for joining us on WiSA Technologies Q1 Investor Update. Today, we'll go over a quick overview of WiSA for any new investors or listeners. We'll cover WiSA E's competitive advantage and how we architect it when going to market. We'll discuss licensing deals and financial highlights. And finally, we'll talk a little bit about the shareholder vote on May 31, designed to encourage everybody to get out and vote.

For the highlights, when we launched WiSA E late last year and started licensing it in Q4, we think that's a major inflection point for the company that will start demonstrating itself in revenue in the second half of this year and for the industry. Because as we'll talk about later in this presentation is a very powerful platform, this software that we've developed for transmission. And in October, we announced we would start licensing it to TV and set-top box companies for the transmission piece of it, right? not the piece in the speaker. And to date, in the first 6 months, we've signed 5 licenses, which we think is a terrific start to a new technology.

We continue to have a strong portfolio of patents in the wireless space for multichannel high-resolution audio. And uniquely to us, we have the WiSA Association referred to as WiSA LLC, which is designed to make sure there's interoperability between products that have the source of content with a WiSA E transmitter and have a WiSA E receiver, and that organization works with both sides of the fence for interoperability testing, works with retailers to make sure they understand what WiSA E does and with -- make sure the branding is properly displayed so that consumers know which products work with which. This is modeled after how HDMI has started and went to market, and we're continuing to build that out.

And finally, fortunately, for us, while this is powerful, innovative new technology, WiSA E, we have the great advantage of launching it into a premier customer base, and we'll go through a few of those today. But we've been selling the highest performance wireless multichannel audio for 11 years. And that customer base is very supportive of us, albeit they understand that we had a very expensive solution that we've now addressed.

All right. So what's immersive audio, spatial audio, you think about what the innovation that's going on in video recording and mixing and the audio industry, we're all trying to create that environment, whether it's a bedroom, a family room, a patio, a garage, but create that environment so that the audio sounds like you would experience it if you were there in the concert, in the symphony, at the NFL game, in the movie theater, right? That's what spatial audio or immersive audio is trying to do, create a 3-dimensional audio for the consumer. And this picture in the shaded green is demonstrating what they're trying to get to.

So Dolby has Atmos, which is their immersive technology. Google has IAMF, which is their solution, and Xperi has DTS:X. All of them are trying to make it easy for you to understand it here all the audio that occurs when you're at that event or at that movie theater or in the NFL stadium, right? above you, behind you, on the side of you.

When you go wireless and not make those speakers wired, then it becomes easy for the consumer to set up and enjoy that immersive audio. And that's where we come in, right? We're not the publishers. We're not YouTube creating content or Hollywood. We're not the WiFi network, and we're not one of the technology companies that have the decoder, audio decoders for immersive audio. What we are is we believe the best solution to get that audio from the source device, whether it's a TV, phone, projector, set-top box to the audio devices in that room flawlessly, right, with the best sync, the tightest latency and the most reliable signal. So we are the transport, right?

Second, we are the association that makes sure that consumers know what products work with who and manufacturers build products that work with each other. I mentioned earlier, we have a strong customer base that have used us over the last 10 years. This is a summary of some of the bigger ones, but it's important when you're launching a new

technology to not be a new company with a new technology, we're a well-established company with a killer new technology, which we'll talk more about. Right? So the power of WiSA E, so you would have heard a lot about home theater 5 years ago, 10 years ago, that's really not the focus, right? The focus is to get that immersive audio in any platform or any room or any area in your house that you want to enjoy audio at and get it from any source. So when you look at the sources that we had at CES, you had 2 TV companies playing WiSA E. You had 2 set-top boxes playing WiSA E in our suite and a third set-top box in a private suite. You had a Google phone. You had a Samsung tablet, all of these sources were able to play WiSA E from them to the same speakers in the room. And we think that's important, right? You don't want to have Bluetooth -- like with Bluetooth, fine. That will work with any Bluetooth, but it won't work with other stuff.

We [want] any WiFi-enabled device to be able to play with the same speakers in that room, regardless of how it is. So that's what we demonstrated at CES, and that's what -- when you look at what we're trying to do, that's how we're going forward. Now why do we think WiSA E is so powerful? Well, historically, we have always had the high-performance audio transmission. So we have not given that up. But now with a software solution, we cross into the world of universality for technology vendors. So we can implement WiSA E across all the major SoCs. We demonstrated on MediaTek, on an Amlogic and a Qualcomm SoC at CES. We can use different operating systems currently as Google, but there's no reason that can't be -- we won't expand in the future into web OS or the other operating systems. But for now, all resources are going for the Android operating system by Google.

Finally, we're agnostic to WiFi. We've shown that software can be loaded onto a real tech and an expressive chip, one is 2.4, one is 5 gigahertz. We can do it on other ones. So when the industry looks at us, they know that they have a broad line of TVs with different SoCs in it and different WiFi chips, the same product -- audio products that they design will work with any other TVs regardless of the SoC and the WiFi chip. So that's powerful to them because they don't have to design one set of audio products and they're not constrained going forward on which SoC they choose or which WiFi they choose as they design future generations of TVs, right?

So you got universality across the components and you got -- we're agnostic to device. So for us, again, consumer needs to be able to have it everywhere, the TV, the mobile, the set-top box or projector. We've shown it working on all those. And we think -- and so we're agnostic to whatever device the consumer wants, we'll roll it out. That's all great technical challenges. In our first 5 months, what we've seen is being able to go in and talk to TV and set-top box companies and say, look, this is not going to change your bill of material cost that's a game changer. Nobody else can go in and say that and be agnostic to device and [cross] different SoC platforms. That lets the TV guy or a set-top box building the feature for the consumer and only incur the cost if the consumer wants to buy the audio and trigger the use, right?

So for example, the last -- the fifth license we talked about, there's an activation fee. If the consumer buys the audio speakers, then a royalty is paid back to us. But for the product that isn't attached to audio, there's no BOM cost, which is a big factor for TV and set-top box [indiscernible]. And finally, not unique to us, but to our strategy, but it has to work in all products, whether it's smartphones, smart speakers, soundbar, subwoofer that is fundamental. So when we did that press release and universality, that's what we're talking about. We're not giving up our audio performance, but however you want to architect your product, whatever product you want to architect on, we're going to deliver the software to run it and we're going to make sure that your BOM isn't burdened with cost unless the consumer is using the audio around it.

All right. So in those 5 licenses that are signed. The new information on this slide is there is at least one TV, one set-top box and one projector in those 5 licenses. So we've already penetrated 3 of the market segments, in some case, more than once. And we have guidance later in this presentation that we expect to get at least 3 more this year to end the year with 8 licenses. And all these licenses are with multinational companies. So we got a great strategy on technology. We've got some licenses going, let the strategy go to market and make revenue, right?

So we see the TV as the beachhead and licensed them, start getting speakers around it. But as we demonstrated at CES, it's a quick port into set-top box or phones or tablets, right? So start with the TVs, but we have already moved on into some of the other sectors. Now once the license is in a source device, what's our royalty stream or what's our revenue stream? It's multifaceted. It can be royalties upon activation or a straight license. Any audio product connecting to it will receive a module from us, an Rx module with WiSA E on it. So we make that revenue. Any customization is engineering services fees and there will be the capability to have annual support contracts. There's multiple ways to make revenue off of licensing into the TVs and other source devices in addition to selling the Rx modules that go into the speakers and soundbars.

So what the consumer sees is none of the stuff we just talked about. What the consumer sees is a TV. But that TV, that has WiSA E on it, gives them a lot of flexibility based on their budget, their use case, the size of the room. So if they want to -- and the functionality that the TV implemented. So if they want to just do a self-woofer, this TV really has no base. Okay. That's a quick step. If they want to add a couple rear speakers or front speakers to open up the sound field, they will still do that. All of these architectures can be done from WiSA E if the consumer wants to do it and if the TV supports it.

So headphones, sure. Ultimately, there's no reason we shouldn't be able to do that. Combinations of soundbars and Atmos speakers where you have both forward-firing and upfiring audio to get that dome effect of the audio, that works. From an industry configuration side, we are seeing a tremendous amount of innovation with TVs in audio. I think this is the first time in 20 or 25 years that I can say that. But we even see TVs that are experimenting with prototyping upfiring speakers or Atmos in the front of the room, which means what's the consumer going to want. They're going to want rear firing Atmos speakers and [indiscernible] to complement that great TV. So we think from the -- all the technology we talked about, the consumers delivered an easy way to expand and enhance their audio experience around their display device whether it's held in the hand or on the wall with WiSA E.

All right. We've signed 5 licenses. We think we're going to sign at least 3 more this year. What does that mean to you, the investor? No multinational is going to sign a WiSA E license unless they've gone through and done their technical tests. So that's the first thing it tells you. So in this case, it tells us point in time today 5 licenses. So 5 multinationals have signed off on WiSA E's performance, right? Then we go to the license negotiation. These are a list of -- any of the -- some or all of these could show up in that license agreement, a royalty rate, and activation pricing, engineering services and even a speaker module pricing, right? From there, the brands will generally start laying out what their road map is. Do they do a high-end product, a low-end product, start with a small or big or medium rollout, all that has to get decided during -- between the demo of the technology and the final licensing and beyond, right?

So sometimes we'll announce a license, and that's the beginning of the process of the brand deciding what to do after they tested it. Sometimes, we'll announce a license as this was the case with the fifth license. We've been working with them and designing with them since middle of Q4, I believe. But we only got the license finalized in April. But at a minimum, you know, we've gone through another multinational testing in the past when we say we have a signed license. For those trying to build out a model, you can think about TV having anywhere from single-digit attach rates of audio to 20% or 25%. And if they are attaching audio, minimum is 1 Rx speaker, which would be a subwoofer, but more likely is 2 to 3 modules that would be around that TV.

Under our financial guidance, so from a '24 perspective, as I mentioned earlier, we do expect revenue in the second half from our licensees. We expect to sign 3 more licensees this year. And we are actually starting to see this quarter our traditional customer, our audio file customer using WiSA HT start to reorder, which is a good sign. It means their excess inventory from the COVID cycle of buying and bust is now in line, and they're beginning to drop orders on us. Anybody following the company has seen a series of financings, fundamental for us in a couple of regards. First of all that \$8 million is on the balance sheet as of today that will ensure that we have the cash to properly launch WiSA E, right, and roll out the new products. Second, in building up our shareholders' equity through issuing shares, strengthens our application to remain and stay on the NASDAQ listing. We have met the minimum bid. Now we just have to comply with net shareholder equity, which we think we've gotten a long way towards complying with,

right?

And finally, the shareholder meeting. Right? Look, if you don't know how to vote your shares and you're a shareholder of record back in March, you can send an e-mail to

Info@lionessconsultingllc.com and the proxy solicitor will look you up and tell you how to vote your shares, right? It's important we get to 50.1% and have a quorum. So vote yes, vote no, abstain, but vote so we can get to the quorum and do the company's business on your behalf, number one.

Proposal #2, I think, is misunderstood. We're asking to drop the quorum threshold from 50% to, I believe, 30% or 33%. So that is easier to execute our business. When you think about most micro-cap stocks or small-cap stocks have a broad base of small shareholders, we are no different. And I am no different than all you shareholders that, look, when you have 1,000 shares and you get the proxy statements, first thing you do is toss it.

So the reason to drop the quorum threshold is so that we can execute the company's business and not spend as much money trying to get to 50.1%. Every time we adjourn, every time we do new mailers, every time we do new call downs, new e-mails and press [or copy] press, that's a lot of money we've spent over the last 6 months trying to get stuff approved by the shareholders. And this is for you. The reverse proposal 1, the Board's asked for it is to support our application with NASDAQ to make sure that we'd [never] come back out of compliance with the minimum bid of \$1. There's no plan whatsoever to use it right now, but it's to have on the back burner in case we need it.

Finally, proposals 3 and 4. These are warrants that were issued to the investors, they financed the company during a really tough time between the COVID bust and rolling out WiSA E and having licenses done. And this is per their contracts. So we're asking you to approve those as well.

So from that, I'd like to ask the shareholder to open up the call to questions.

Question And Answer

Operator [1]

[Operator Instructions] And the first question will come from Jack Vander Aarde with Maxim Group.

Jack Vander Aarde, Maxim Group LLC, Research Division - Vice President & Senior Research Analyst [2]

Thanks for taking the time, and it's encouraging to hear about the WiSA E updates, and it sounds like you're making progress on that continued NASDAQ listing. So I'll get started with some questions. In terms of the 5 signed WiSA E agreements, and I know you're on track for 8 by the end of this year, but it just seems that these existing WiSA E agreements will be transformative. And I think it's important to note for investors for the income statement, your revenue scale, your margins, really transformative all around based on what I'm hearing.

Can you just help us understand maybe realistic expectations in the cadence of the -- maybe the expected revenue ramp based on these existing agreements in 2024. Just relatively keeping in mind, you just did about under \$500,000, I think, of revenue in this recent first quarter. So just juxtapose maybe what these agreements mean for the income statement.

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [3]

So we haven't put that guidance out yet. What I think I can say is -- and the only reason we're hedging is, look, all of these are off of new projects. So we have start dates, production dates, all that stuff behind some of these -- some of the 5 licenses. The engineering team is heavily involved with 3 of the 5 already, but mass production dates can move around by a month or two. So we said second half, but we should see a couple will go out in Q3 to start at least initial shipments on first production runs and some more come into Q4.

Jack Vander Aarde, Maxim Group LLC, Research Division - Vice President & Senior Research Analyst [4]

Okay. Great. That's very helpful color. I appreciate that. And maybe if I can dig a little bit further. I'm looking at slide, I believe it's 14, where you outlined the base license agreement and potential revenue streams that are associated with it, royalty rates, activation pricing, engineering services and speaker module pricing. Which of these licensing revenue streams do you expect to commence or begin in the back half of 2024 from your existing agreements? Do they all kind of turn on at the same time? Or is there a variation across your agreements? Just help us understand these revenue streams.

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [5]

Yes, right now, each one is fairly different. But engineering services, we had a small amount of that in Q1 already in the results we reported out, should be significantly more in Q2 and Q3 as they prepare to go to market, I think they'll be the first high volume one that goes to market. So yes, there is some engineering services that are already in Q1 and should be more in Q2 and Q3 based on the license we have with them, right?

From a royalty perspective, the royalty is baked into the fifth contract, and that one likewise should kick in, in late Q3 or early Q4. With the other ones, they do not have a royalty. They have a module price. And so when we pick up revenue from them, it will be based on their launches.

Jack Vander Aarde, Maxim Group LLC, Research Division - Vice President & Senior Research Analyst [6]

Got it. That's helpful color, Brett. And then in terms of maybe just the 3 -- I don't know what you can say at this point, but I appreciate you did mention the 3 additional WiSA E agreements or target agreements. Just wondering, just relative to these existing 5 agreements, similar scale, smaller, maybe royalty, are you still working out the terms of those agreements?

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [7]

Yes. We're still in the process of working out those terms. They're going to be similar to the ones we have. I would expect them to be primarily in the TV and set-top box market segment.

Analyst [8]

Okay. And then maybe just one more for me. On the balance sheet, you mentioned you strengthened the cash balance. So as of yesterday, it sounds like you had about \$8 million of cash. Can we just talk about maybe your expected quarterly OpEx and kind of burn rate for the next couple of quarters?

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [9]

Yes. So we've talked in the past about the marketing expenses coming down dramatically. I still think we're in that \$900,000 a month range until -- on OpEx. Now when you look at our revenue to the extent that we're selling \$100,000, \$200,000 of WiSA HT, most of that is all cash. So if you're trying to get to a cash flow, we're selling off a lot of inventory around that revenue.

Operator [10]

[Operator Instructions] Our next question will come from Ed Woo with Ascendant Capital.

Edward Moon Woo, Ascendant Capital Markets LLC, Research Division - Director of Research and Senior Research Analyst of Internet & Digital Media [11]

Congratulations on all the progress. I was wondering, is the WiSA E an international launch? Or would you be focused mainly on the U.S. market?

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [12]

It's an international launch. There are no -- I mean, there may be ultimately some U.S. licenses. I would expect 1 or 2 as we roll this out. But look, all your TV brands, most of your set-top box brands and manufacturers are international, right?

Edward Moon Woo, Ascendant Capital Markets LLC, Research Division - Director of Research and Senior Research Analyst of Internet & Digital Media [13]

Great. And will that -- is your marketing strategy in Europe different than in the U.S. in terms of reaching out to consumers?

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [14]

It's a little different in that we have very different penetration between the 2 markets. So the consumers in the U.S. know WiSA certified because of the Platin Audio brands that we sell, right, more than the Europeans, but the Europeans know more brands because there's quite a few high-end audio brands, and when you go back to that customer list that have used WiSA HT.

Operator [15]

This concludes our question-and-answer session. I would like to turn the conference back over to Mr. Brett Moyer for any closing remarks. Please go ahead, sir.

Brett A. Moyer, WiSA Technologies, Inc. - Chairman, President & CEO [16]

Yes. So I'd like to thank everybody for joining the call. The team is extremely excited about the progress, both technically and with customers in terms of licensing and implementing designs, and we look forward to talking to you in another 90 days. And with that, we'll end the call.

Operator [17]

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.
