

**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): October 26, 2023

Koss Corporation

(Exact name of registrant as specified in its charter)

Delaware
(State or other Jurisdiction of Incorporation)

0-3295
(Commission File Number)

39-1168275
(IRS Employer Identification No.)

4129 North Port Washington Avenue, Milwaukee, Wisconsin 53212
(Address of principal executive offices) (Zip code)

(414) 964-5000
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

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:

- 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, \$0.005 par value per share	KOSS	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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 October 26, 2023, Koss Corporation issued a press release (the “Press Release”) announcing its financial results for the quarter ended September 30, 2023. A copy of the Press Release is being furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

The information in this Item 2.02 Results of Operations and Financial Condition, including Exhibit 99.1 attached hereto, is being furnished pursuant to Item 2.02 of Form 8-K. In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02 and Exhibit 99.1 shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Number</u>	<u>Description</u>
Exhibit 99.1	Press release of Koss Corporation dated October 26, 2023
Exhibit 104	Cover Page Interactive Data File (embedded within the 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.

October 26, 2023

KOSS CORPORATION

By: /s/ Michael J. Koss
Michael J. Koss
Chairman and Chief Executive Officer

FOR IMMEDIATE RELEASE
October 26, 2023

CONTACT: Michael J. Koss
Chairman & CEO
(414) 964-5000
mjkoss@koss.com

Koss Corporation Releases First Quarter Results

Milwaukee, Wisconsin: Koss Corporation (NASDAQ: KOSS) (the “Company”), the U.S. based high-fidelity headphone company, has reported its results for the first quarter ended September 30, 2023.

Sales for the first quarter ended September 30, 2023 were \$3,373,938 compared to \$3,364,129 for the same period in the prior year, an increase of \$9,809, or 0.3%. The net loss for the three months ended September 30, 2023 was \$257,609 compared to net income of \$9,944,743 for the first quarter of the prior year. Basic and diluted loss per common share for the first quarter of fiscal year 2024 was \$0.03 compared to basic income per common share of \$1.09 and diluted income per common share of \$1.01 for the same three-month period one year ago.

“Orders from two distributors in Europe signaled a positive change particularly in light of the ongoing war in eastern Europe,” Michael J. Koss, Chairman and CEO, said today. “Unfortunately, a reduction in consumer confidence, leading to a slowdown in spending, resulted in a drop in our Direct-to-Consumer (“DTC”) sales, nearly negating the increase in export sales. We also experienced a decline in sales to certain domestic distributors due to continued overstocked inventory levels of non-Koss product at these distributors.”

“Gross margins for the first three months of the current fiscal year were down versus the same period in the prior year,” Koss continued. “The less favorable customer mix of sales, with a lower volume of higher margin DTC and domestic distributor sales, drove the decline in margins. The continued sell through of inventory that was shipped from suppliers at higher freight rates also adversely impacted the gross margins. The favorability in fixed manufacturing expenses for the three months ended September 30, 2023 due to cost savings initiatives provided some positive impact compared to the same period in the prior year. Freight rates are expected to make a slow rise during the next quarter due to the current labor landscape, the recent settlement of threatened carrier strikes and labor disputes, and rising energy prices. The Company continues to monitor the supply chain environment.”

About Koss Corporation

Koss Corporation markets a complete line of high-fidelity headphones, wireless Bluetooth® speakers, computer headsets, telecommunications headsets, active noise canceling headphones, and wireless headphones.

Forward-Looking Statements

This press release contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as “aims,” “anticipates,” “believes,” “estimates,” “expects,” “intends,” “plans,” “thinks,” “may,” “will,” “shall,” “should,” “could,” “would,” “forecasts,” “predicts,” “potential,” “continue,” or the negative of such terms and other comparable terminology. These statements are based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Actual events or results may differ materially. In evaluating forward-looking statements, you should specifically consider various factors that may cause actual results to vary from those contained in the forward-looking statements, such as general economic conditions, inflationary cost environment, supply chain disruption, the impacts of the COVID-19 pandemic, geopolitical instability and war, consumer demand for the Company's and its customers' products, competitive and technological developments, foreign currency fluctuations, and costs of operations. Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances or new information. In addition, such uncertainties and other operational matters are discussed further in the Company's quarterly and annual filings with the Securities and Exchange Commission.

KOSS CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended	
	September 30	
	2023	2022
Net sales	\$ 3,373,938	\$ 3,364,129
Cost of goods sold	2,306,248	2,168,305
Gross profit	<u>1,067,690</u>	<u>1,195,824</u>
Selling, general and administrative expenses	<u>1,536,279</u>	<u>23,680,196</u>
(Loss) from operations	(468,589)	(22,484,372)
Other income	—	33,000,000
Interest income	<u>212,859</u>	<u>27,056</u>
(Loss) income before income tax provision	(255,730)	10,542,684
Income tax provision	<u>1,879</u>	<u>597,941</u>
Net (loss) income	<u>\$ (257,609)</u>	<u>\$ 9,944,743</u>
(Loss) income per common share:		
Basic	<u>\$ (0.03)</u>	<u>\$ 1.09</u>
Diluted	<u>\$ (0.03)</u>	<u>\$ 1.01</u>
Weighted-average number of shares:		
Basic	<u>9,234,795</u>	<u>9,157,284</u>
Diluted	<u>9,234,795</u>	<u>9,849,043</u>