ATOMOS





2019 AGM

CEO Presentation

Rec Play Mon Edit

November 2019

Atomos unlocks creativity and profit for video content creators
Advanced technology allows faster, higher quality, more flexible productions

FY19 Highlights

- Revenue up 51% year on year to $54m
- EBITDA up $1.4m year on year to $1.6m

- Completed development of core technology – Ninja Platform
- Released multiple new products including Ninja V, Neon Cinema series, Shinobi and Shogun 7

- Defined and launched new open HDMI RAW protocol with NIKON recording to Apple ProRes RAW
- Many cameras planned to support HDMI RAW out in 2020
- Finalised license agreement with RED.com LLC

Operational Update



- Timecode systems acquisition due to complete in coming days
- Integration expected to be straightforward with 10 staff and existing strong working relationship
- Extremely positive initial feedback from existing and potential camera and audio partners



- Successful initial sales into the Social market segment targeting advanced Influencers with Shinobi
- Pro Video market remains strong with Ninja V a clear winner
- Strong Ninja V demand expected to increase as multiple camera companies move to implement RAW over HDMI solutions over the coming months (currently supporting 3 cameras, anticipate 10 within 12 months)
- Entry into the Entertainment market with the Neon Cinema Series eagerly anticipated late in the first half

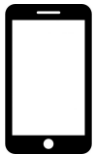


- Continued strong relationship with Apple with world's first 8K ProRes RAW recording (for editing on the new Mac Pro) from a Cannon camera, announced at Apple's worldwide developer conference

Timecode Systems Opportunity

Make multiple capture device productions mainstream by enabling wireless timecode synchronisation

Embed or licence wireless **multi-device synchronisation** capability into **EVERY** video and audio capture device



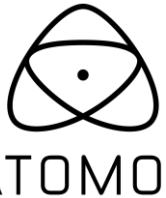
Smartphones



Wearable / Action cameras



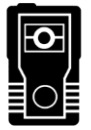
DSLRs



Monitor recorders



Broadcast & Cinema cameras



Bodycams

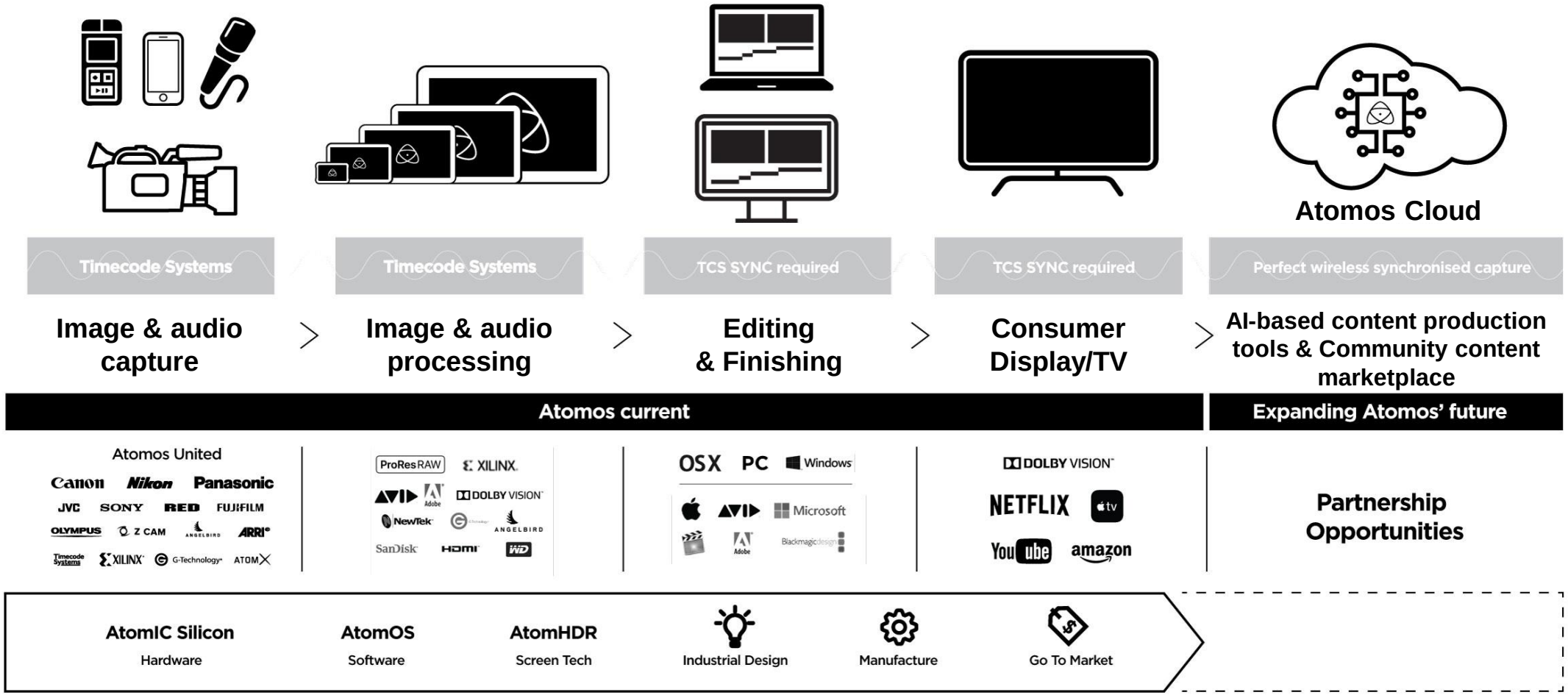


Audio recorders

SOLUTIONS FOR

Social | Professional | Entertainment

Current solutions and future vision



FY20 Outlook



- Atomos is trading generally in line with plan and expects to maintain solid growth in sales and earnings whilst continuing to invest in developing a steady pipeline of new products to penetrate multiple market segments
- The company is well funded to achieve its goals for FY20



- Continue to expand ProRes RAW ecosystem with more cameras supported, more software processing it (Adobe) as well as new products from Atomos



- TCS allows the democratization of multiple capture device productions across all market segments and ensures Atomos is integral to the video and audio production ecosystem

Disclaimer

The information contained in this document ("Document") has been prepared by Atomos Limited ACN 139 730 500 (referred to as "Atomos" or "Company"). This Document is current as at the date of this Document and should be read in conjunction with other Atomos periodic and continuous disclosure announcements filed with the Australian Securities Exchange (ASX), available at www.asx.com.au.

The information in this Document is not intended to form the basis of any investment decision in relation to the Company or its assets and should not be considered as a recommendation to the Recipient to acquire securities in the Company. This Document is not a prospectus, profile statement or disclosure document and does not constitute an offer or invitation to acquire securities or otherwise invest in the Company, and no agreement to subscribe for securities will be entered into on the basis of this Document.

No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted by the Company, any of their respective officers, servants, agents or advisers (collectively "Limited Parties") as to or in relation to the accuracy, reasonableness, completeness or reliability of the information in this Document or any other written or oral information made available to any Recipients or their advisers. Any liability therefore is hereby expressly disclaimed. In particular, no representation or warranty is given as to the achievability or reasonableness of any future projections, management estimates or plans, prospects, returns or forecasts.

To the fullest extent permitted by law, the Limited Parties will not have any responsibility or liability for any loss or damage (whether foreseeable or not), however arising (including as a result of negligence), in relation to or in connection with the provision of this Document, the Recipient's or any other person's purported reliance on this Document, the failure to provide information of which any of the Limited Parties becomes aware or any errors in or omissions from this Document.

None of the Limited Parties makes or gives any representation, warranty or guarantee, express or implied, that the information in this Document is accurate, current, reliable or complete, has been or will be audited or independently verified, or that reasonable care has been taken in compiling, preparing or furnishing it. Various statements in this Document constitute statements relating to intentions, future acts and events including forecast financial information ("Forward Looking Statements"). Forward Looking Statements involve subjective judgment and analysis, known and unknown risks, uncertainties and other important factors that may cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed herein. The Limited Parties do not make or give any representation, warranty or guarantee, express or implied, that any Forward Looking Statements will be achieved or proven correct, or that any assumptions or projections on which the Forward Looking Statements are based are reasonable. No historical financial information, forecast financial information, estimates or projections contained in this Document or any other financial information derived from that information, can be relied upon as a promise or representation, as to the past, present or the future. Past performance is not necessarily a guide to future likelihood of achievement or reasonableness of any Forward Looking Statement, forecast financial information or other forecast.

The Limited Parties do not undertake any obligation to (and expressly disclaim any obligation to) provide the Recipients with access to any additional information or to correct any inaccuracies herein which may become apparent or to disseminate any updates or revisions to any Forward Looking Statements in this Document to reflect any change in expectations in relation to any such statements or any change in events, conditions or circumstances on which any such statement is based.

This document also contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Company's business and markets. Such information is generally based on independent market and industry data or research. The Company has not independently verified, and cannot give any assurances as to the accuracy and completeness of the information sourced from market and industry data or research contained herein. Accordingly, the accuracy and completeness of such information is not guaranteed. There is no assurance that any of the forecasts or projections contained in the independent market and industry data or research will be achieved. Forecasts and projections involve risks and uncertainties and are subject to change based on various factors. You should note that market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions.

Neither the receipt of this Document by any person nor any information contained in it or supplied with it or subsequently communicated to any person in connection with a proposed investment in the Company constitutes, or is to be taken as constituting, the giving of investment or financial product advice (or any other advice) to any such person. Each such person should make their own independent assessment of the merits or otherwise of investing in the Company and should seek their own professional advice in respect of any future investment opportunity and not act on the basis of any matter contained in this Document. In providing this Document, the Company has not considered the objectives, financial position, taxation situation or other needs of any particular Recipient.

The distribution of this document in jurisdictions outside Australia may be restricted by law. Persons who come into possession of this document who are not in Australia, should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. In particular, this document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Non-IFRS financial measures

Recipients should note that certain financial data included in this Document is not recognised under the AAS, and is classified as 'non-IFRS financial information' under Regulatory Guide 230 'Disclosing non-IFRS financial information' published by ASIC. The Company believes that this non-IFRS financial information provides useful information to users in measuring the financial performance and condition of Atomos. The non-IFRS financial measures do not have standardised meanings under AAS, and therefore may not be comparable with similarly titled measures presented by other entities, nor should these be interpreted as an alternative to other financial measures determined in accordance with AAS. Investors are cautioned not to place undue reliance on any non-IFRS financial information, ratios and metrics included in this Document.

Non-IFRS information descriptors:

- EBITDA (before R&D expenditure) is earnings before research and development expenditure, interest, taxation, depreciation, amortisation and impairment charges;
- EBITDA is earnings before interest, taxation, depreciation, amortisation and impairment charges;
- EBIT is earnings before interest, taxation and impairment charges;
- Working capital is defined by the Company as trade and other receivables, inventory and other current assets less trade and other payables and other current liabilities;
- Net cash flows from operations: the operating cash flows generated by the Company calculated as EBITDA excluding non-cash items and allowing for changes in working capital; and
- Net cash flows before financing activities: being net cash flows from operations less capital expenditure and other investing expenditure.



© Atomos 2019. | Investor Update