

ATOMOS

**AGM Presentation**

30 November 2020

**Unlocking creativity and profit for video content creators**

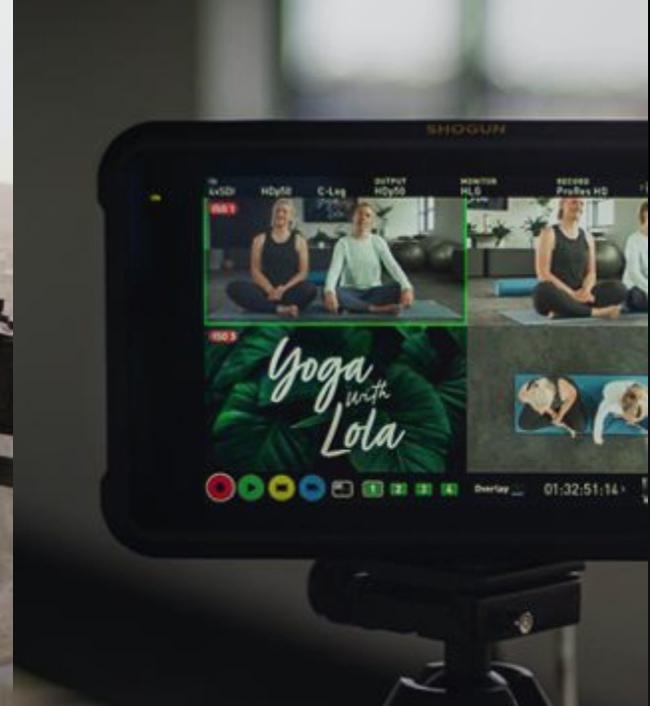


Inventing and delivering ground-breaking and disruptive technologies that enhance, simplify & ultimately democratise video content creation



### Presenters

Chris Tait, Executive Chairman  
Jeremy Young, Chief Executive Officer



# Atomos – Snapshot



Global video technology company enhancing video content creation with products connecting the imaging & computer worlds together



Strategic relationships with leading tech companies such as: Apple, Adobe & camera makers: Sony, Canon, Panasonic, RED & JVC Kenwood

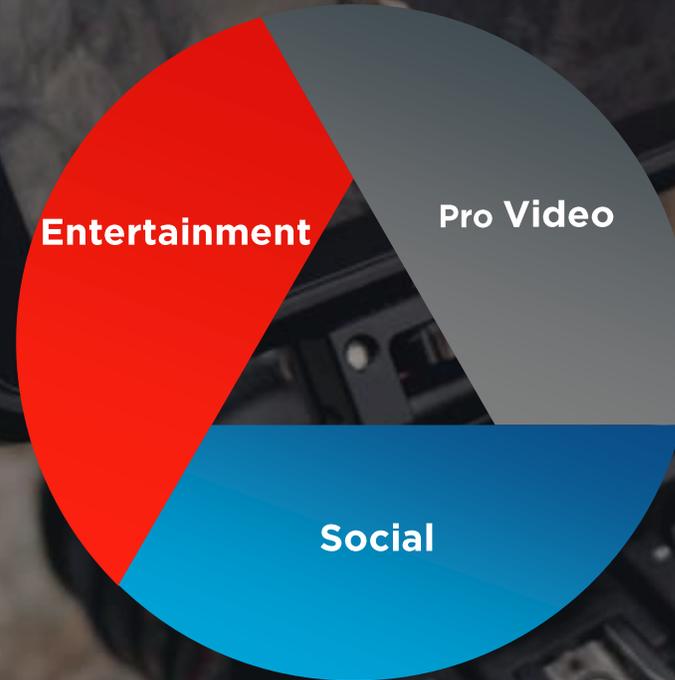


Allows video content creators to improve recording quality, save time & maintain greater flexibility/control in the content creation



Advanced proprietary technologies underpin the current product suite AND will be used to drive future growth into new markets

## Key market segments



### Entertainment

Production companies producing high-quality content for TV and cinema usually viewed on subscription streaming platforms

### Pro Video

Advertising, events, corporate, broadcast and education

### Social

Consumers / prosumers who create and share on free, advertisement driven platforms



# FY20 Overview

## A tale of two halves

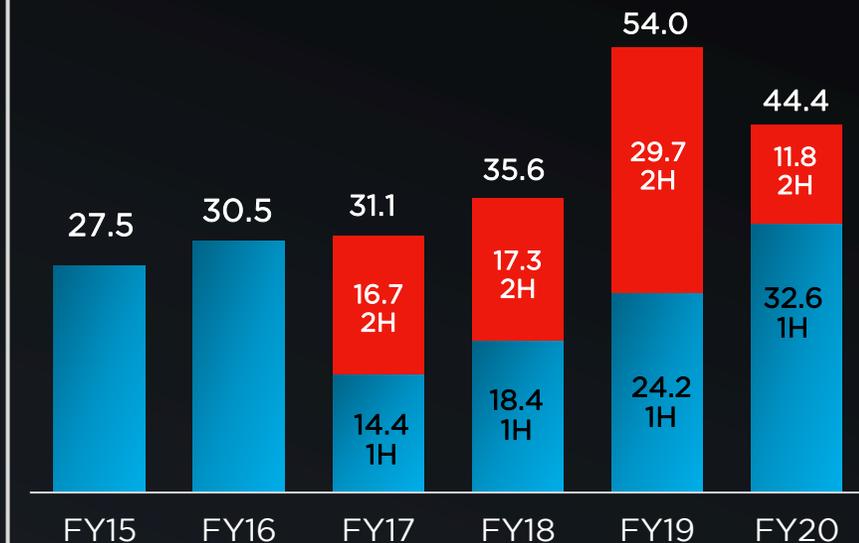
### 1H'20

- Continued growth trajectory in 1H'20 with sales of \$32.6m (up 34% pcp)
  - Driven by strong demand for Ninja V combined with emerging support from global camera companies to implement RAW over HDMI capabilities
  - Acquired TCS in December 2019, providing access to technology that enables multi-device wireless timecode synchronisation
  - Raised \$22.6m via Placement to acquire TCS & provide growth capital

### 2H'20

- Sales in 2H'20 (\$11.8m) significantly affected by COVID-19 as global video markets closed, end users became nervous & channel partners destocked
- In swift response, reduced fixed cost base by ~60% to ~\$1.0m per month, including both temporary and permanent reductions as of April 2020
- Raised capital in May to strengthen balance sheet in uncertain times & to bring forward existing roadmap & take advantage of streaming opportunity
- Financial and operational measures implemented during COVID, positioned business well to emerge more streamlined and cost effective as global markets reopened

### Pro Forma Revenue (A\$m)<sup>1</sup>



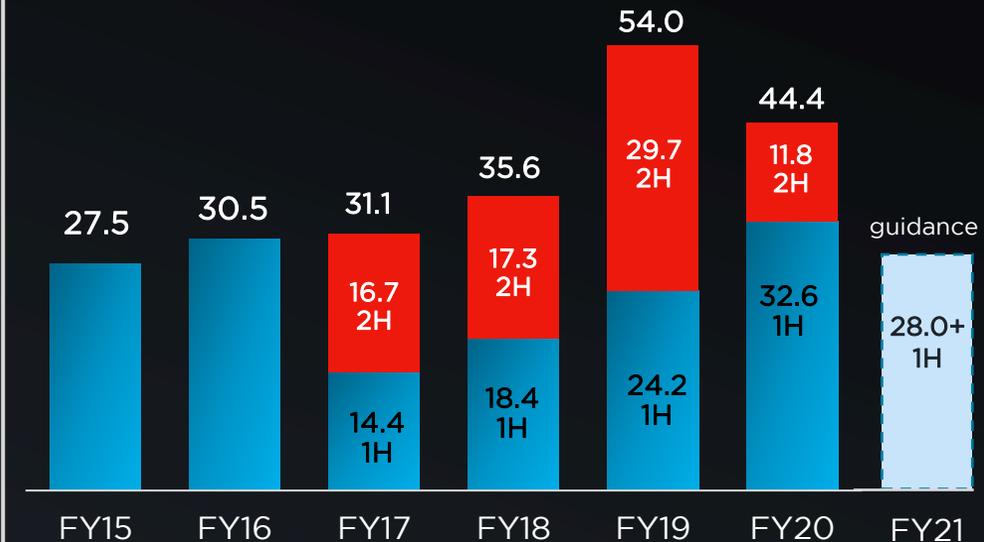
<sup>1</sup> FY15, 1H17, 2H17, 1H18 & 2H18 Unaudited



# 1H'21 Outlook - Financial

- Growing COVID cases and recent lockdown measures in key markets, have todate not had any impact on sales in November 2020
- 1H'21 revenue ahead of expectation and now on track to exceed \$28m
  - Return to pre-COVID run-rate revenue levels (\$5m+ per month) ahead of prior guidance of early CY21
  - Strong demand for existing products, with no new products released during first 4 months of 1H'21;
  - Validates the focus on building the ProRes RAW ecosystem through integrations with major global camera manufacturers (28 cameras in total; 23 shipping, 5 announced)
- Costs remain substantially below pre-COVID levels
- Strong cash position of \$18.9m as at the end November 2020
- Too early to give guidance for 2H'20, however AMS remains optimistic that the current monthly sales run-rates can continue with existing product range & improve as new products come to market

## Pro Forma Revenue (A\$m)<sup>1</sup>



<sup>1</sup> FY15, 1H17, 2H17, 1H18 & 2H18 Unaudited

# 1H'21 Outlook - Products

- Shipped first units of NEON 17" in November
  - Early feedback from customers is positive
- Further units of both NEON 17" and 24" to be shipped in December (~\$1.0m sales in 1H'21)
- Further products are in the pipeline for release in 2H'21

Apple ProRes RAW now established as new standard for RAW video capture with most major global video companies announcing their support

- AMS is the only company with monitor/recorders that can record Apple ProRes RAW (from enabled cameras)
- 28 cameras, from 8 different camera makers, are now supporting ProRes RAW from an AMS device with 5 additional cameras recently announced (all supporting RAW over HDMI) and due to ship over the coming months
- Given movement towards ProRes Raw as a global recording format, expect to announce further ProRes RAW integrations in 2H'21



# Deep Relationships – Atomos at the centre

## Capture

From the sensor of all major camera manufacturers

## Process & enhance

Atomos products enhance content creation, quality and creativity

## Finish & delivery

Edit, Colour Grade, Titles, Graphics Finish in Post

## Monitor, Record, Playback & Edit

## Edit & Finish

## View + Play

### CAMERA / SMART-PHONE



Via HDMI/SDI

### ATOMOS video computer



onboard  
SSD/HDD

### MAC/PC via dock



### TV/MON HDMI/SDI



JVC Nikon SONY

Panasonic ARRI Canon

Apple ProRes RAW

XILINX

SanDisk

ANGELBIRD

HDMI

NewTek

Adobe

Blackmagicdesign

Microsoft

DOLBY VISION

# Deep Relationships – high barriers to entry

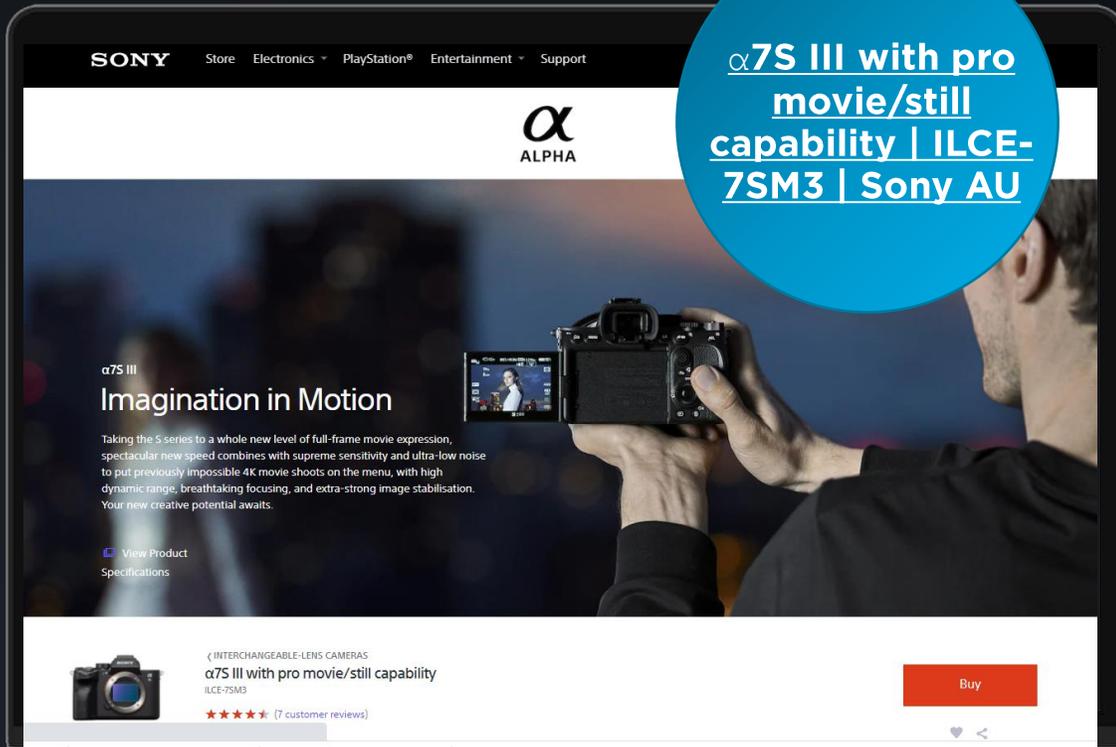
No amount of money can replace the value of relationships Atomos has built over the past 15 years



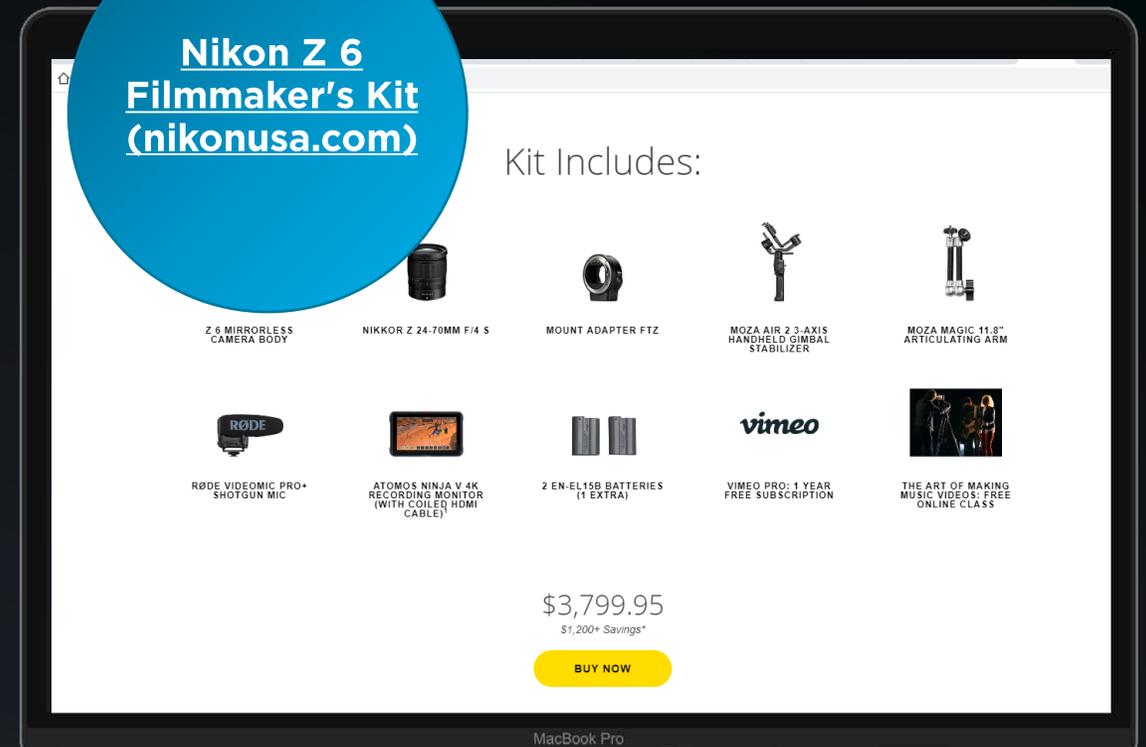
Source: Apple. [Final Cut Pro X - Apple \(AU\)](#)

# Deep Relationships – high barriers to entry

[α7S III with pro movie/still capability | ILCE-7SM3 | Sony AU](#)



[Nikon Z 6 Filmmaker's Kit \(nikonusa.com\)](#)



Source: [sony.com.au/electronics/interchangeable-lens-cameras/ilce-7sm3](https://www.sony.com.au/electronics/interchangeable-lens-cameras/ilce-7sm3)

Source: Nikon, [Nikon Z 6 Filmmaker's Kit \(nikonusa.com\)](https://www.nikonusa.com)

# Deep video tech



## AtomOS (Operating System)



- Internally developed own custom operating system
- Direct streaming / broadcast switching
- Software a core part to building a 'video computer' (similar concept to iOS, Android platforms)



## AtomIC (Custom Video SoC)



- AtomIC developed in collab with Imagination Technologies
- AtomIC 2 developed by AMS using tech from Xilinx; deployed in Ninja V, platform used by other products
- AtomIC 3 coming Q4'21; other SoC platforms & partnerships in development



## Screen Technology



- Intuitive, easy to use, touch screen interface now a core feature of Atomos products
- **AtomHDR** – image processing technology to monitor HDR in real-time while shooting
- Supports up to 4K resolutions, HD 240p



## Extensive IP (hardware, software, integrations)

- **Hardware:** Ex Sony camera team based in Japan
- **Software:** ~2 million hrs. of custom testing
- **Integrations:** Apple ProRes/ProRes RAW, Adobe, Avid, camera makers image processing

# Deep video tech - Atomos firsts



Compact Monitor /Recorder device recording Apple's ProRes



Apple ProRes RAW: only monitor recorder that can record



H.264 / 265



First in-field 4K monitor Recorder (Shogun)



HDR range of monitor recorders



Combination of RAW, HDR, Recording (first 8K ProRes RAW mon/rec)

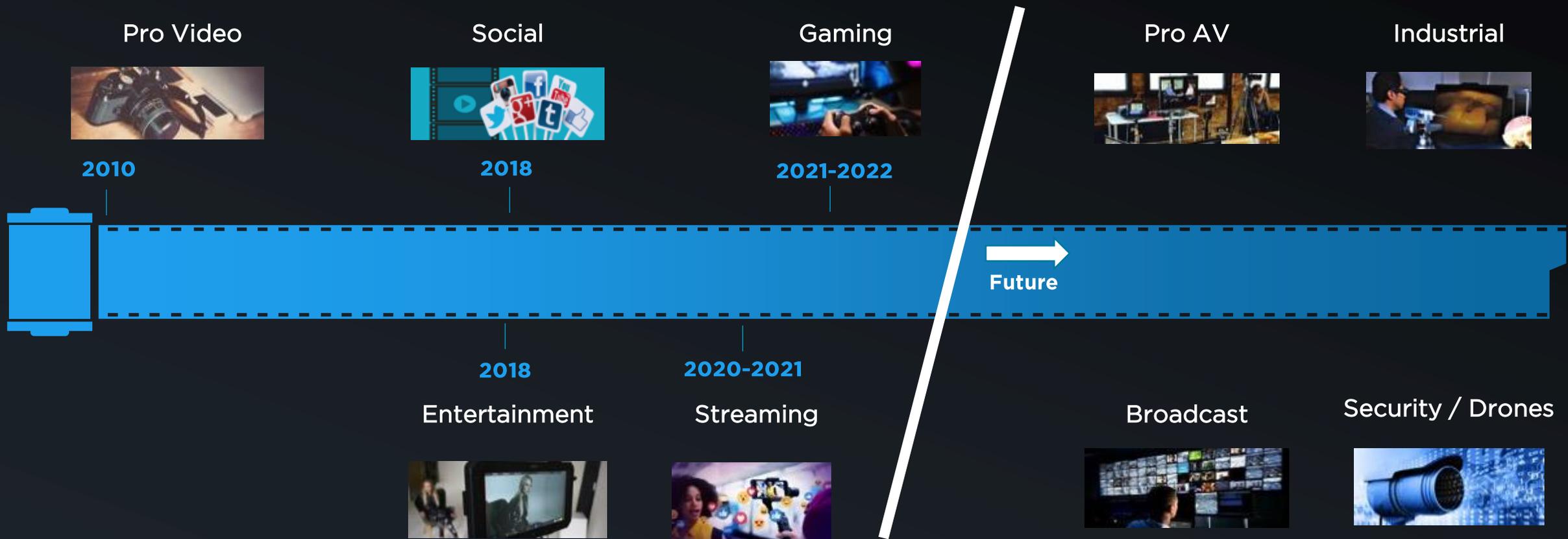


HDMI Cinema Protocol



Sata Disk

# Deep video tech + deep relationships = Competitive edge for new markets



# Building the operational structure so we can deliver on our vision

- Complementing our deep technology and relationships, AMS has focused on being able to attract talent to assist in delivering upon our vision
- Aim to progressively add key personnel to strengthen our team, with several key staff recently hired, notably:
- **Mark Harland** as COO / CMO



- 20+ years global leadership at General Motors across operations, sales, marketing & customer experience
- Settled in Australia a few years ago, working as Executive Director, Marketing at Holden and most recently co-founding an Electric Vehicle subscription start-up which was launched with AGL

- **Rodney Block** as Head of Business Development



- 20+ years senior executive experience holding various sales and MD roles in video games; working for US & Japanese publishers such as THQ, Disney Interactive, Capcom and Sega
- Most recently was Senior Director Sales & Marketing at GoPro APAC, a position held for past six years

# Atomos Product Suite

## 4K Monitor Recorders



## Production / Studio



## Broadcast & Accessories



| NINJA + SHINOBI Ranges  | SHOGUN Range   | SUMO Range   | NEON Cinema Series   | Shogun Studio + Converters + Accessories  |
|---|--|--|--|---|
| <ul style="list-style-type: none"> <li>• Ninja HDMI only – includes AtomX adaptor range</li> <li>• Broad market application due to portability</li> <li>• Both 5” and 7” screen options</li> <li>• Record ProRes®, DNxHR at 60p frame rates</li> <li>• AtomHDR monitoring</li> <li>• Includes recently released 5” Shinobi monitor only</li> <li>• Shinobi available in both HDMI &amp; SDI capability</li> </ul> | <ul style="list-style-type: none"> <li>• HDMI &amp; Quad SDI inputs</li> <li>• Broad market application due to portability</li> <li>• 7” high brightness screen</li> <li>• Record ProRes, DNxHR at 60p frame rates</li> <li>• ProRes RAW capability</li> <li>• AtomHDR monitoring</li> <li>• Touch Screen Switching</li> </ul> | <ul style="list-style-type: none"> <li>• Larger format 19” monitor recorder – targeting studio usage</li> <li>• Quad SDI &amp; HDMI in/out</li> <li>• Record ProRes/ProRes RAW, DNxHR, among others</li> </ul> | <ul style="list-style-type: none"> <li>• HDR Professional monitor-recorder range for on-set and in-studio usage</li> <li>• Four screen size options – 17”, 24”, 31” and 55”</li> <li>• Bluetooth controlled by using Atomos iOS App</li> </ul> | <p><u>Shogun Studio</u></p> <ul style="list-style-type: none"> <li>• Rack mount 4K monitor recorder solution</li> <li>• Dual 7” screens with touchscreen interface</li> </ul> <p><u>Converters</u></p> <ul style="list-style-type: none"> <li>• SDI to HDMI or vice versa</li> </ul> <p><u>Accessories</u></p> <ul style="list-style-type: none"> <li>• Cables, Caddies &amp; Adaptors</li> </ul> |
| Social / Pro-Video Segment  | Pro-Video / Entertainment  | Pro-Video / Entertainment  | Entertainment  | Various   |

Streaming



# Corporate Snapshot

|                                  |                 |
|----------------------------------|-----------------|
| Ticker                           | AMS             |
| Share Price                      | \$0.95          |
| Shares on Issue (m)              | 218.5           |
| <b>Market Capitalisation (m)</b> | <b>\$207.6m</b> |

## Board of Directors

|                     |                          |
|---------------------|--------------------------|
| Chris Tait          | Executive Chairman       |
| Jeromy Young        | Executive Director & CEO |
| Sir Hossein Yassaie | Non-Executive Director   |
| Stephen Stanley     | Non-Executive Director   |

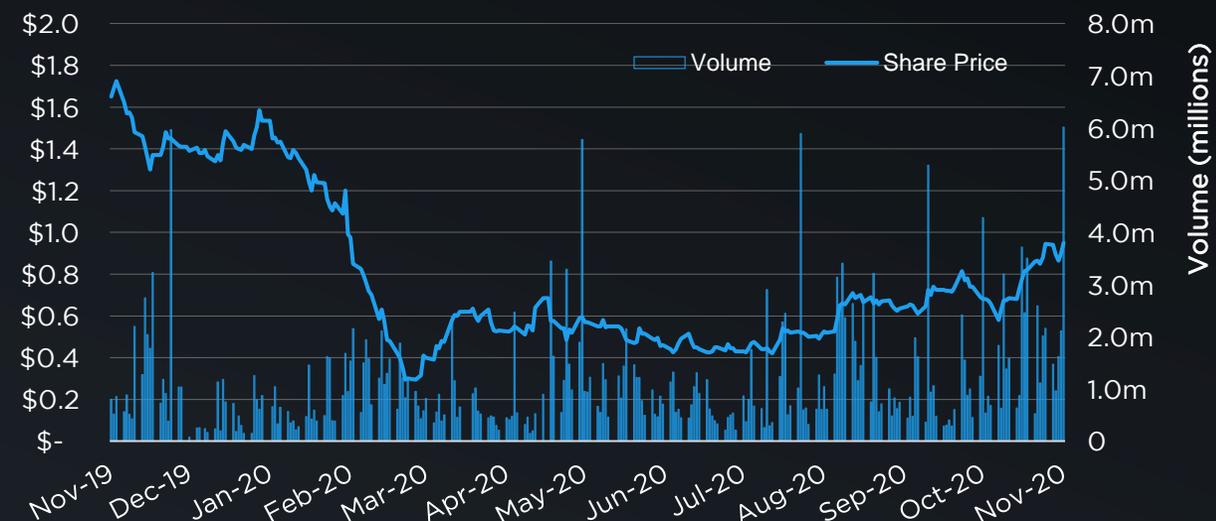
## Senior Management Team

|                 |                           |
|-----------------|---------------------------|
| James Cody      | CFO                       |
| Mark Harland    | COO / CMO                 |
| Stephan Kexel   | Global Sales Director     |
| Trevor Elbourne | CTO                       |
| Naofumi Yoneda  | Chief Design Officer      |
| Frankie Lui     | Global Production Manager |

## Major Shareholders

|                        |      |
|------------------------|------|
| Perennial Value Mgmt   | 8.4% |
| Ellerston Capital Ltd  | 7.5% |
| Ms Claire Louise Young | 8.2% |
| Domazet FT3 P/L        | 6.8% |

## Share Price History





# ATOMOS

## Contacts

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**Our vision is to invent and deliver ground breaking and disruptive technologies that enhance, simplify and ultimately democratise video content creation**

For more information please visit [www.atomos.com](http://www.atomos.com)