ASX Announcement
ATOMOS LIMITED (ASX:AMS)

19 November 2026

2026 Annual General Meeting

Managing Director and CEO's Address

Melbourne, Australia - Atomos Limited ('ASX:AMS', 'Atomos' or the 'Company') includes below the address to be delivered by the Managing Director and CEO, Mr Peter Barber, at the Company's Annual General Meeting to be held today.

Managing Director and CEO's Address

Thank you, Chairman, and good afternoon everyone.

FY26 in summary

FY26 revenue was $40.0 million, up 22.5% on FY25. EBITDA was $3.7 million against a loss of $11.8 million a year earlier, an improvement of $15.5 million, and the Company returned to statutory profitability with a net profit after tax of $0.9 million against a loss of $14.6 million.

It was a year of two very different halves. The first half delivered revenue of $23.7 million, up 28% on the prior corresponding period, and EBITDA of $1.9 million. The second half delivered revenue of only $16.3 million but maintained EBITDA of $1.8 million, assisted by several items that are unlikely to repeat – a refund of tariff expenses booked in prior periods, releases of provisions no longer required, and favourable movements in foreign exchange.

I want to be clear about why the second half fell short, because the three causes are not equal and they do not carry the same implications for FY27.

First, the external environment. The closure of the Strait of Hormuz from late February, the broader conflict in the region, and rising inflation and interest rate concerns in major global markets subdued discretionary spending through our entire second half. This is the part of the year none of us could influence.

Second, channel de-stocking. Faced with that uncertainty, our distributors and resellers reduced their inventory holdings. When a channel de-stocks, our sales fall by considerably more than end-customer demand does, because we absorb both the lower sell-through and the inventory reduction at the same time. The channel is now carrying less of our product, which brings the opposite risk, of sales lost because stock is not on the shelf.

Third, our own execution. Sumo PRO 19 shipped in the final days of May, later than we had planned, which meant we did not capture re-orders within the financial year. Production timing on Shogun AV-19 pushed initial customer deliveries into the fourth quarter. And approximately $2 million of product that shipped before 30 June had not reached customers by year end and was not recognised in FY26. The second and third of those are timing rather than demand, and timing is ours to manage better.

What did go right

Against that, the operational year was one of the most productive in the Company's history.

- We brought six new and upgraded core products to market – Ninja TX, Ninja TX GO, Shinobi 7 RX, Shogun AV-19, Ninja RAW and Sumo PRO 19, together with a broader ecosystem and accessory range. Sumo PRO 19 won multiple Best of Show Awards at NAB.
- We completed the acquisition of Flanders Scientific on 24 April, which contributed revenue of $1.8 million in the ten weeks to 30 June, taking Atomos into professional reference monitoring and materially expanding parts of the production workflow and customers we can serve.
- In other improvements, we rebuilt our route to market in several regions, moving to stronger partners in Europe, Japan, Australia and India.
- And we held the cost base. Fixed costs were $12.5 million for the year, a little over $1 million a month, with headcount of around 60 people across 13 countries.

Margin is where the real progress sits. Contribution margin improved to 37.2% of revenue from 16.8% in FY25. Part of that came from items that are unlikely to repeat – releases of inventory obsolescence and open purchase order provisions, which together contributed 4.2 percentage points. Excluding them, contribution margin was 33% of revenue, within the range of 33% to 35% we have previously indicated to the market.

The rest is structural: we repriced the range, we changed the product mix, and the US tariffs imposed under the IEEPA measures were struck down in February and removed from our landed cost. Fixed costs fell $3.6 million to $12.5 million. Taken together, the non-recurring items account for about one fifth of the $15.5 million EBITDA improvement. The other four fifths is revenue growth, margin improvement and cost control.

Cash

The fourth quarter produced a net operating cash outflow of $5.7 million, and I want to explain it rather than leave it to be inferred. Cash receipts of $6.1 million were low because several large sales landed right at the end of the quarter. Against that we made $11.9 million of operating payments, of which $7.9 million was product and operating costs. That figure included roughly $1 million of inventory investment into Flanders following the acquisition, approximately $0.6 million clearing legacy payment plans, and settlement payments on two legacy property leases in Victoria. The Company closed the year with $2.3 million of cash.

In contrast to the fourth quarter, this first quarter of FY27 saw a positive operating cashflow of $0.9 million. This included receipts of $10.8 million against sales of $9.2 million, as the elevated 30 June receivables were collected.

Trading since year end

Shinobi 7 II began shipping in late September. At IBC in Amsterdam, it took CineD Best of Show and the ProVideo Coalition Best Value Innovation award, and Flanders Scientific's GaiaColor AutoCal and Analyzer won TV Tech Best of Show. The first two production runs of Shinobi 7 II were both over-subscribed and have sold through to end users, and we retain a backlog of orders awaiting fulfilment. It is a promising launch, and it is precisely the kind of product our strategy of appealing to the growing cohort of independent content creators is built around.

The Ninja range has had a slower start than we hoped, and that weighed on the second half as well. The higher price points that supply chain costs forced on the range were a large part of it. Our new entry level model, Ninja RAW, is beginning to pick up steam.

FY27

We start FY27 with a materially broader product set than we had a year ago.

Earlier this month Flanders Scientific launched seven new reference monitors across two new ranges, the VP Series and the V Series. They use the same QD-OLED panels and colour technology as our flagship XMP range in a more focused feature set, at prices up to 48% below the equivalent flagship model. They are additional to our existing range and they are shipping now. They open the reference monitoring market to post-production facilities that have never been able to justify this level of equipment in every room.

The simplest way to see what we have built is as a price ladder. The Atomos range runs from around three hundred US dollars for Shinobi through to three thousand for Sumo. Flanders reference monitors begin at around ten thousand and reach twenty-four thousand. Between those two price ranges there was a gap where a great deal of the post-production market sits. The VP and V Series start at around six thousand dollars. They are a more affordable bridge in reference monitoring and they reach a larger customer base who do not have the budget for our XMP range.

In October we launched Shogun AV-19M alongside the AV-19, and we have retired several legacy products, including Shogun 7, Shogun Classic, Shogun Ultra and Ninja Phone, so that our engineering and marketing effort can focus on current and future products.

Alongside the product work, our focus on getting closer to the customer continues. This includes both direct-to-consumer marketing via social and retail media, and entry-level priced products aimed at new customers and entrants to the market. We continue to optimise our capabilities to create content and directly target our consumers, and the addition of Simon Traynor to the Board will add experience and wisdom to our marketing. We need to be where the customer is, and effectively connect with them.

The market

On the conditions ahead, I would offer three observations rather than a forecast.

The continuing conflict in the Middle East means the Strait of Hormuz remains effectively closed. We are not relying on a resolution, but a reopening would ease freight costs across our whole supply chain.

The US tariff position has structurally improved, with the IEEPA tariffs struck down and terminated in February this year. Other tariff programs remain in place, and we are not suggesting the issue has gone away, but the single largest cost shock of the last two years has been removed.

And the market we serve is growing even in a year when our own sales did not. Industry estimates suggest that close to half of new professional video equipment demand now comes from independent creators and small agencies rather than traditional broadcast studios, and the professional video equipment market is forecast to grow at mid-single digits annually for the next decade, driven by live production, streaming and the replacement of ageing HD infrastructure. That is precisely the market our expanded range is built for.

Outlook

The constraint we are managing now is component supply, largely driven by unprecedented demand from AI datacentres. Industry-wide shortages are limiting Shinobi inventory against real demand, and production is being prioritised against the order book. It is a better problem than the reverse, but it is still a constraint. Those two things sit together. The channel is lightly stocked and we are supply constrained, so converting demand into revenue is the central operational task of this year.

What I can tell you is what we control. The cost base is stable. The product range is the broadest it has been in the Company's history. Flanders Scientific is contributing. The structural elements of the margin improvement are intact. And we are carrying our debt at a materially lower cost than a year ago.

We will update shareholders on trading at the half year.

Thank you to our people, to our distribution and reseller partners, to the Board, and to our shareholders for your continued support.

This announcement has been authorised for lodgement with ASX by the Board of Directors.

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For further information, please contact:

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Atomos' Interactive Investor Hub

Our investor hub is an interactive location to engage with the Atomos team on our announcements and updates.

Please go to the Atomos Investor Hub for all market announcements & other news **https://investors.atomos.com**

About Atomos

ATOMOS designs pioneering products that transform the way film and video content is made around the world. From our range of hardware devices for monitoring and recording, easy-to-use software tools, and intelligent cloud services, we engineer best-in-class technologies and create products for the next generation of filmmakers.

Through relentless innovation, we simplify your workflow. Whether you record cinema-quality footage, monitor a scene with crystal clear colour accuracy, switch between multiple cameras, or stream a live event with a portable studio, ATOMOS empowers anyone to realize the best possible version of their creative potential.

ATOMOS is based in Melbourne, Australia, with a distributed worldwide team and offices in the USA, Japan, China, UK, and Germany and has a worldwide distribution partner network.

For more information, please visit **www.atomos.com**