ASX Announcement

ATOMOS LIMITED (ASX:AMS)

30 March 2020

COVID-19 Update

Atomos Limited (ASX: AMS) today provides an update in respect of the ongoing impact of COVID-19 on the business.

The health and wellbeing of staff, their families and the broader communities in which we operate remain the priority. In addition to implementing broad travel bans and social distancing measures across our global operations, the majority of our 100 staff members globally are currently being supported to work from home, consistent with the advice of local health authorities.

As outlined in the Half Year Results announced in February 2020, AMS has been monitoring and responding to the impacts of COVID-19 for three months now. The COVID-19 pandemic and its impact on our business is evolving rapidly. We are reviewing the situation daily and taking advice from relevant authorities.

Globally, travel bans and movement restrictions have resulted in a softening in demand for our products, as our customers initiate temporary closures and adopt a more cautious approach to capital expenditure in all our target market segments. This is driven primarily by the cancellation of events and restrictions on people gathering, which they rely on for business.

In response to trading conditions, AMS is taking decisive actions, specifically in reducing operating expenses, deferring non-essential expenditure, optimising labour costs and managing inventory levels.

Given continuing uncertainty as to the extent and duration of the impacts of COVID-19, it is appropriate to withdraw previous guidance given at the Half Year Results Announcement in February 2020, including that '*the Company expects to maintain strong revenue growth in FY'20, compared to FY'19'.*

AMS had net cash as at 31 December 2019 of $14.5m and inventory of $14.9m. Since the COVID-19 developments, AMS has maintained a strong focus on working capital management and cash preservation. In addition, AMS has access to a working capital facility of $5m, providing additional financial flexibility.

AMS' leading Intellectual Property and technology ecosystem continues to underpin the Company's strategy and long-term confidence.

AMS will continue to closely monitor developments and further updates on the impact of COVID-19 on the Company's performance will be provided as appropriate.

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About Atomos:

Atomos is a global video technology company delivering award-winning, simple to use monitor-recorder content creation products. These products give content creators across the rapidly growing social, pro-video and entertainment markets a faster, higher quality and more affordable production system.

Atomos' range of products take images directly from the sensor of all major camera manufacturers, then enhance, record and distribute them in high-quality formats for content creation using the major video editing software programs. Since being founded in 2010, Atomos has established strategic relationships with key technology providers within the ecosystem including Apple, Adobe, Sony, Canon, Panasonic, Nikon and JVC Kenwood.

Atomos is based in Australia with offices in the USA, Japan, China, UK, France and Germany and has a worldwide distribution partner network.

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

Forward looking statements:

This announcement contains forward looking statements. All statements that address events or developments that Atomos expects or anticipate will or may occur in the future and guidance on financial performance are forward looking statements. These forward looking statements are based on the Board or management's beliefs and expectations based on information currently available to the Board and management. The Company believes that these forward looking statements are reasonable as and when made. However, you should not place undue reliance on any such forward looking statements which are inherently uncertain. Atomos does not undertake any obligation to publicly update or revise any forward looking statements whether as a result of new information, future events or otherwise except as required by law or the ASX Listing Rules. Forward looking statements are subject to certain risks and uncertainties, many of which are outside its control that could cause actual results, events and developments to differ materially from Atomos' historical experience, or its present expectations or projections.