

2 April 2025

Atomos enters \$13.7m Debt Facility

Melbourne, Australia - Atomos Limited ('ASX:AMS', 'Atomos' or the 'Company') is pleased to announce it has entered into a debt facility of \$13.7m, providing sufficient funding runway to reach forecast cashflow positive in FY26.

Highlights:

- Signed \$13.7m debt facility with Monreii Pty Ltd, an entity owned by Atomos Executive Director, Peter Barber (**Monreii Facility**).
- As of 31 March 2025, Atomos has unsecured loans, including capitalised interest, of \$8.7m (**Existing Loans**). The Existing Loans will be repaid in full based on an initial drawdown of the Monreii Facility of the same amount.
- Following a comprehensive review of other strategic and funding options, the Board considers the Monreii Facility in the best interests of all shareholders given three key factors – minimising shareholder dilution, speed to execution and quantum of funds committed.
- Key Terms of the Monreii Facility:
 - Maturity date: 28 February 2027
 - Interest rate: 16% per annum with interest capitalised monthly until maturity
 - Annual Fee: 4% per annum, payable monthly in arrears (no line or other fees are payable)
 - Principal (and capitalised interest) to be repaid at maturity, with no prior amortisation payments required. Early repayments are permissible without penalty.
 - Security granted against Atomos Limited (Borrower) and other select operating entities
 - No operating or financial covenants (other than customary negative pledge obligations)
- Atomos will announce several new products and services at the upcoming NAB Trade Show in Las Vegas in early April 2025 which are expected to incrementally contribute to sales in Q4 FY25 and beyond with the Company forecast to be cashflow positive in FY26

Atomos Chair, James Joughin, said: *"The debt facility is a major step forward in our strategy to rebuild shareholder value in the Atomos business without requiring any equity dilution."*

"Despite the significant steps we have taken to realign the cost base, cash flows have continued to be impacted by one-off and legacy-related items – such as legal settlement payments, staff redundancies and supplier payment plans (related FY24) – delaying our ability to reach cashflow breakeven."

"All legacy-related items are expected to be finalised by June 2025 at which point Atomos is forecast to be in a materially improved financial position with a clear roadmap of new products and complementary services to accelerate sales over time."

“We thank Peter for his ongoing commitment to the strategic direction of Atomos with shareholders and senior management aligned to see material improvement in business performance which ultimately will drive shareholder value.”

Consideration of the Board

The Company, in consultation with its capital advisors, has over the past several months reviewed various strategic options to deliver the required short-term funding or alternatively maximise shareholder value. These strategic options have included: raising equity, convertible or hybrid notes, secured debt and a trade sale or strategic partner transaction.

For various reasons, both internal and external to the Company, the Board concluded the Monreii Facility represented the best outcome for all shareholders given three key factors – minimising shareholder dilution, speed to execution and quantum of funding available.

The Monreii Facility has been negotiated between all parties on an arm’s length basis with the support of their respective independent legal advisors. Accordingly, the Board considers that the transactions contemplated by the Monreii Facility are fair and reasonable from the perspective of the holders of the Company’s ordinary securities, and offer the optimal path forward for the Company, considering all of the prevailing circumstances.

ASX Waiver

Peter Barber has a controlling interest in the Monreii Facility, and as an Executive Director with a shareholding interest of approximately 8.2% is considered an ‘associate of a related party’ of Atomos as per ASX Listing Rule 10.1. Ben McAlister, CFO of Atomos, is a Director of Monreii Pty Ltd and is also considered an ‘associate of a related party’ of Atomos as per ASX Listing Rule 10.1. The Company is therefore required, pursuant to Listing Rule 10.1, to seek shareholder approval to grant security interests to Monreii over select assets of the Company’s and/or its subsidiaries’.

The Company applied to the ASX for a waiver from the application of Listing Rule 10.1, and that waiver has now been granted.

The terms of the ASX Waiver are set out in **Annexure A** to this announcement.

Key Terms of the Monreii Facility

The material terms of the Monreii Facility are set out in Annexure B to this announcement.

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

--ENDS--

For further information, please contact:

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Atomos' Interactive Investor Hub

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

About Atomos

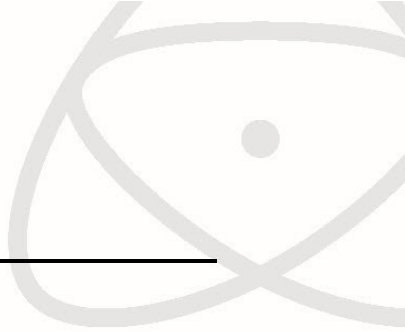
ATOMOS designs pioneering products that transform the way film and video content is made around the world. From our range of hardware devices for monitoring and recording, easy-to-use software tools, and intelligent cloud services, we engineer best-in-class technologies and create products for the next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

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Annexure A – ASX 10.1 Waiver Decision

ASX's formal decision is as follows.

Waiver Decision

1. Based solely on the information provided, ASX Limited ('ASX') grants Atomos Limited (the 'Company') a waiver from listing rule 10.1 to the extent necessary to permit the Company to grant security ('Security') over the assets of the Company in favour of Monreii Pty Ltd ('Monreii'), an entity associated with Ben McAlister, CFO of AMS and director of Monreii and Peter Barber, a director of AMS and Monreii and a related party of the Company, to secure the Company's obligation under a \$13,700,000 loan provided by Monreii without obtaining shareholder approval on the following conditions:
 - 1.1. the Company releases an announcement to the market that provides:
 - 1.1.1. the material terms of the transaction and of the waiver from Listing Rule 10.1; and
 - 1.1.2. a description of the reasons why the entity has chosen to obtain the financial accommodation from Monreii rather than a lender that is not a Listing Rule 10.1 party and the steps the board has taken to satisfy itself that the transaction is being entered into on arm's length terms and is fair and reasonable from the perspective of the holders of the Company's ordinary securities;
 - 1.2. the Security documents expressly provide that:
 - 1.2.1. the Security is limited to the funds due under the financial accommodation;
 - 1.2.2. the Security will be discharged when the funds due under the financial accommodation have been repaid in full;
 - 1.2.3. in the event the Security is enforced, the assets can only be disposed of to Monreii or an associate of Monreii if the disposal is first approved by the entity's security holders under Listing Rule 10.1; and
 - 1.2.4. otherwise, if Monreii exercises, or appoints a receiver, receiver and manager or analogous person to exercise, any power of sale under the Security, the assets must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to Monreii in accordance with their legal entitlements;
 - 1.3. any variation to the terms of the financial accommodation or the Security which:
 - 1.3.1. advantages Monreii in a material respect;
 - 1.3.2. disadvantages the entity in a material respect; or
 - 1.3.3. is inconsistent with the terms of the waiver,
must be subject to security holder approval under Listing Rule 10.1; and
 - 1.4. for each year while they remain on foot, a summary of the material terms of the financial accommodation and the Security is included in the related party disclosures in the Company's audited annual accounts.

2. ASX has considered Listing Rule 10.1 only and makes no statement as to the Company's compliance with other listing rules

Basis for Waiver Decision

Listing Rule 10.1

3. Listed entities are required to obtain the approval of security holders for an acquisition or disposal of a substantial asset from or to a person in a position to exercise influence over the entity. The votes of security holders who are parties to the transaction, and their associates, are not counted. Listed entities are required to obtain an independent expert's report on the fairness and reasonableness of the transaction and to send it to security holders to accompany the notice of security holders' meeting. This rule protects security holders from a value-shifting transaction with a person in a position of influence being undertaken by a listed entity without the disinterested security holders having approved that transaction with the benefit of full information. The rule supplements the related party provision of the Corporations Act 2001 (Cth) (or, in the case of foreign entities, the related party provisions of the law of their home jurisdiction).

Facts/Reasons for granting the waiver

4. The Company is granted a waiver from Listing Rule 10.1 to enable it to grant the Security in favour of Monreii subject to a number of conditions, including that the Security documents provide that in the event the Security is exercised, neither Monreii nor any of its associates are entitled to acquire the assets without the Company first complying with any applicable Listing Rules, including Listing Rule 10.1. This condition provides a sufficient safeguard against value-shifting to the Listing Rule 10.1 party.

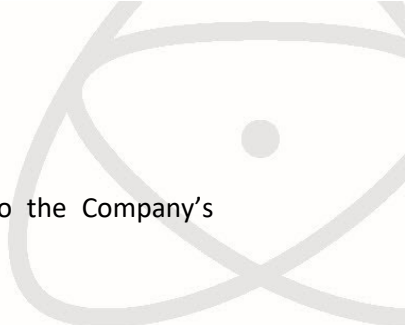
Conditions of waiver

The waiver is subject to certain conditions. Under Listing Rule 18.1, these conditions must be complied with for the waivers to be effective.

ASX's power to vary or revoke waiver

It should be noted that under ASX Listing Rule 18.3, ASX may vary or revoke the waivers at any time.

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Annexure B – Key Terms of Monreii Facility

Facility Amount	\$13,700,000 NB: Existing Loans of \$8.7m will be repaid in full with initial drawdown of the Monreii Facility equal to the same amount.
Maturity Date	28 February 2027
Principal Repayment	Principal (and capitalised interest) to be repaid at maturity No amortisation payments are required prior to maturity. Early repayments are permissible without penalty.
Interest rate and payment	16.0% per annum. Interest accrues daily and is capitalised monthly with payment due in full at the maturity date (or earlier as agreed between the parties).
Annual Fee	4% per annum, payable monthly in arrears. No line or other fees are payable.
Security	Security granted against Atomos Limited (Borrower) and other select operating entities which include all the Australian subsidiaries.
Financial Covenants	No operating or financial covenants (other than customary negative pledge obligations and written consent to declare dividends, make equity investments or return capital to shareholders).

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