



31 January 2025

ASX RELEASE

Completion of EM Solutions Divestment and Repayment of Debt

Electro Optic Systems Holdings Limited ("EOS" or "Company") (ASX:EOS) is pleased to announce that the transaction to sell 100% of EM Solutions Pty Limited ("EM Solutions") to Cohort plc ("Cohort") has completed. The transaction was previously announced to the ASX on 21 November 2024 and 20 January 2025.

After customary adjustments for estimated net debt and estimated working capital, the amount received on completion was \$158.6m. This is higher than the announced enterprise value price of \$144.0m, mainly due to higher estimated contract balances at completion. Final completion accounts and any adjustments are expected to be agreed between the parties within 60 business days.

Contemporaneous with the completion of the transaction, EOS has repaid Washington H. Soul Pattinson ("WHSP") \$61.1m. This represents the full repayment of WHSP of all outstanding amounts, including 'make whole' payments required under the borrowing agreements. EOS is very appreciative of the support provided to it by WHSP over recent years.

Following this repayment, EOS now has nil borrowings on its balance sheet.

As at today, 31 January 2025, and subsequent to the aforementioned cashflows, EOS expects to have approximately \$128.0m of cash balances on its balance sheet. In addition to cash balances, EOS had a further approximately \$48.0m of restricted cash (security deposits) held as security for bank guarantees at 31 January 2025.

Further information:

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ABOUT ELECTRO OPTIC SYSTEMS (ASX:EOS)

Following the divestment of EM Solutions, EOS operates in two divisions: Defence Systems and Space Systems

Defence Systems specialises in technology for weapon systems optimisation and integration, as well as ISR (Intelligence, Surveillance and Reconnaissance) and C4 systems for land warfare. Its key products include next-generation remote weapon systems, vehicle turrets, high-energy laser weapons (directed energy), as well as fully integrated and modular counter-UAS and C4 systems.

Space Systems specialises in applying EOS-developed optical sensors and effectors to detect, track and characterise objects in space. It includes capabilities in the domain of space control.

This announcement may contain certain "forward-looking statements" including statements regarding EOS' intent, belief or current expectations with respect to EOS' business and operations, market conditions, results of operations, financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings, financial position and performance, establishment costs and capital requirements are also forward-looking statements. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement may contain such statements that are subject to risk factors associated with an investment in EOS. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and other important factors that could cause the actual results, performances or achievements of EOS to be materially different from future results, performances or achievements expressed or implied by such statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this announcement.