



ELECTRO OPTIC SYSTEMS HOLDINGS LIMITED

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ASX RELEASE

2025 Annual General Meeting – CEO's Presentation

Melbourne, 20 May 2025

Electro Optic Systems Holdings Limited (**EOS** or **Company**) (ASX: EOS) provides the attached CEO Presentation to be delivered at today's Annual General Meeting commencing at 10.00am AEST at the offices of MinterEllison, Level 20, Collins Arch, 447 Collins Street, Melbourne VIC 3000.

Authorised for release by the CEO and Managing Director of Electro Optic Systems Holdings Limited.

Further information:
Investor Relations
ir@eos-aus.com

ABOUT ELECTRO OPTIC SYSTEMS (ASX:EOS)

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 offered 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.



Managing Director and Chief Executive Officer's Presentation

Dr. Andreas Schwer

2024 Highlights - Financial

In 2024 EOS continued to execute on its turnaround program and set the foundation for future growth

**Strong
Revenue
Growth**

**Improved
Gross
Margins**

**Strong
Balance
Sheet**

Total Operations

Revenue	\$258.7m	▲	\$39.4m (up 17%) vs. prior year
Gross Margin %	46%	▲	2% vs. prior year
Underlying EBITDA¹	\$13.0m	▲	\$7.3m (up 128%) vs. prior year
NPAT	\$(19.7)m	▲	\$14.4m (up 42%) vs. prior year

Continuing Operations

Revenue	\$176.6m	▲	\$14.6m (up 9%) vs. prior year
Gross Margin %	48%	▲	3% vs. prior year
Underlying EBITDA¹	\$(12.9)m	▲	\$0.1m (up 1%) vs. prior year
NPAT	\$(35.1)m	▲	\$9.3m (up 21%) vs. prior year

Discontinued Operations

\$82.1m
41%
\$25.9m
\$15.4m

At 31 January 2025, EOS had nil borrowings, ~\$128m cash and ~\$48m of cash security deposits

1. Underlying EBITDA is a non-IFRS measure and comprises net profit after tax, adjusted to exclude tax, finance costs, depreciation and amortisation and foreign exchange impacts. A reconciliation between the net profit after tax and Underlying EBITDA is set out in an attached slide. The directors consider it useful as it enables readers to obtain an understanding of results from operations. Underlying EBITDA is unaudited.

2024 Highlights - Strategic and Operational

EOS has laid foundations for future growth, particularly Counter-Drone (RWS / High Energy Laser Weapons) and Space Control



Market Conditions

Geopolitical uncertainty and rapidly evolving technology continues to create supportive market conditions

**Geopolitical
uncertainty and
ongoing regional
tensions**

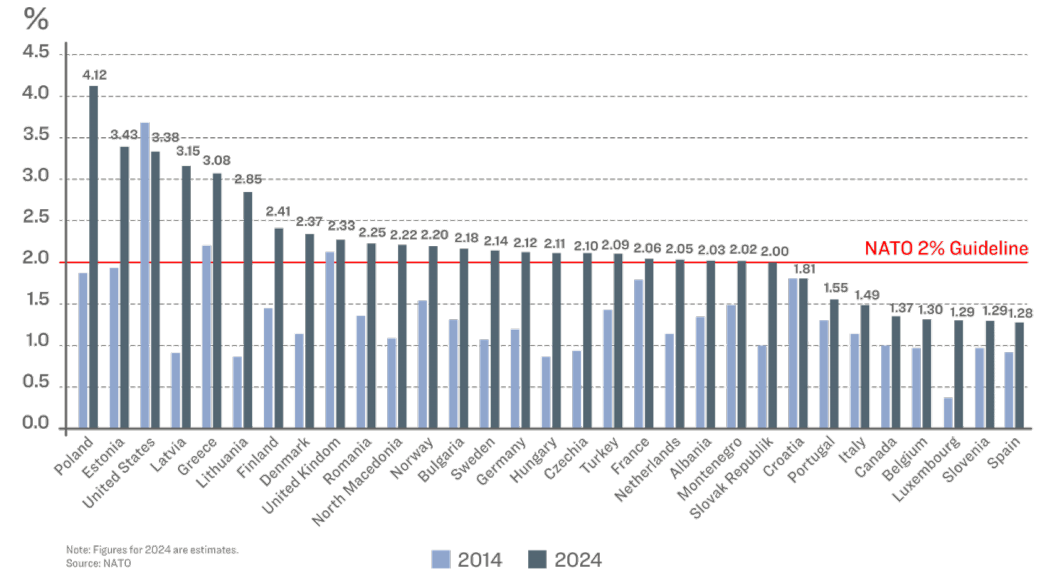


**Rapid technological
changes are
challenging defence
forces**



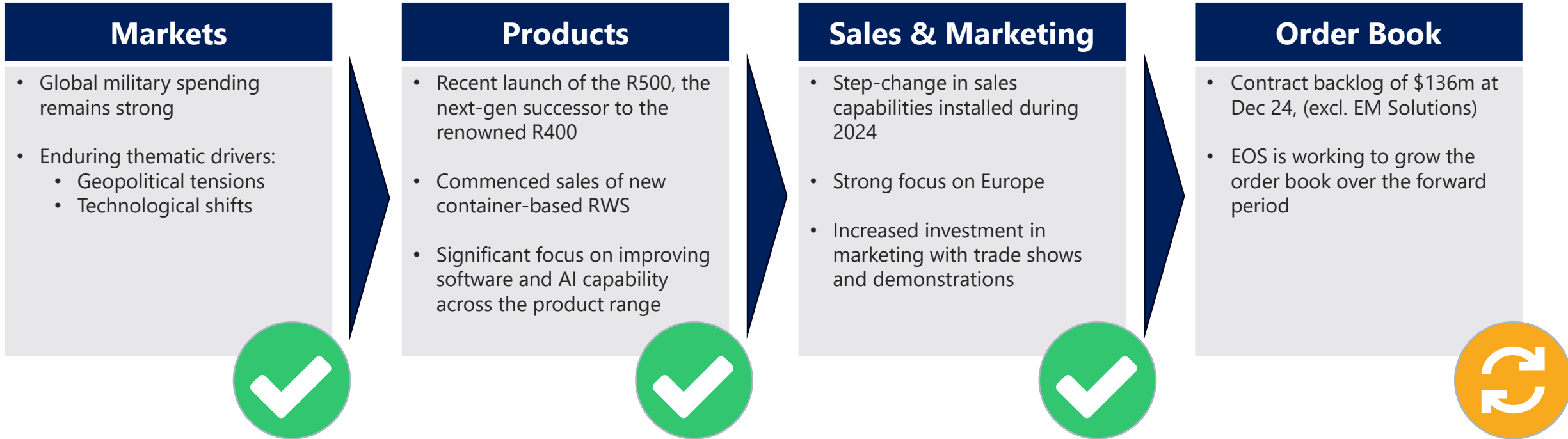
Defence Expenditure as a Share of GDP (%), in 2024

(Based on 2015 prices and exchange rates)



EOS is focused on growing its order book

Growing the order book continues to be our key focus; several opportunities are developing positively



Traditional sales lead times are 1-3 years - several opportunities continue to develop positively

Market Development Update

Growing the order book continues to be our key focus; several opportunities are emerging

Opportunity Maturity	Product	Estimated Opportunity Size
Advanced	R400	\$260-\$300m
	R800	\$20-\$30m
	HELW	\$100-\$200m
Evaluation	R500	\$500m+
	R400	\$60m
Preliminary	R150	\$200-\$300m
	Slinger	\$150m
	R400	\$200m
Emerging	Slinger	\$60-\$100m
	R800	Up to \$100m
	HELW	\$100-200m+
	Space Control	\$10-\$100m+

Maturity Definition

Advanced: Contract under negotiation or negotiated and conditional
 Evaluation: Customer is performing assessments of product and/or detailed discussions are underway
 Preliminary: Bid being prepared or submitted
 Emerging: Initial discussions have occurred

Note: The maturity of each opportunity should not be taken as an indicator of how long it may take to secure a potential contract. There is no certainty that any particular outcome or transaction will result from these discussions and negotiations

- Significant investment in sales capability, marketing (trade shows and demonstrations) is focused on pipeline development
- Wide range of evolving opportunities:
 - Product diversity
 - Geography diversity
- Extended sales cycle e.g. 1- 3 years
 - Large, complex projects
 - Often subject to government bureaucratic processes
 - Acceleration and delays
- Detailed list of notable opportunities appended



Sales Strategy

EOS continues to invest in its sales capabilities and has developed tailored go-to-market strategies for each region



EUROPE

- Strong market growth
- New EOS market since 2023
- Conflict creating urgent operational requirements
- Fragmented and diverse market
- Strong Netherlands relationship, growing in other countries
- Partner with local champions to shape local requirements - leverage political and industrial market access
- Consider localisation for large orders



MIDDLE EAST

- Longstanding, deep relationships in certain countries
- Tensions creating urgent operational requirements
- New opportunities emerging
- Country-specific approach:
 - Direct sales
 - Partnering



N. AMERICA

- Large and concentrated market
- Well established competitors
- Local EOS facility – local board and management relationships
- Approach includes
 - Direct sales
 - Partnering
- Close work with Northrop Grumman
- Focus on demonstrations



ASIA PACIFIC

- Australian home base & existing domestic relationships
- Asian emerging, fragmented and diverse markets
- Longstanding Singapore relationship
- Drone threat perceived as less acute
- Significant future sales development opportunity

Industry sales cycles are typically long; we will consistently execute our go-to-market plans

Product Development – Software and AI Opportunity

EOS is focused on advanced software solutions as part of our emphasis on counter-drone opportunities

Implications for EOS

- EOS expects smaller, more distributed command and control systems (C2) to continue emerging, providing more resilience and faster decisions
- AI-driven software and C2 will become a key differentiator
- EOS' products currently use market-leading software.
- In order to maintain this leadership position, EOS will continue to invest in software and AI capability
- EOS is exploring multiple C2/software growth opportunities:
 - Organic - develop more in-house capability
 - Inorganic - acquire or partner with market leading expertise



AI will become a critical differentiator in counter-drone solutions

Product Development – R500

EOS is maintaining global product leadership by developing a next-generation AI-based RWS

Context

- EOS products consistently demonstrate greater accuracy than competitors
- We remain committed to being the global product leader
- The R500 RWS was launched in Feb 2025 at IDEX in Abu Dhabi

Planned Features

- Increased lethality
- Dual-feed cannon and larger ammunition capacity
- Dual-weapon capability
- High elevation for CUAS applications
- High resolution sensor unit with additional CUAS sensors
- AI-based target identification and tracking
- Mesh network capability

Customer Interest

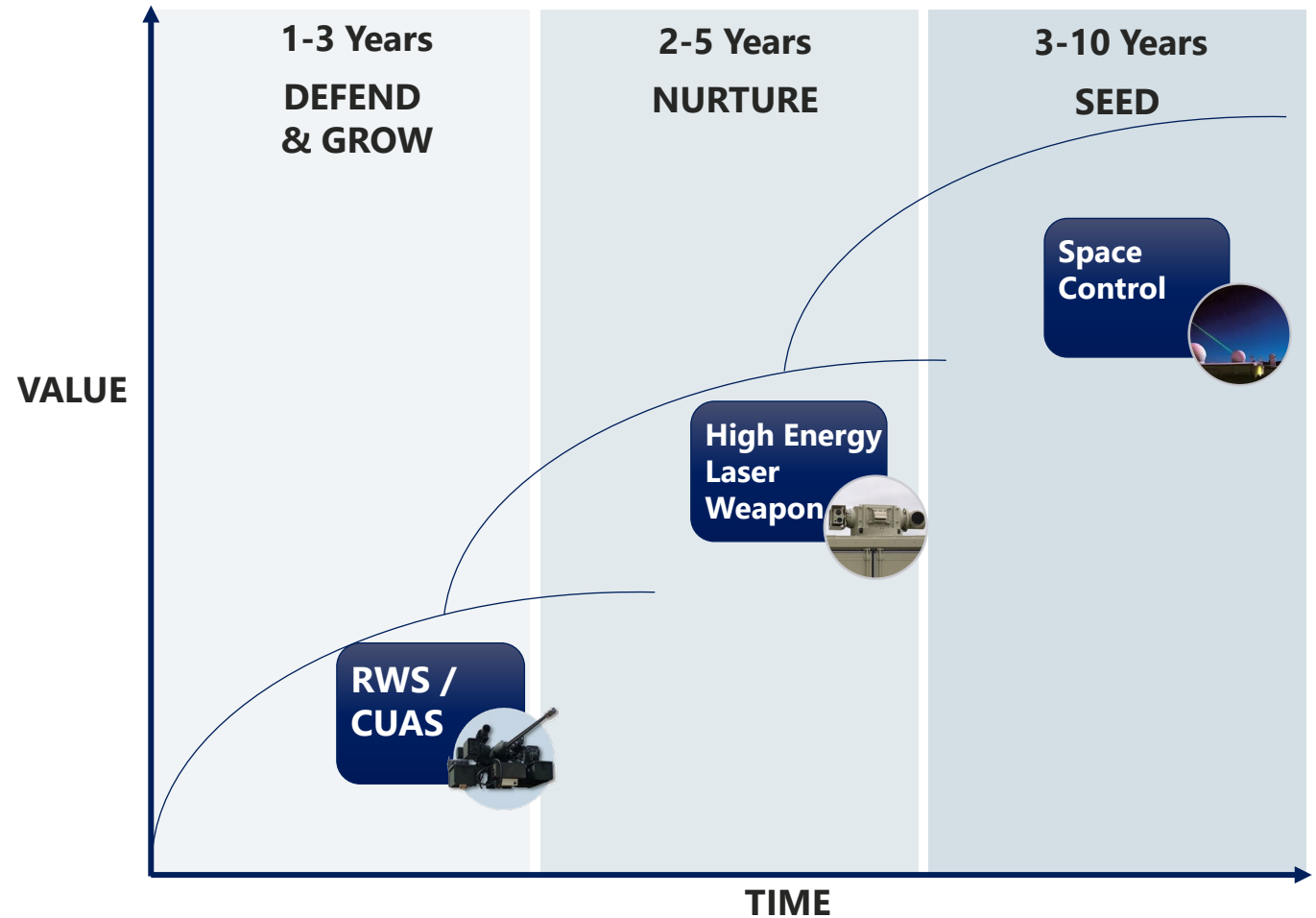
- We are in active discussions with a long-standing Middle Eastern customer for a launch order for this system



Growth Strategy

EOS is positioned to grow sustainably in the short, medium and longer terms

- Significant organic growth opportunities:
 - Remote Weapons Systems (RWS)
 - Counter-Drone products (specialised RWS)
- Two large strategic opportunities:
 - High Energy Laser Weapons
 - Space Control
- Key focus areas:
 - Commercialising our significant IP assets
 - Maintaining capital discipline



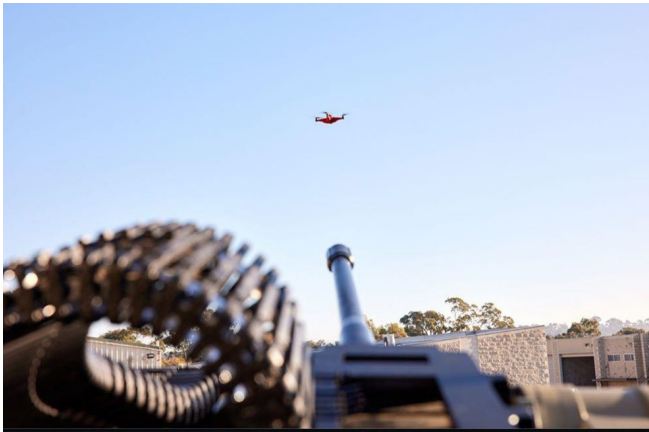
Summary

EOS aims to become a global leader in Counter-Drone, High Energy Laser Weapons and Space Control

Summary

- Market conditions remain supportive
- Focused growth strategy - Counter-Drone and Space Control
- Divestment of non-core activity (EM Solutions)
- Strengthened balance sheet to support growth
- EOS will continue to be a disciplined allocator of capital
- EOS expects that 2025 revenue will be heavily biased to the second half of the year

RWS / Counter-Drone



High Energy Laser Weapons



Space Control





Appendix



Market Development Update

Growing the order book continues to be our key focus; several opportunities are developing

Emerging

Preliminary

Evaluation

Advanced

Notable Opportunities

Region	Product	Size	Opportunity
Australia	R400	\$80-100m	<ul style="list-style-type: none"> Land 400-3 Project for ADF Product specification / discussion ongoing with end-users Contract development with Hanwha at advanced stage Potential to sign in 2025 and benefit 2026 & 2027 revenue
North America	R800	\$20-30m	<ul style="list-style-type: none"> Launch opportunity for EOS new heavy calibre R800 system Customer is upgrading legacy Stryker/LAV vehicles for Ukraine donation Customer finalising contract with national funding provider Potential to sign & benefit 2025 and future years
Europe - Ukraine	R400	~\$181m	<ul style="list-style-type: none"> EOS has two conditional orders with Ukraine Product demonstrations held & product listed as 'approved' Orders depend on Ukrainian budget allocation
International	HELW 100kW	\$50-100m	<ul style="list-style-type: none"> Detailed discussions advanced during 2024 and early 2025 Potential to sign during 2025
International	HELW 100kW	\$50-100m	<ul style="list-style-type: none"> Detailed discussions held during 2024 Customer has sought re-quote during 2025 following change in spec. Potential to sign during 2025 or 2026

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Market Development Update

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Notable Opportunities

Region	Product	Size	Opportunity
Middle East	R500	\$500m+	<ul style="list-style-type: none"> Existing customer, follow-on order Initial bid submitted, potential contract award in 2026
Middle East	R400 Spares	<\$20m	<ul style="list-style-type: none"> Existing customer, sustainment contract Bid submitted, under review
Europe	R400 Marine Slinger	<\$20m	<ul style="list-style-type: none"> Existing customer nation, new product configuration Bid submitted, discussions done – Update: Order secured in May 2025 for A\$53m
Australasia	R400 Marine	\$15-25m	<ul style="list-style-type: none"> Existing end user Bid submitted, discussions ongoing

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Market Development Update

Growing the order book continues to be our key focus; several opportunities are developing

Emerging

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Notable Opportunities

Region	Product	Size	Opportunity
Europe	R150	\$100-\$300m+	<ul style="list-style-type: none"> • Opportunity to put RWS on large logistics vehicle fleet • Competitive process during 2025 and 2026 – new customer • Potential follow-on opportunities with other nations
Europe	R400 Slinger	<\$50m	<ul style="list-style-type: none"> • Follow on orders being pursued with donor nation • End user in Ukraine
North America	R400	<\$50m	<ul style="list-style-type: none"> • New customer, New end user • Bid submitted to large global prime to support vehicle program
Europe	R400	<\$50m	<ul style="list-style-type: none"> • New customer, New end user • Bid submitted to large global prime to support vehicle program
International	R400 Slinger	<\$100m	<ul style="list-style-type: none"> • Potential new customer • Sample products sold, demo held, discussions underway • Potential to accelerate due to operational requirements
Middle East	R400	<\$100m	<ul style="list-style-type: none"> • Potential new customer • Sample products sold, demo held, discussions underway • Potential to accelerate due to operational requirements

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- Preliminary: Bid being prepared or submitted
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Market Development Update

Growing the order book continues to be our key focus; several initial opportunities are emerging

Emerging

Preliminary

Evaluation

Advanced

Notable Opportunities

Region	Product	Size	Opportunity
Europe	R400 Slinger	\$10-\$50m	<ul style="list-style-type: none"> Potential new customer nation in western Europe Early stage discussion with end customer & potential partners, including established local providers
North America	R400 Slinger	<\$50m	<ul style="list-style-type: none"> Sample products sold, co-developing advanced software for customer Targeting initial orders in 2025 & 2026. Market size > 4,000 vehicles
Middle East	R800	Up to \$100m	<ul style="list-style-type: none"> Previous end user / new customer Vehicle upgrade opportunity – early stage discussions
Middle East	HELW	\$100-200m or more	<ul style="list-style-type: none"> New product for existing national customer Next step – bid & deal structuring planned for 2025
International	Space Control	<\$10 - \$100m+	<ul style="list-style-type: none"> Initial discussions with several prospective customers Opportunities range in size and could include initial 'test' programs, to pilot sites and larger opportunities over 2-5 year period

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Reconciliation of Statutory Profit / (Loss) and non-IFRS measures

The results for EM Solutions (divested in January 2025) have been treated as discontinued operations

Total Operations (Continuing & Discontinued) \$m	2024	2023
Loss for the year	(19.7)	(34.1)
Profit after tax for the year from discontinued operations	15.4	10.3
Net loss for the year attributable to continuing operations	(35.1)	(44.4)

Continuing Operations \$m	2024	2023
(Loss) for the year from continuing operations	(35.1)	(44.4)
Income tax (benefit)	(3.3)	(11.2)
(Loss) before tax	(38.4)	(55.6)
Finance costs	24.6	35.3
Foreign exchange (gain)	(11.6)	(0.9)
Underlying EBIT (loss) (before foreign exchange gains)	(25.4)	(21.2)
Depreciation and amortization	12.5	9.4
Other one-off adjustments	-	(1.2)
Underlying EBITDA¹ gain/(loss) (before foreign exchange gains)	(12.9)	(13.0)

1. Underlying EBITDA is a non-IFRS measure and comprises net profit after tax, adjusted to exclude significant items such as tax, finance costs, depreciation and amortization and foreign exchange impacts. The directors consider it useful as it enables readers to obtain an understanding of results from operations. Underlying EBITDA is not audited by the Company's auditors.