



15 June 2026

ASX RELEASE

UPDATE ON TRADING CONDITIONS AND REVENUE GUIDANCE

Electro Optic Systems Holdings Limited ("EOS" or the "Company") (ASX:EOS), is pleased to provide the following updates.

MARKET UPDATE

Ongoing conflicts in the Middle East and Europe have ensured that enquiry levels for EOS products remain at elevated levels. This includes enquiries and customer discussions relating to:

- Remote Weapon Systems ("RWS"),
- High Energy Laser Weapons,
- MARSS NiDAR Command and Control Systems, and
- Capability provided by EOS Space Systems.

MARSS UPDATE

EOS will this week conduct a market launch of the combined EOS / MARSS business at the Eurosatory Defence and Security Exhibition in Paris. This will include extensive marketing activities and work with customers, suppliers and other stakeholders.

Since announcing the completion of the acquisition of MARSS on 21 May 2026, the MARSS headquarters has been relocated to Nice in France. EOS intends to use this new operating base to extend operations in Europe over the next three years.

Since acquiring this business, EOS has supported MARSS to (1) secure new sales orders, and (2) position MARSS to maximise the delivery of products and services to customers during 2026 and 2027.

The MARSS order book includes significant customer projects to set up new counter-drone systems. These systems comprise MARSS NiDAR Command and Control ("C2") systems and supporting sensors (including radar) and effectors (including counter-drone missile systems).

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The order book includes the new £85m (A\$160m) contract with a Middle Eastern customer, as previously announced on 18 May 2026. At this time, the timing of delivery of these systems, and hence revenue recognition, depends on the delivery to MARSS of equipment from suppliers. Management are working closely with suppliers as this continues to evolve due to changes in global supply chains and delivery schedules are expected to continue evolving.

In addition, EOS is conducting a detailed review of the MARSS order book (including the above new contract) to assess the appropriate revenue recognition accounting treatment under AIFRS and EOS' group accounting policies. As a result, EOS continues to assess the timing of revenue recognition of MARSS contracts and hence determine the level of 2026 revenue outlook for the newly acquired MARSS business. It is anticipated that this may become clearer over the next approximately two months.

NEW ORDER

EOS has recently secured an order with L3Harris in the United States totalling US\$5m (approx. A\$7m) for integration into a counter-drone weapon system. The product will be manufactured in Australia and the order is expected to be fulfilled during 2026.

REVENUE OUTLOOK

As previously announced on 18 May 2026, the combined EOS and MARSS business has an order book of unconditional secured contracts of \$726m. As announced, approximately 60% to 80% of that order book is expected to convert to revenue during 2026 and 2027.

As noted above, at this time management continues to assess the timing of revenue recognition of MARSS contracts and hence determine the 2026 revenue outlook for the MARSS business.

EOS has evaluated the 2026 revenue outlook for the base EOS business (excluding the newly acquired MARSS business) which is based on the order book of unconditional secured contracts and does not include any potential future new customer orders. The revenue outlook assumes that there is no significant deterioration in global supply chains or other factors that could impact EOS production activity, delivery to customers or other factors that impact revenue recognition by EOS.

For the EOS base business (excluding the newly acquired MARSS business), EOS expects 2026 full year revenue to be in the range \$240m to \$270m.

EOS will provide a further update to the market once work to assess the MARSS 2026 full year revenue outlook is completed. It is anticipated that this may be within the next approximately two months.

This announcement has been authorised for release to the ASX by the Board of Directors of the Company.

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ABOUT ELECTRO OPTIC SYSTEMS

(ASX: EOS)

EOS currently operates in two divisions

DEFENCE 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), fully integrated and modular counter-UAS and C2 and C4 systems. C2 Systems include Command and Control Systems such as MARSS' software-led counter-drone and critical infrastructure protection capabilities, centred on the NiDAR platform.

SPACE 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.

EOS CUSTOMER IDENTITIES

EOS deals with a number of customers in the defence and security industries and in some instances has not disclosed the identity of all of these customers in this announcement. EOS confirms that:

- it does not consider the identity of such customers to be information that a reasonable person would expect to have a material effect on the price or value of EOS securities; and
- this announcement contains all material information relevant to assessing the impact of the matters referred to in this announcement on the price or value of EOS securities and is not misleading by omission.

FORWARD LOOKING STATEMENTS

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

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