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20 May 2026

ASX RELEASE

EOS COMPLETES A$150 MILLION PLACEMENT AND ANNOUNCES A$40 MILLION STRATEGIC PLACEMENT

Electro Optic Systems Holdings Limited ("EOS" or the "Company"[1]) (ASX: EOS) is pleased to announce that it has successfully completed its A$150 million fully underwritten institutional placement ("Institutional Placement") of approximately 18.8 million new fully paid ordinary shares in the Company ("New Shares") to eligible institutional investors at a price of A$8.00 per New Share ("Placement Price").

The Institutional Placement was well supported by existing and new institutional investors, and was completed at a price of A$8.00 per New Share, representing a 9.3% discount to the last traded price of EOS' ordinary shares on ASX on Friday, 15 May 2026.

Settlement of New Shares issued under the Institutional Placement is expected to occur on Friday, 22 May 2026, with the New Shares expected to be issued and commence trading on the ASX (on a normal settlement basis) on Monday, 25 May 2026. The New Shares will rank equally in all respects with existing ordinary shares with effect from their date of issue.

STRATEGIC PLACEMENT

In addition to the strong support for the Institutional Placement, EOS today' announces that it has received a commitment from Generation 5 Holding L.L.C, a related entity of Calidus L.L.C ("Calidus"), a major provider of defence equipment, technology and services based in Abu Dhabi, alongside another institutional investor focussed on the defence sector, to subscribe for a total of A$40m of fully paid ordinary shares in the Company ("New Strategic Placement Shares") at the Placement Price ("Strategic Placement").

The issue of New Strategic Placement Shares will be subject to shareholder approval under ASX listing rule 7.1, to be sought at an Extraordinary General Meeting ('EGM'), that is expected to be held in late June. New Strategic Placement Shares will rank equally with existing fully paid ordinary shares from the date of issue.

Further details of the EGM, time and venue will be provided in a notice of meeting expected to be despatched to shareholders on or around Wednesday, 27 May 2026.

The Strategic Placement will not be underwritten.

[1] Includes the entity's subsidiaries, unless the context requires otherwise.

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DETAILS OF THE SPP

As previously announced, EOS is also undertaking a non-underwritten share purchase plan ("SPP") targeting to raise up to A$25 million. Under the SPP, existing EOS shareholders with a registered address in Australia and New Zealand as at 7.00pm (Sydney, Australia time) on the record date of Friday, 15 May 2026 ("Record Date"), who are not in the United States or acting for the account or benefit of a person in the United States, ("Eligible Shareholders") will be offered the opportunity to participate. The SPP will provide each Eligible Shareholder with the opportunity to apply for up to A$30,000 worth of New Shares at the Placement Price.

EOS intends to target a raising of up to A$25 million via the SPP, however the Company reserves the right in its absolute discretion to accept applications from Eligible Shareholders in excess of A$25 million or to scale back applications that exceed that amount. In the event of a scale back occurring, Eligible Shareholders who participate may not receive the full number of New Shares applied for under the SPP and the difference in any application monies will be refunded to those Eligible Shareholders (without interest) following the issue of New Shares under the SPP. EOS expects to announce the final outcome of the SPP, including any scale-back, on Friday, 12 June 2026.

The SPP offer booklet ("SPP Offer Booklet") containing further details of the SPP will be released separately and will be despatched to all Eligible Shareholders and is expected to be lodged with ASX on Monday, 25 May 2026 and Eligible Shareholders wishing to participate in the SPP should carefully read the SPP Offer Booklet. Each New Share issued under the SPP will rank equally with existing Shares with effect from its date of issue and EOS will seek quotation of the New Shares issued under the SPP on the ASX.

Shareholder approval is not required for the issue of New Shares under the SPP.

USE OF PROCEEDS

Proceeds from the Institutional Placement, Strategic Placement and the Company's proposed SPP (together, the "Capital Raising"), together with the secured term loan facility provided by Washington H. Soul Pattinson (as previously announced on 12 January 2026), will be used to fund the upfront consideration of the MARSS acquisition[2], and increase balance sheet flexibility to pursue growth opportunities and execute on strategic initiatives.

Following completion of the acquisition, Institutional Placement and Strategic Placement, EOS is expected to have a pro-forma net cash balance of approximately A$235m[3].

[2] EOS may apply the proceeds of the Capital Raising together with the secured term loan facility to, in effect, fund the upfront consideration of the MARSS acquisition. The secured term loan facility remains in place with $30m available for future drawdown

[3] Net Cash includes Cash and Borrowings and is calculated as at 31 March 2026 ($95m) less $50m paid to acquire MARSS, plus $150m raised under the Institutional Placement, plus $40m to be raised under the Strategic Placement (excluding the SPP)

KEY DATES

Event	Date
Record date for SPP (7:00pm)	Friday, 15 May 2026
Announcement of the completion of the Institutional Placement, trading halt lifted and trading resumes on ASX	Wednesday, 20 May 2026
Settlement of New Shares issued under the Placement	Friday, 22 May 2026
Issue and normal trading of New Shares issued under the Placement; and Opening date of SPP (9:00am) and dispatch of SPP Offer Booklet	Monday, 25 May 2026
Closing date of SPP (5:00pm)	Tuesday, 9 June 2026
Announcement of results of SPP	Friday, 12 June 2026
Issue and allotment of New Shares under the SPP	Tuesday, 16 June 2026
SPP holding statements dispatched and trading of New Shares issued under the SPP commences	Wednesday, 17 June 2026
Extraordinary General Meeting to approve the issue of New Strategic Placement Shares	Late June
Settlement of New Strategic Placement Shares	Late June
Allotment, quotation and trading of New Strategic Placement Shares	Early July

All times and dates refer to Sydney, Australia time. The above timetable is indicative only and subject to change. EOS and the Joint Lead Managers (as defined below) reserve the right to amend any or all of these dates at their absolute discretion and without prior notice, subject to the Corporations Act, the ASX listing rules and any other applicable laws or rules. In particular, EOS and the Joint Lead Managers reserve the right to extend the closing date for the SPP, accept late applications under the SPP (either generally or in particular cases) and to withdraw or vary the Institutional Placement, Strategic Placement or SPP without prior notice. Any extension of the closing date for the SPP will have a consequential effect on the date for the issue of New Shares. The quotation of New Shares is subject to confirmation from the ASX.

ADVISERS

Macquarie Capital, Bell Potter and Canaccord Genuity are Joint Lead Managers to the Institutional Placement and Strategic Placement and Minter Ellison is the Legal Adviser to the Company with respect to the Institutional Placement, Strategic Placement and the SPP.

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

DR. ANDREAS SCHWER

Managing Director and Chief Executive Officer

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NOT AN OFFER OF SECURITIES

This announcement may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any New Shares in the United States or any other jurisdiction. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold, directly or indirectly, to any persons in the United States except, in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

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, as well as the completion and the effect of the acquisition of MARSS, the timetable and outcome of the Institutional Placement, Strategic Placement and SPP and the use of the proceeds thereof. 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, including the risk factors described under the “Key risks” section of the investor presentation relating to the Capital Raising (which EOS recommends that you read in full). 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.

Past performance is not necessarily a guide to future performance, and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement or any other information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of the EOS. None of EOS, the Joint Lead Managers, their respective related companies and/or related bodies corporate (as applicable), securityholders or affiliates, or any of their respective officers, directors, employees, affiliates, partners, representatives, consultants, agents or advisers (each a “Limited Party”) makes any representation or warranty as to the accuracy of any forward-looking statements contained in this announcement. Forward-looking statements speak only as at the date of this announcement, and the Limited Parties disclaim any obligations or undertakings to release any update of, or revisions to, any forward-looking statements in this announcement (including to reflect any change in expectations or assumptions), except as required by law or regulation (including the ASX Listing Rules).

GENERAL

Nothing contained in this announcement constitutes financial product, legal, tax or other advice or recommendation. It does not take into account the investment objectives, financial situation or needs of any particular investor. Before making any investment decision in respect of EOS, prospective investors should consider the appropriateness of the information in this announcement and EOS' other announcements having regard to their own investment objectives, financial situations and needs and with their own professional advice. EOS is not licensed to provide financial product advice in respect of New Shares. Cooling off rights do not apply to the acquisition of New Shares.

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ABOUT ELECTRO OPTIC SYSTEMS

(ASX: EOS)

EOS 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.