



Electro Optic Systems Holdings Limited

Annual General Meeting | 29 May 2020

Resolution	Vote type	Voted	%	% of all securities
2, RE-ELECT MR FRED BART	For	49,465,018	79.30	33.86
	Against	11,874,699	19.03	8.13
	Open-Usable	1,044,455	1.67	0.72
	Board	994,306	1.59	0.68
	Non-Board	50,149	0.08	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	148,066	N/A	0.10
	Excluded	0	N/A	0.00
3, RE-ELECT GEOFFREY BROWN	For	60,913,416	97.65	41.70
	Against	423,300	0.68	0.29
	Open-Usable	1,043,455	1.67	0.71
	Board	993,306	1.59	0.68
	Non-Board	50,149	0.08	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	152,067	N/A	0.10
	Excluded	0	N/A	0.00
4, REMUNERATION REPORT	For	39,247,055	91.74	26.87
	Against	2,499,002	5.85	1.71
	Open-Usable	1,031,861	2.41	0.71
	Board	981,712	2.29	0.67
	Non-Board	50,149	0.12	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	2,941,378	N/A	2.01
	Excluded	16,812,942	N/A	11.51
5, RATIFY PLACEMENT	For	52,281,824	93.55	35.79
	Against	2,552,702	4.57	1.75
	Open-Usable	1,038,634	1.86	0.71
	Board	988,485	1.77	0.68
	Non-Board	50,149	0.09	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	6,269,705	N/A	4.29
	Excluded	259,723	N/A	0.18
6.1, APPROVE LOAN SHARE PLAN	For	32,812,085	76.58	22.46
	Against	8,278,514	19.32	5.67
	Open-Usable	1,754,419	4.10	1.20
	Board	1,704,270	3.98	1.17
	Non-Board	50,149	0.12	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	19,677,220	N/A	13.47
	Excluded	10,000	N/A	0.01



Proxy Votes Received

Resolution	Vote type	Voted	%	% of all securities
6.2, APPROVE LOAN SHARE PLAN	For	32,251,770	70.81	22.08
	Against	11,518,061	25.28	7.89
	Open-Usable	1,780,927	3.91	1.22
	Board	1,730,763	3.80	1.18
	Non-Board	50,164	0.11	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	16,971,480	N/A	11.62
	Excluded	10,000	N/A	0.01
7, LOAN SHARE PLAN - BART	For	32,224,364	70.60	22.06
	Against	12,370,866	27.11	8.47
	Open-Usable	1,035,159	2.27	0.71
	Board	985,010	2.16	0.67
	Non-Board	50,149	0.11	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	16,891,849	N/A	11.56
	Excluded	0	N/A	0.00
8, LOAN SHARE PLAN - GREENE	For	36,209,751	79.63	24.79
	Against	8,176,788	17.98	5.60
	Open-Usable	1,078,055	2.37	0.74
	Board	1,027,891	2.26	0.70
	Non-Board	50,164	0.11	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	17,057,644	N/A	11.68
	Excluded	0	N/A	0.00
9, LOAN SHARE PLAN - LEAHY	For	33,874,126	78.94	23.19
	Against	7,974,701	18.59	5.46
	Open-Usable	1,051,579	2.45	0.72
	Board	1,001,415	2.33	0.69
	Non-Board	50,164	0.12	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	19,621,832	N/A	13.43
	Excluded	0	N/A	0.00
10, LOAN SHARE PLAN - DENNIS	For	33,804,937	78.84	23.14
	Against	7,976,901	18.61	5.46
	Open-Usable	1,081,728	2.53	0.74
	Board	1,031,579	2.41	0.71
	Non-Board	50,149	0.12	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	19,658,672	N/A	13.46
	Excluded	0	N/A	0.00



Proxy Votes Received

Resolution	Vote type	Voted	%	% of all securities
11, LOAN SHARE PLAN - BROWN	For	33,829,663	78.90	23.16
	Against	7,976,648	18.61	5.46
	Open-Usable	1,057,722	2.47	0.72
	Board	1,007,573	2.35	0.69
	Non-Board	50,149	0.12	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	19,658,205	N/A	13.46
	Excluded	0	N/A	0.00
12, LOAN SHARE PLAN - LUNDY	For	33,807,221	78.75	23.14
	Against	8,037,038	18.72	5.50
	Open-Usable	1,077,211	2.51	0.74
	Board	1,027,062	2.39	0.70
	Non-Board	50,149	0.12	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	19,600,768	N/A	13.42
	Excluded	0	N/A	0.00
13, NON-EXE DIRECTORS FEES	For	36,749,049	80.67	25.16
	Against	7,741,896	17.00	5.30
	Open-Usable	1,050,955	2.31	0.72
	Board	1,000,806	2.20	0.69
	Non-Board	50,149	0.11	0.03
	Open-Cond	10,000	0.02	0.01
	Open Unusable	0	N/A	0.00
	Abstain	16,933,244	N/A	11.59
	Excluded	47,094	N/A	0.03
14, COMPANY CONSTITUTION	For	58,615,739	97.13	40.13
	Against	661,973	1.10	0.45
	Open-Usable	1,072,917	1.77	0.73
	Board	1,022,768	1.69	0.70
	Non-Board	50,149	0.08	0.03
	Open-Cond	0	0.00	0.00
	Open Unusable	0	N/A	0.00
	Abstain	2,181,609	N/A	1.49
	Excluded	0	N/A	0.00



Proxy Votes Received

Disclaimer

This presentation and any related communication may contain statements that are forward looking with regard to the business and future performance of Electro Optic Systems Holdings Limited (“EOS”) and its subsidiaries.

These statements reflect EOS’ current views, assumptions and projections based on, but not limited to, currently available information with regard to its existing and potential customers, markets and the prevailing economic conditions.

These statements may involve risks and uncertainties which may cause EOS actual financial performance to differ materially from those inferred from any forward-looking statements.

Such statements, therefore, should not be regarded as an expressed or implied forecast of the future financial performance of EOS. You are cautioned not to put undue reliance on this presentation.

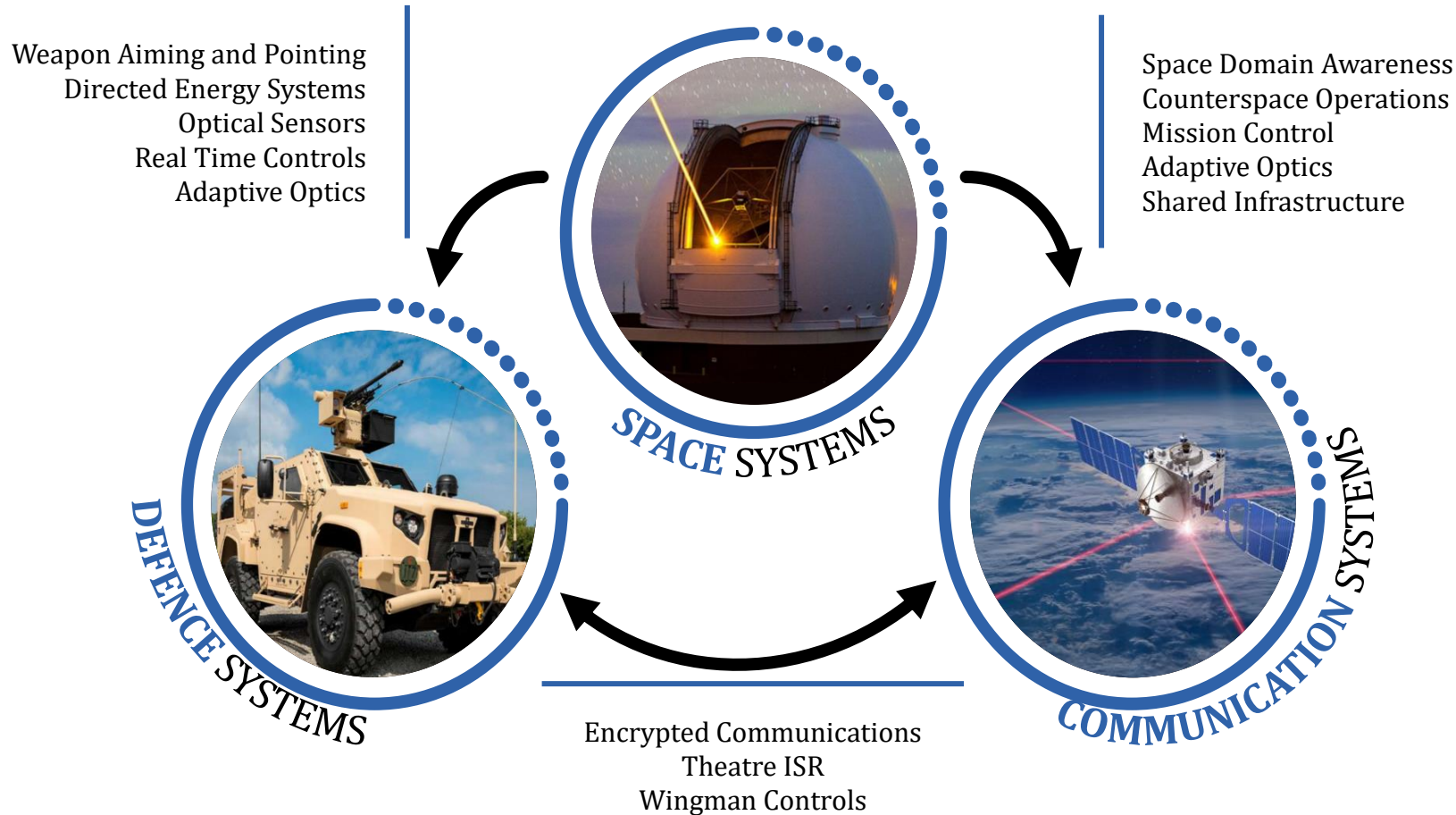


01 2019 PERFORMANCE

Company Highlights 2019

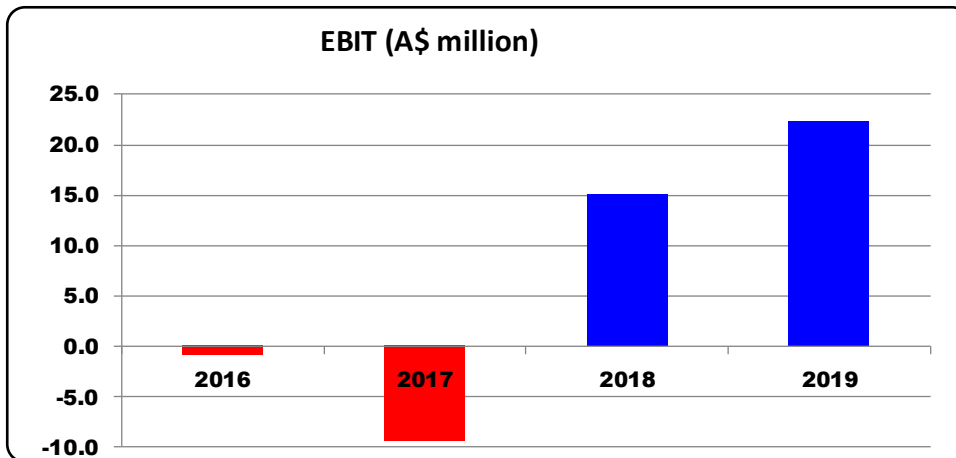
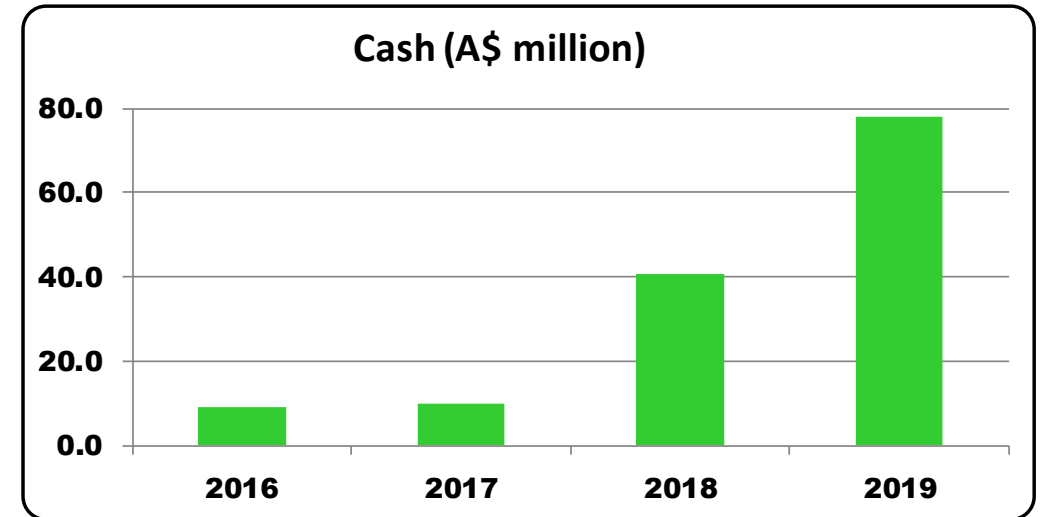
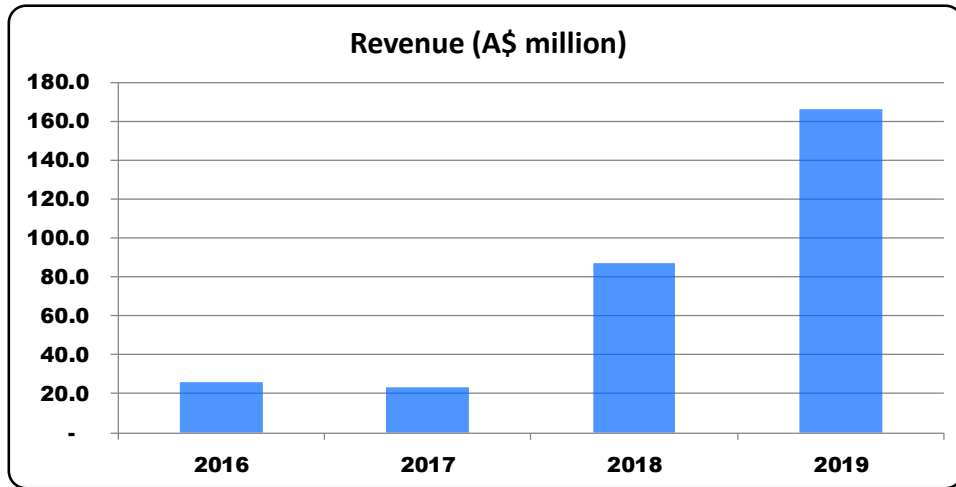
1. Expanding exploitation of strategic synergies between sectors
2. Improved backlog, pipeline and internal processes supporting growth
3. New technology and products: Defence, Space, Communications
4. Space Communication Sector: EM Solutions, Audacy Corporation
5. Plant expansions on track in AUS, USA, UAE, SGP
6. Human resource quality as staff exceed 400
7. Risk management performance improvements
8. Delivery of forecast results

Strategic Synergies



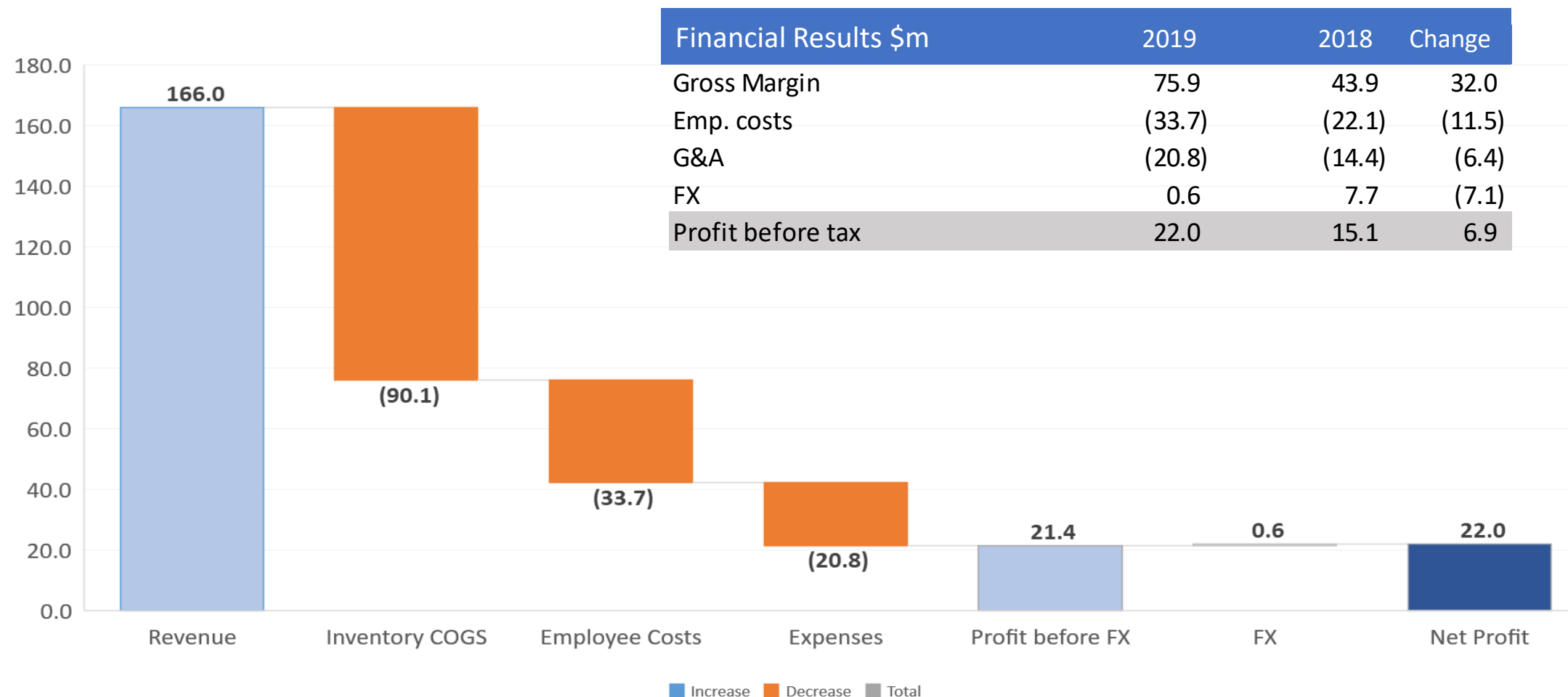
EOS market sectors are designed as stand-alone profit centres, but when combined can provide strong strategic leverage and significant up-selling opportunities

Financial Summary 2019



Results for 2019 were in line with management expectations and issued guidance

Financial Summary 2019





02 COVID-19 UPDATE

COVID-19: Impacts to Date

- Health and Safety: No material impact
- Backlog: No material impact
- Pipeline: *Delays of 3-6 months for some H2 2020 tender opportunities*
- Cash Flow: *Delays of 6 months to \$100M of receipts due to delivery issues*
- Revenue: *Deferral of \$70M to 2021 with \$230M revenue remaining in 2020*
- Margin: *Reduced from 13.5% to 11% due to forecast business disruptions*
- EBIT: *Reduced from \$36M to \$27M on reduced revenue and margin*
- Growth: *Reduced from 70% to 25% due to compound effects*

These impacts have not changed since EOS revised 2020 guidance on 15 April 2020.

Future impacts on supply chain, logistics and EOS' operational efficiency are not known.



03 DEFENCE SECTOR

Defence Sector: Achievements

- Completed 500 unit RWS contract on time and on budget
- Commenced delivery of a second major contract
- Delivered weapon system products to six nations
- Exceeded manufacturing and profitability targets
- Contract for Land 400 Phase 2 delivery of RWS to the Australian Army
- Selected for Land 400 Phase 3 competition with T2000 turret
- Expanded pipeline from existing customers to \$3 billion
- New product development in counter-drone and RWS products on schedule





Javelin Missile fired from RWS

New Technology

In 2019 EOS accelerated testing and qualification of new products and variants of existing products.

EOS continued to expand the capabilities of its lightweight remote weapon systems, adding directed energy and missiles to the compatible payloads.

EOS products continue to be weapon system market leaders for accuracy, versatility and (light) weight.



RWS ready for delivery

Production

In 2019 EOS production capabilities met or exceeded all performance requirements.

Production teams completed one major delivery program on time and on budget, and transitioned smoothly to another. This was achieved while managing five smaller delivery programs to customers globally.

Production capacity expansion and the associated staff training are on schedule, with US production of RWS expected from August 2020.



04 SPACE SECTOR

Space Sector: Achievements

- Awarded multiple minor space tracking contracts and delivered over 100,000 space object tracks under contract in 2019
- Selected as preferred provider for an international space equipment program, with contract award expected in Q2 2020 (now completed) and also preferred provider for a significant space infrastructure program, with contract award expected in Q2 2021 (on track)
- Awarded a domestic contract for the development of advanced test and measurement instrumentation
- Founding member of the SmartSat CRC to enhance multi-lateral collaboration
- Developed laser beam correction technology enabling the establishment of EOS Communication Systems and triggering strategic acquisitions
- Developed high power laser systems for Counter-UAV applications for Defence Sector

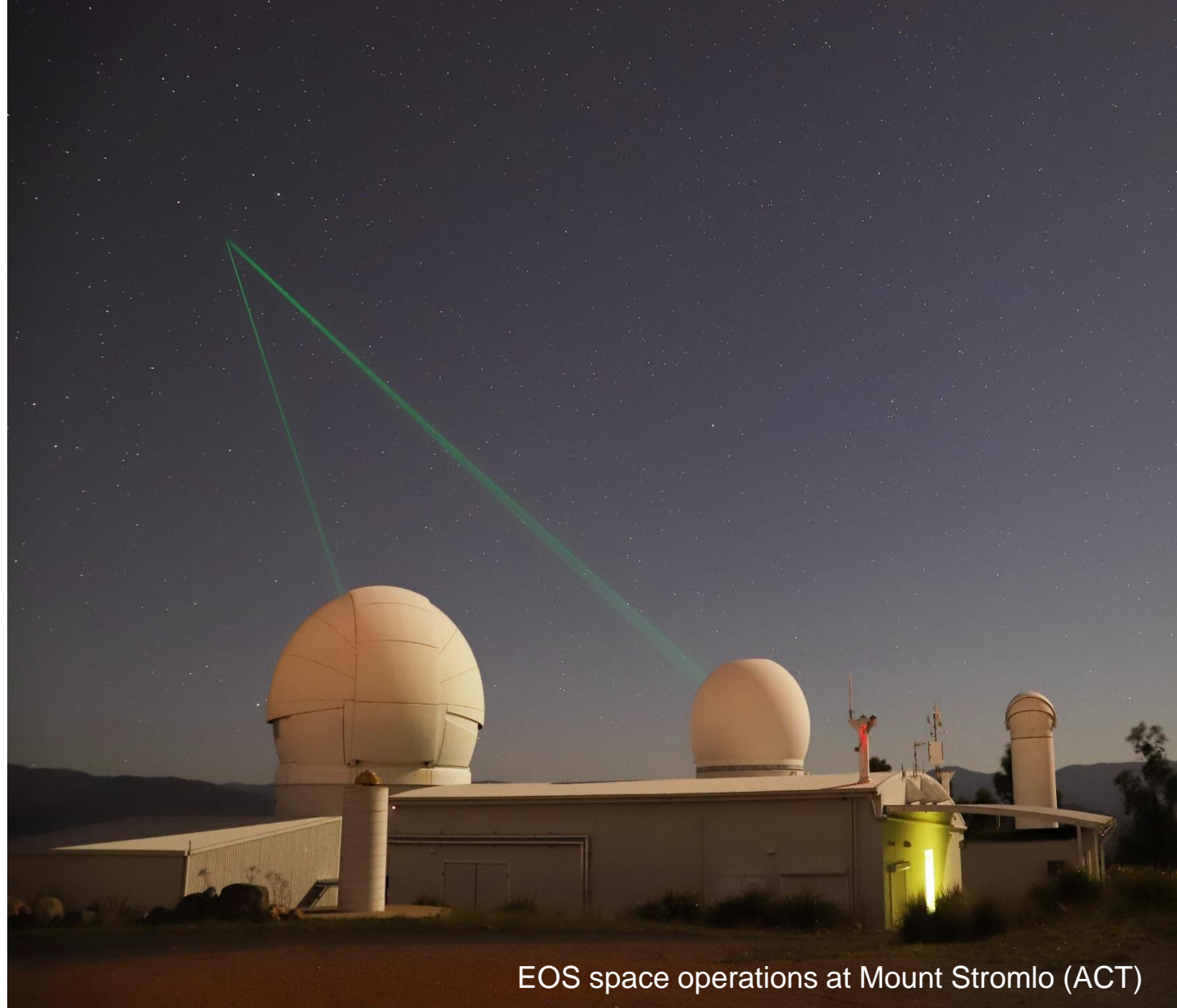
Space Optical Communications

There is a global effort to develop optical (laser) communications in space, to escape the limitations of current RF (radio frequency) technology.

EOS has focused on developing elements in the communication chain not likely to emerge from other efforts.

Success has allowed EOS to assume a strong strategic position in future space communications, opening shorter term opportunities with current technology.

The EOS space communication business is underpinned by its optical communications capabilities.



EOS space operations at Mount Stromlo (ACT)



05 COMMUNICATION SECTOR

Communication Sector: Established

- Conceived to create access for EOS optical communications technologies to \$100 billion annual revenue segment
- Established seven months ago (1 October 2019) with the acquisition of EM Solutions
- Market pull and disruptive technologies create current opportunities in space communications
- A credible presence requires **both** ground segment and space segment capabilities
 - Ground Segment: Established 1 October 2019 with the acquisition of EM Solutions
 - Space Segment: Established 28 January 2020 with the acquisition of Audacy Corporation business
- Technology and operational support from EOS Space Systems enhances market presence

Mobile Ground Terminals

Through EM Solutions, EOS is now the premier global provider of on-the-move, stabilised tracking terminals for wide-band satellite communications.

EOS can now design satellites which will be automatically compatible with customer terminals and receivers on the ground.

This installed user base, combined with superior satellite technology and strong spectrum licenses, provide a low risk entry to this market segment.



EM Solutions Shipboard Cobra Terminal



06 COMPANY OUTLOOK

Outlook: Defence Sector

- Maintaining global market leadership in lightweight, high performance RWS
- Positioned for strong growth in the two fastest-growing market segments:
 - CUAS (drone) hard kill market with both RWS and directed energy
 - Remotely operated combat vehicle weapon systems
- US Manufacturing line in production from Q3 2020
- Major acquisition programs in the USA and Australia (home markets) on schedule
- Product and technology releases aligned to address the \$16 billion RWS/CUAS market

The outlook for Defence Sector is strong in terms of both growth and profit



Remotely Operated Combat Vehicles

EOS products are the only weapon systems which have fully established the two essential performance requirements for remotely operated combat vehicles:

1. Accuracy is vital when no reload of ammunition is possible
2. Reliability is vital when no operator is available for support

Outlook: Space Sector

- The outlook for Space Sector is positive, with revenue increasing from government and commercial customers:
 - Awarded a contract from a US company to design a high performance optical system
 - Negotiating space data delivery award with government customer
- Exploitation of synergies with Defence and Communication Sectors is expanding:
 - High power laser systems for Counter-UAV applications for EOS Defence Sector
 - Hybrid RF/optical military communications ground terminal for EOS Communication Sector

Outlook: Communication Sector



RAN ANZAC Frigate

Space Communication Terminals

EMS contract awards in 2020 establish record backlog and expand the customer base to include six navies, including RAN and several NATO naval forces.

EOS satellite communication terminals are widely used on military platforms, and achieving contract awards globally.

These terminals are uniquely inter-operable with many satellite constellations, including future EOS constellations, establishing potential users for other satellite services.

Communication Sector

EOS Satellite Constellation

On 28 May 2020 EOS completed the acquisition of the satellite communication business of Audacy Corporation (USA).

With this acquisition EOS has both ground and space segments, as required for an end-to-end space communications capability.

EOS customers are future-proofed by EOS' optical communication capabilities, enhancing current market position.

EOS has a powerful position in the hybrid layer of space communications because it has both the present (RF) and the future (optical) domains in house, as well as strong collaborations for hybrid developments.

Communications Sector

EOS Satellite Constellation

- EOS spectrum licenses must be used in operational spacecraft by 2024 so EOS teams are meeting with customers and vendors to expedite the initial satellite launches.
- The constellation will cost around AU\$1.2 billion including \$0.9 billion in capital outlays for which attractive vendor finance is already available.
- EOS is engaging with its partners and customers to contribute resources to further reduce the overall funding requirement on EOS.



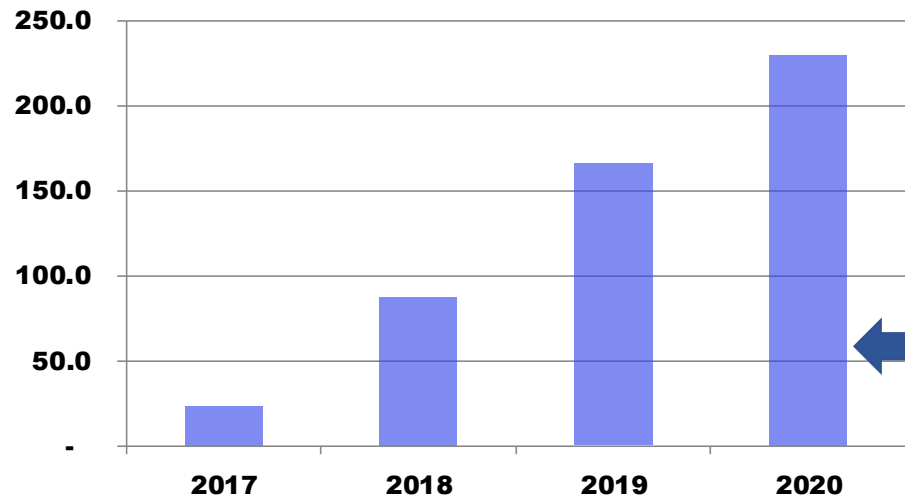
Company Outlook 2020

No change from guidance issued 15 April 2020:

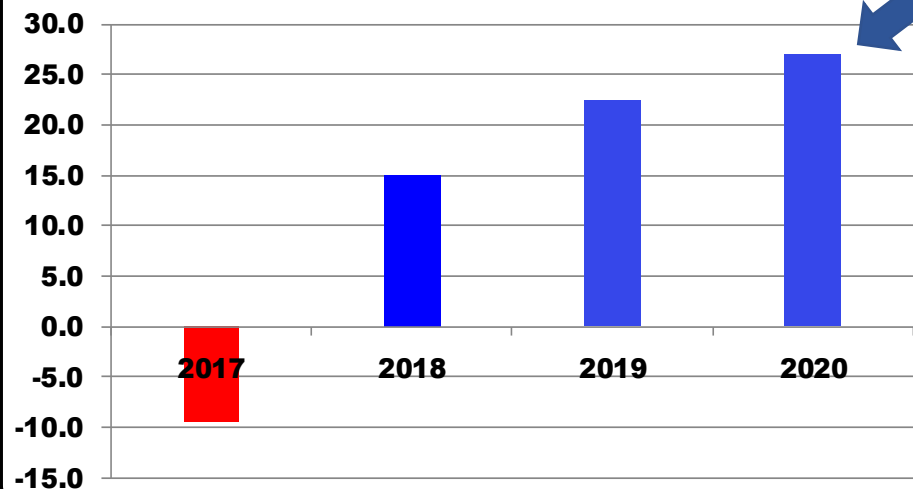
- 38% revenue growth to \$230M
- 25% EBIT growth to \$27M
- Margin reduction from 13% to 11% due to program disruption and distancing
- Backlog and pipeline stable
- Cash recovery towards \$200M through 2021 as deliveries recover from Covid-19 disruptions

Subject to revision if Covid-19 impacts increase

Revenue (A\$ million)



EBIT (A\$ million)



Company Outlook: 2021

EOS has a backlog of executed orders to support further growth in 2021.

Beyond the near term it is not possible to forecast the impacts of Covid-19 on supply chain, global logistics, customer budgets or EOS' operational efficiency.

Guidance for 2021 will be issued when these factors can be fully assessed.