



**ELECTRO OPTIC SYSTEMS HOLDINGS LIMITED**

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## **EOS Cash Receipts Accelerate**

Canberra, 12 May 2021

Electro Optic Systems Holdings Limited (“EOS” or “Company”) (ASX: EOS) is pleased to announce significant cash inflow as its investment in inventory converts to cash as forecast in the 2020 Annual Report and Activity Statement dated 31 March 2021.

From March 2020 to March 2021 EOS increased its investment in its inventory of finished goods to a total \$138 million to allow production to continue against a firm export order while delivery and payment processes were restored from COVID-19 disruption. This investment preserved the EOS supply chain and maintained EOS’ own production processes. On 30 April 2021 EOS reported that all deliveries were “proceeding normally”.

Cash as at 31 March 2021 was \$41.5 million. Cash in-flows since 1 April have been \$43 million, of which \$30 million has come from the export contract that had been disrupted by COVID-19 for 12 months. The funds paid to EOS were drawn under an international letter of credit which fully covers this entire contract, through a major Australian bank.

EOS continues to produce and deliver against this contract. After the recent payment of \$30 million, EOS still has over \$100 million in value of completed goods positioned at the customer’s location ready for handover. With delivery and acceptance processes now operating normally, EOS anticipates further cash receipts of over \$100 million from this business by Q4 2021.

This announcement has been authorised for release to the ASX by Dr Ben Greene, Director.

Further information:

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## ABOUT ELECTRO OPTIC SYSTEMS (ASX: EOS)

### EOS operates in three sectors: Defence, Space and Communications

- EOS Defence Systems specialises in technology for weapon systems optimisation and integration, as well as ISR (Intelligence, Surveillance and Reconnaissance) for land warfare. Its key products are next-generation remote weapon systems, vehicle turrets and counter-UAS systems.
- EOS Space Systems specialises in applying EOS-developed optical sensors to detect, track, classify and characterise objects in space. This information has both military and commercial applications, including managing space assets to avoid collisions with space debris, missile defence, space control and space protection.
- EOS Communications Systems provides global satellite communications services and systems. It specialises in innovative optical, microwave and on-the-move radio and satellite solutions that deliver high speed, resilient and assured satellite communications anywhere in the world.

This announcement contains 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 contains 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.