



ELECTRO OPTIC SYSTEMS HOLDINGS LIMITED

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Adjustments to Results

Canberra, 31 March 2022

The Company (ASX: EOS) refers to the unaudited Preliminary Final Report / Appendix 4E lodged with the ASX on 28 February 2022, the FY2021 Results Presentation lodged with the ASX on 28 February 2022 and the Company's 2022 Annual Report lodged with the ASX today (Annual Report).

As a result of the finalisation of the financial statements and audit process a number of adjustments were made. These adjustments have resulted in certain results and balances in the Annual Report being materially different to the equivalent results and balances reported in the Preliminary Final Report / Appendix 4E and the FY2021 Results Presentation lodged with the ASX.

In summary the adjustments resulted in:

- a. An increase in revenue of \$537,876
- b. An improvement in EBIT and underlying EBIT of \$2,847,667
- c. An improvement in loss after tax of \$3,002,536
- d. An increase in net assets of \$2,810,512

Further details of the impacted sub totals and other measures can be found in Appendix 1 to this announcement and a reconciliation of GAAP and non-GAAP measures can be found at Appendix 2.

Further breakdown of the 2021 Audited Annual Report balances can be found in the Annual Report.

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

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Appendix 1

The net results of these movements are as follows.

Item	2021 Audited Annual Report	Appendix 4E Unaudited Report & Results Presentation	Difference
Income Statement			
Revenue including other income	213,305,809	212,767,933	537,876
Revenue	212,330,648	211,792,772	537,876
EBIT	(1,697,584)	(4,545,251)	2,847,667
Underlying EBIT	(11,494,825)	(14,342,492)	2,847,667
EBITDA	11,854,562	8,897,530	2,957,032
Underlying EBITDA (excl. FX gains/losses)	2,057,321	(899,711)	2,957,032
Loss before tax	(4,610,674)	(7,458,341)	2,847,667
Loss after tax	(13,841,610)	(16,844,146)	3,002,536
(Loss) from ordinary activities after tax attributable to members	(13,004,520)	(16,007,056)	3,002,536
Net (Loss) attributable to members	(13,004,520)	(16,007,056)	3,002,536
Financial Position			
Total Assets	458,091,972	462,657,095	(4,565,123)
Total Liabilities	128,936,122	136,311,757	(7,375,635)
Net Assets	329,155,850	326,345,338	2,810,512
Net tangible assets at 31 December 2021	292,662,162	289,905,411	2,756,751
NTA per ordinary share at 31 December 2021	193.93	192.10	1.83
Cash Flows			
Cash from operating activities	221,454	904,917	(683,463)
Cash from investing activities	(37,707,817)	(37,707,817)	-
Cash from financing activities	30,584,458	29,900,995	683,463
Net (decrease) in cash	(6,901,905)	(6,901,905)	-
Cash at year-end	59,260,655	59,260,655	-
Profit per share – basic (cents per share)	(9.97)	(12.25)	2.28
Profit per share – diluted (cents per share)	(9.97)	(12.25)	2.28

The movements did not result in a change to the closing cash balances or net change in cash presented in the Appendix 4E unaudited report.

Appendix 2

Reconciliation of Statutory Profit and Non-GAAP measures

Item	2021 Audited Annual Report	Appendix 4E Unaudited Report & Results Presentation	Difference
(Loss) for the year	(13,841,610)	(16,844,146)	3,002,536
Income tax expense	<u>9,230,936</u>	<u>9,385,805</u>	<u>(154,869)</u>
(Loss) before tax	(4,610,674)	(7,458,341)	2,847,667
Interest expense	<u>2,913,090</u>	<u>2,913,090</u>	<u>-</u>
EBIT	(1,697,584)	(4,545,251)	2,847,667
Depreciation, amortisation and impairment			
Depreciation & amortisation of PPE	3,954,048	5,364,550	(1,680,502)
Depreciation of right of use assets	4,984,755	4,984,755	-
Amortisation of intangibles	2,823,476	2,823,476	-
Impairment of capital work in progress	<u>1,789,867</u>	<u>-</u>	<u>1,789,867</u>
EBITDA	11,854,562	8,897,530	2,957,032
Foreign exchange gain	<u>9,797,241</u>	<u>9,797,241</u>	<u>-</u>
EBITDA (excl. foreign exchange gain)	<u>2,057,321</u>	<u>(899,711)</u>	<u>2,957,032</u>
EBIT	(1,679,584)	(4,545,251)	2,847,667
Foreign exchange gain	<u>9,797,241</u>	<u>9,797,241</u>	<u>-</u>
Underlying EBIT (excl. foreign exchange gain)	<u>(11,494,825)</u>	<u>(14,342,492)</u>	<u>2,847,667</u>

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 are next-generation remote weapon systems, vehicle turrets, counter-UAS and C4 systems.
- Space Systems includes all EOS space and communications businesses, and operates as three entities – SpaceLink, EM Solutions and Space Technologies. SpaceLink is developing a constellation of Medium Earth Orbit satellites to create the communications superhighway for the space economy. EM Solutions provides global satellite communications services and systems. Space Technologies specialises in applying EOS-developed optical sensors to detect, track, classify and characterise objects in space and remains integral to research and development across the group.

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.