



Electro Optic Systems Holdings Limited

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Successful completion of A\$68m institutional placement

Canberra, 22 November 2019

Electro Optic Systems Holdings Limited (**EOS** or **Company**) (ASX: EOS) today announces the successful completion of its fully underwritten A\$68 million institutional placement of new fully paid ordinary shares (**New Shares**) at an offer price of A\$6.66 per New Share (**Placement**). The Placement was undertaken to support revised EBIT guidance and to fund ongoing growth initiatives and working capital requirements.

Dr Ben Greene, the Group CEO of EOS said: "The Placement was well supported by our existing institutional shareholders as well as a number of new institutional investors. We are pleased to have secured the funding required to support our upgraded FY2020 EBIT guidance and to fund working capital requirements and ongoing growth initiatives."

Settlement of the Placement is expected to occur on Wednesday, 27 November 2019 with issue of New Shares expected to occur on Thursday, 28 November 2019. New Shares issued under the Placement will rank equally with existing shares on issue.

Citigroup Global Markets Australia Pty Limited acted as sole lead manager, bookrunner and underwriter to the Placement.

As announced on Thursday, 21 November 2019, EOS will separately conduct an offer of New Shares under a share purchase plan (**SPP**) to existing eligible shareholders in the Company with a registered address in Australia and New Zealand as at 7.00pm (Sydney, Australia time) on Wednesday, 20 November 2019, and who are not in the United States or acting for the account or benefit of a person in the United States. The SPP will provide each eligible shareholder with the opportunity to apply for up to A\$30,000 of New Shares at the lower of (i) the A\$6.66 (being the price paid per New Share under the Placement), and (ii) the price that is equal to the VWAP of EOS' ordinary shares as traded on ASX over the five trading days up to, and including, the day before the issue of New Shares under the SPP (rounded down to the nearest cent). The SPP will raise a maximum of A\$10 million and applications that exceed that amount will be scaled back.

The SPP offer booklet containing further details regarding the SPP, including the terms and conditions for participation, will be lodged with ASX on or about Wednesday, 27 November 2019 and will be despatched to eligible shareholders in Australia and New Zealand at that time.

Each New Share issued under the SPP will rank equally with existing shares on issue in EOS at their date of issue and EOS will seek quotation of the New Shares issued under the SPP on ASX.

For further information regarding the SPP, please contact the EOS Offer Information Line on 1300 855 080 between 8.30am and 5.30pm (Sydney, Australia time) from the date the SPP opens, being Wednesday, 27 November 2019.

Further information:

Ben Greene

Group CEO

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ABOUT ELECTRO OPTIC SYSTEMS (ASX: EOS; OTC: EOPSY)

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 vehicle turrets and remote weapon 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, and space control.
- **EOS Communication Systems** specialises in innovative optical, microwave and on-the-move radio and satellite products that help to deliver high speed, resilient and assured telecommunications anywhere in the world.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. The New Shares to be offered and sold in the Placement and the SPP have not been, and will not be, registered under the United States Securities Act of 1933 (the **U.S. Securities Act**), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold to persons in the United States, unless they have been registered under the U.S. Securities Act, or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

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 and financial position and performance are also forward-looking statements. Forward-looking statements in this announcement include statements regarding the outcome and effects of the Placement and the SPP and statements regarding EOS' future financial performance and results. 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.