



# ELECTRO OPTIC SYSTEMS

## ACQUISTION OF MARSS

12 JANUARY 2026

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# EXECUTIVE SUMMARY



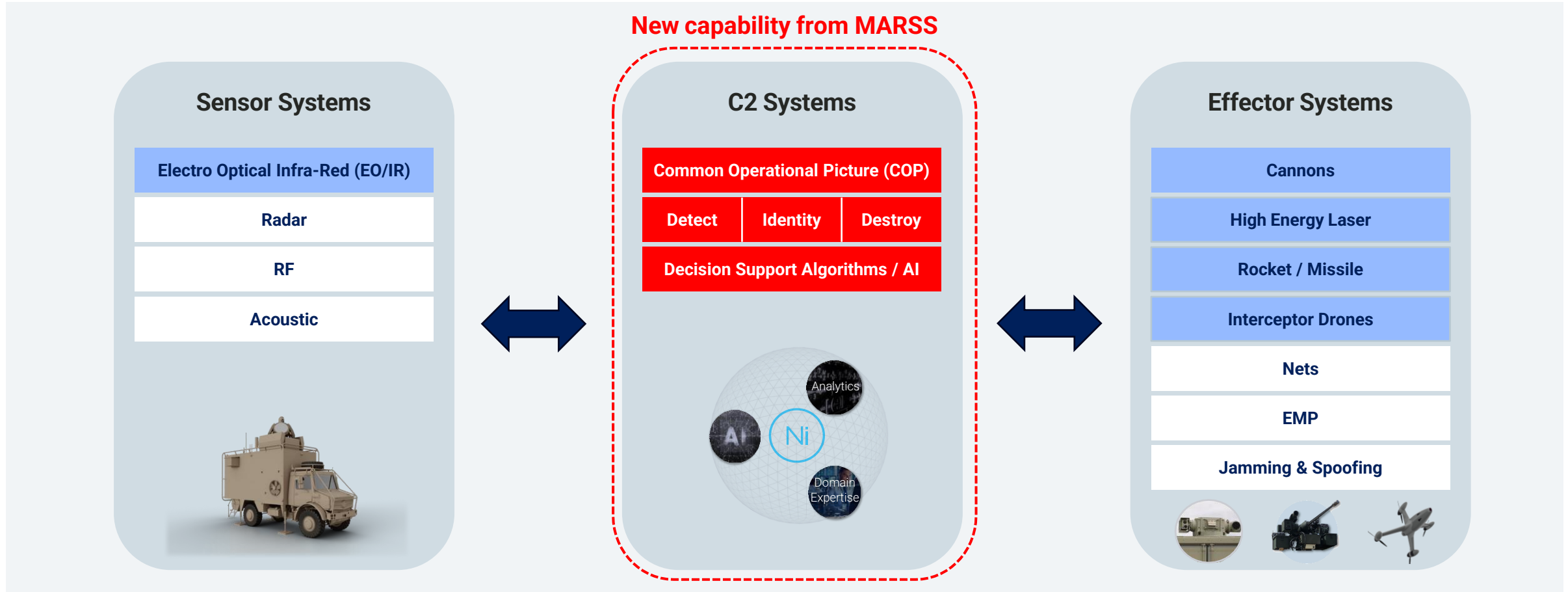
## Acquisition of MARSS transforms EOS into an integrated counter-drone systems provider

- Established in 2006, **MARSS is a Europe-based defence and security technology provider** focused on surveillance, sensor fusion technology and integrated **Command & Control (C2) systems**, which are **critical for effectively countering drones**
- MARSS' **proprietary NiDAR C2 technology** provides **advanced AI-enabled decision-making and sensor-effector orchestration** to rapidly counter asymmetric drone threats
- The acquisition of the MARSS business perimeter includes the **NiDAR C2 technology, sensor fusion and AI software platform and hardware offering**, along with associated **customer contracts, intellectual property and personnel**
- Creates an end-to-end counter-drone solution - **Detect → Identify → Decide → Defeat** - allowing EOS to compete for **larger, higher value programs** as a Prime Contractor
- **Expands EOS' geographic footprint and broadens its end market presence**, with scope to leverage MARSS' **extensive defence, homeland security and civil relationships**
- EOS plans to **embed the AI-enabled NiDAR technology into its existing remote weapon system product range**, providing the client's vehicle fleet with **meshed hemispherical coverage against drone attacks – a new feature in today's market**
- Transaction structured as an **upfront cash payment of US\$36m (~A\$54m); plus contingent consideration of up to €100m (~A\$174m)** in the form of performance rights tied to new MARSS orders, payable in a combination of cash (capped at €20m) and/or EOS shares
- Acquisition cash consideration to be primarily funded from existing cash reserves and anticipated to be **broadly neutral for earnings and operating cash flow in 2026**

# EXECUTIVE SUMMARY *CONT'D*



MARSS' NiDAR C2 technology acts as the “brain” that integrates sensors and effectors. Sensors (eyes / ears) perceive the threat → *NiDAR C2 (brain) interprets sensor data, orchestrates the response* → effectors (hands / voice) carry out the action



# EXECUTIVE SUMMARY *CONT'D*



Drone swarms are reshaping the threat landscape. NiDAR's advanced C2 platform enables automated, integrated defence for military and civil environments, fusing sensors and effectors to defeat swarms

## The Swarm Challenge

- *Low-cost and adaptable*: Drone swarms are proliferating, giving militaries a flexible and potentially decisive battlefield capability
- *Cognitive overload*: Defending against fast, unpredictable swarms places an unsustainable burden on human operators
- *Overwhelming force*: Swarms enable attackers to saturate and breach traditional defence systems



## The NiDAR Solution

- *AI-driven autonomy*: NiDAR enables coordinated, automated defence against complex threats
- *Sensor-effector fusion*: Integrates detection and countermeasures for rapid response
- *Machine-speed decisions*: Automates threat assessment and action in real time
- *Scalable protection*: Adapts to evolving swarm tactics and existing platforms
- *Continuous learning*: Improves resilience through AI-driven adaptation



TRANSACTION OVERVIEW	<ul style="list-style-type: none"> <li>→ EOS to acquire the business of MARSS, a Europe-based provider of C2 systems for counter-drone use</li> <li>→ Asset purchase of MARSS IP, technology and customer contracts; transfer of MARSS' management and staff</li> </ul>
PRICE	<ul style="list-style-type: none"> <li>→ Performance-linked consideration structure:                             <ul style="list-style-type: none"> <li>→ Upfront cash of US\$36m (~A\$54m); plus</li> <li>→ Potential earnout amount of €20m for each €100m (or part thereof) of certain new MARSS third party contract orders within the earnout period, capped at €100m (~A\$174m). The earnout is payable in a combination of cash, capped at €20m (~A\$35m), and EOS shares which will vest based on an agreed share price of €4.25 or A\$7.40 (25-day VWAP). The earnout period begins on 11 January 2026 and ends on the earlier of 12 months from completion or 31 May 2027</li> </ul> </li> </ul>
ACQUISITION FUNDING	<ul style="list-style-type: none"> <li>→ Acquisition to be funded from existing cash reserves (approximately \$107m at 31 December 2025) and the issuance of performance rights to vendors, which may vest into EOS shares under the earnout agreement, using EOS' existing placement capacity under ASX Listing Rule 7.1</li> </ul>
NEW COMMITTED OPTIONAL LOAN FACILITY	<ul style="list-style-type: none"> <li>→ In addition, EOS has secured a new committed \$100m two year term loan facility, exercisable at EOS' option</li> <li>→ The facility is intended to be available as required to support growth and provide liquidity buffers, including working capital, across the expanded business and if required to support payments for the acquisition of MARSS</li> </ul>
TIMING	<ul style="list-style-type: none"> <li>→ Completion is subject to standard conditions, including required customer, regulatory and export approvals</li> <li>→ Completion expected during 2026, subject to customer, regulator and other approvals</li> </ul>





# COMPELLING STRATEGIC RATIONALE

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# COMPELLING STRATEGIC RATIONALE – CAPABILITY & TECHNOLOGY



The MARSS acquisition accelerates EOS' strategy to extend its counter-drone capability

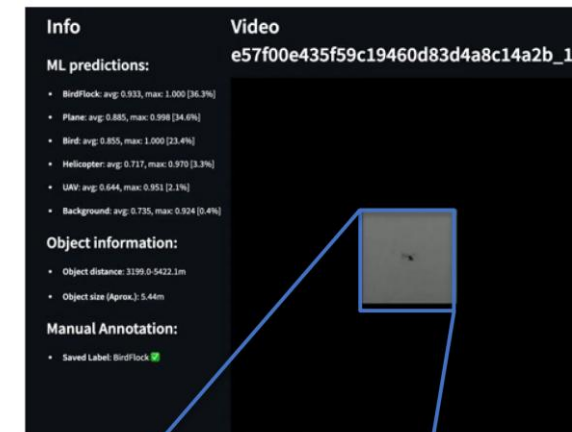
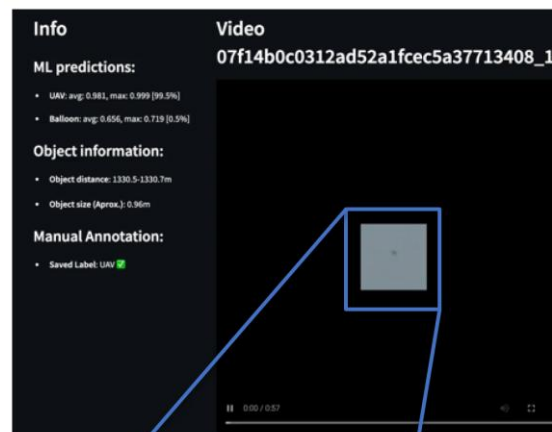
## Closing the capability gap caused by the evolving threat environment

- Drone and drone-swarm threats continue to rapidly outpacing existing countermeasures, necessitating advanced AI-enabled C2 solutions such as NiDAR

## Proven, world class technology

- MARSS brings EOS a proven, world-class C2 and component fusion software capability, together with associated IP and people
- Accelerates EOS' offerings across detection, decision support and engagement
- Delivers fielded, operational and battle proven C2 and autonomy capability without a risky multi-year internal development program

## NiDAR EXAMPLE – AI OBJECT CLASSIFICATION



# COMPELLING STRATEGIC RATIONALE – MARKETS & GROWTH



By adding world-class C2 capabilities, EOS has the opportunity to significantly expand its customer relationships

## **Moving EOS up the value chain, with stronger tender positioning and cross sell capability**

- Positions EOS as an integrator of counter drone and autonomous systems, combining sensors, C2, AI, and effectors, rather than simply a component supplier

## **Enhanced go-to-market proposition**

- EOS' reputation, program delivery discipline and financial strength are anticipated to significantly improve conversion of MARSS' opportunities into contracted wins

## **Expanded international footprint**

- Expands EOS' European operations, including France and the United Kingdom, adds delivery, sustainment and customer facing capability, and consolidates EOS' position in the Middle East, supporting priority defence market growth and AUKUS aligned opportunities

## **Wider end market access**

- Increases EOS' capability to serve non-military markets, including homeland security and civil market demand for counter-drone solutions

## **Future development opportunities**

- Addition of a significant number of technology and product development experts will allow EOS to be at the forefront of advances in counter-drone systems as the threat environment continues to evolve



# A GLOBAL INTEGRATED DEFENCE TECHNOLOGY COMPANY



With the addition of MARSS, EOS is becoming a truly global integrated defence technology company

## **EOS and MARSS create a combined entity which:**

Delivers complementary capabilities

- EOS proven effectors integrated with MARSS AI, sensor-fusion and C2 software

Offers integrated, modular solutions

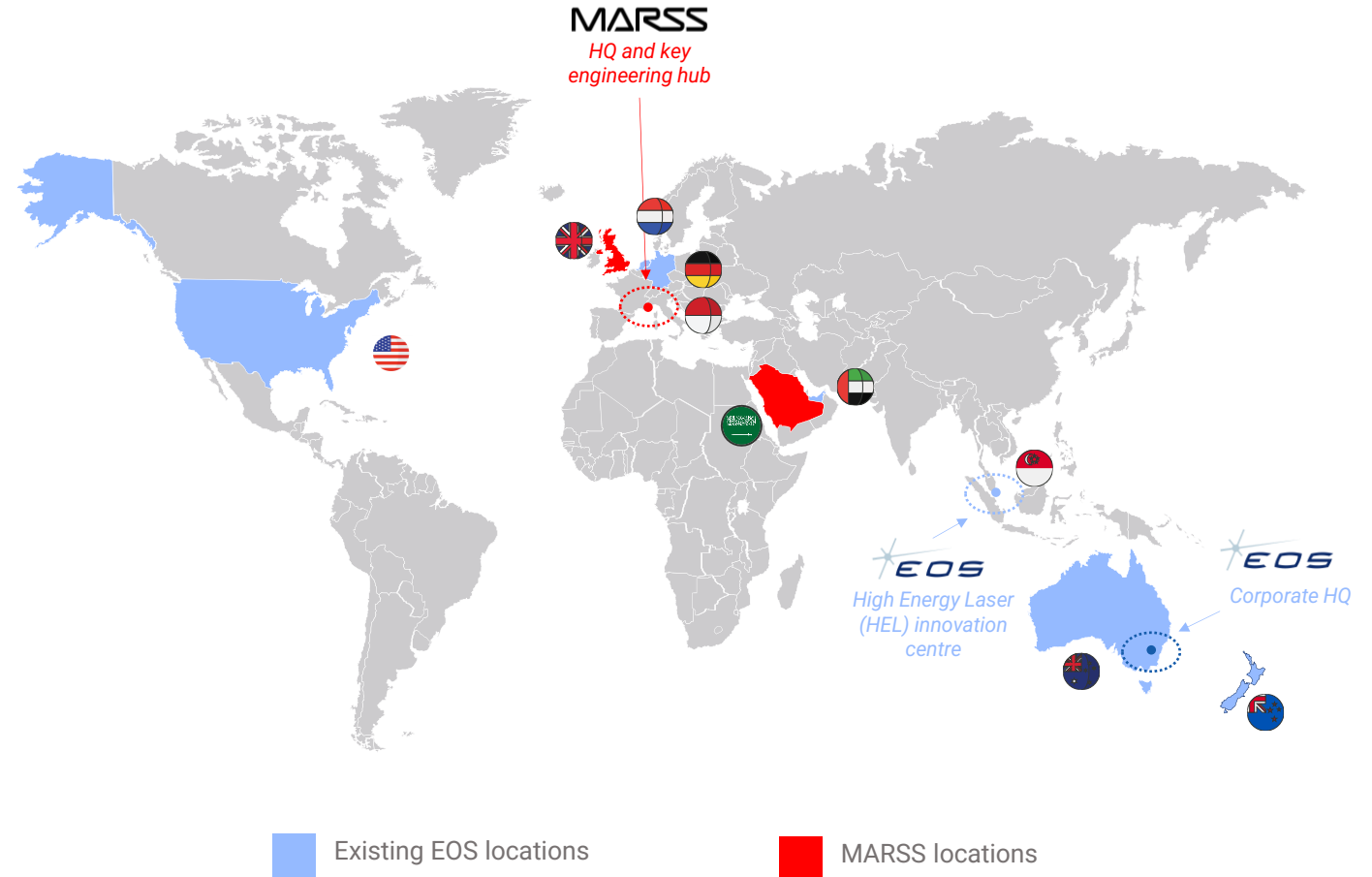
- Deployable as software-only, hardware-only, or fully integrated systems across fixed, mobile, and expeditionary environments

Expands global reach and customer access

- Leverages EOS and MARSS footprints across APAC, EMEA and North America

Strengthens scale, competitiveness and talent

- Unified technology stack
- Post completion EOS will have over 500 team members, with operations and capability across Australia, the UK, Europe and the Middle East, including over 40 software engineers



# From Threat to Response: The Critical Role of C2



# THE DRONE THREAT: CHEAPER, SMARTER, FASTER, DEADLIER



The threat posed by drones is increasing rapidly and is only expected to accelerate

## DRONE ATTACKS POSE KEY CHALLENGES FOR DEFENCE FORCES

LOW COST

AGILE

SWARMS

AUTONOMY

HARDENING

THREATS

GROUP I/II/III DRONES



GROUP I/II/III DRONES



GROUP IV DRONES



MISSILES



HYPERSONICS



TARGETS

MILITARY



CIVILIAN



## DRONE DEFENCE SYSTEMS NEED TO MEET CERTAIN CRITICAL REQUIREMENTS

ACCURATE

ECONOMICAL

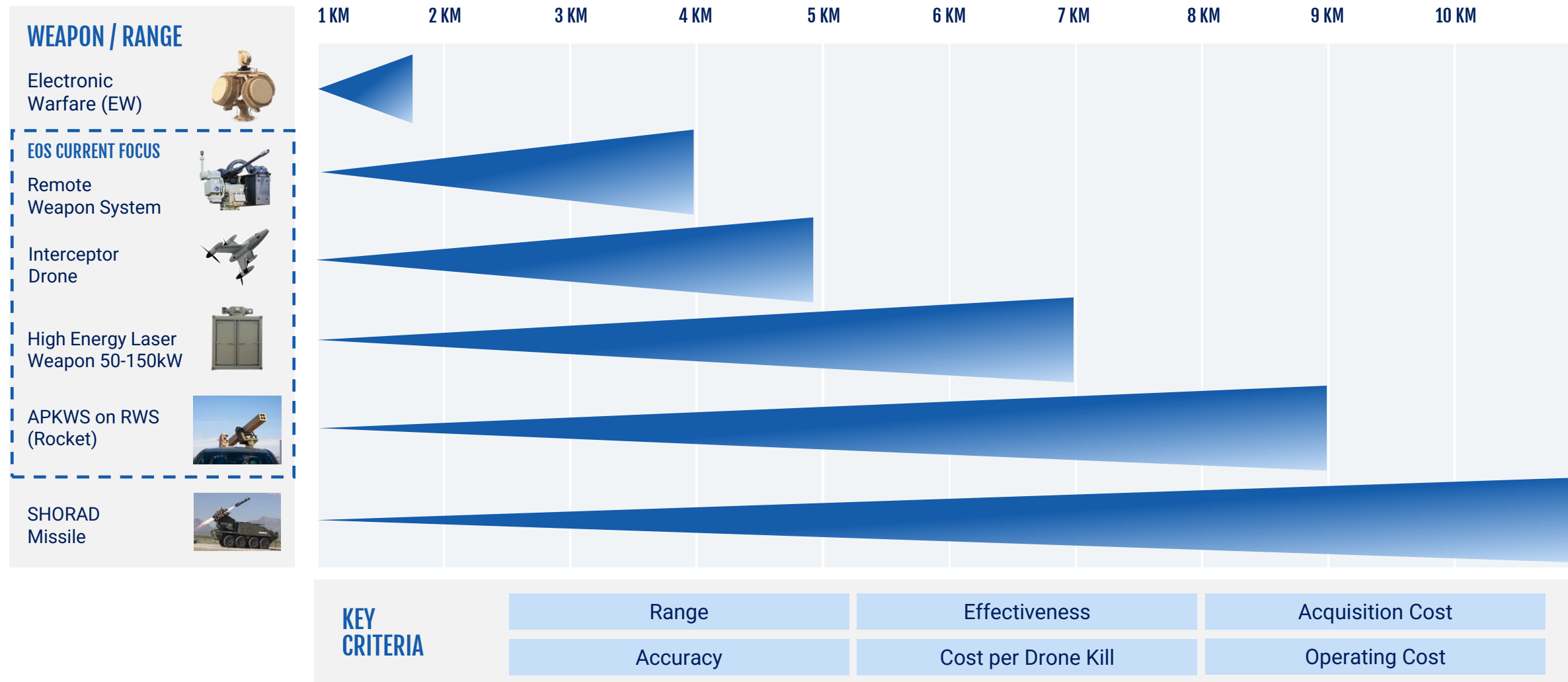
LAYERED

COORDINATED

# EFFECTIVE COUNTER-DRONE STRATEGIES REQUIRE A LAYERED RESPONSE



EOS has a wide range of effectors for a multi-layered counter-drone defence system



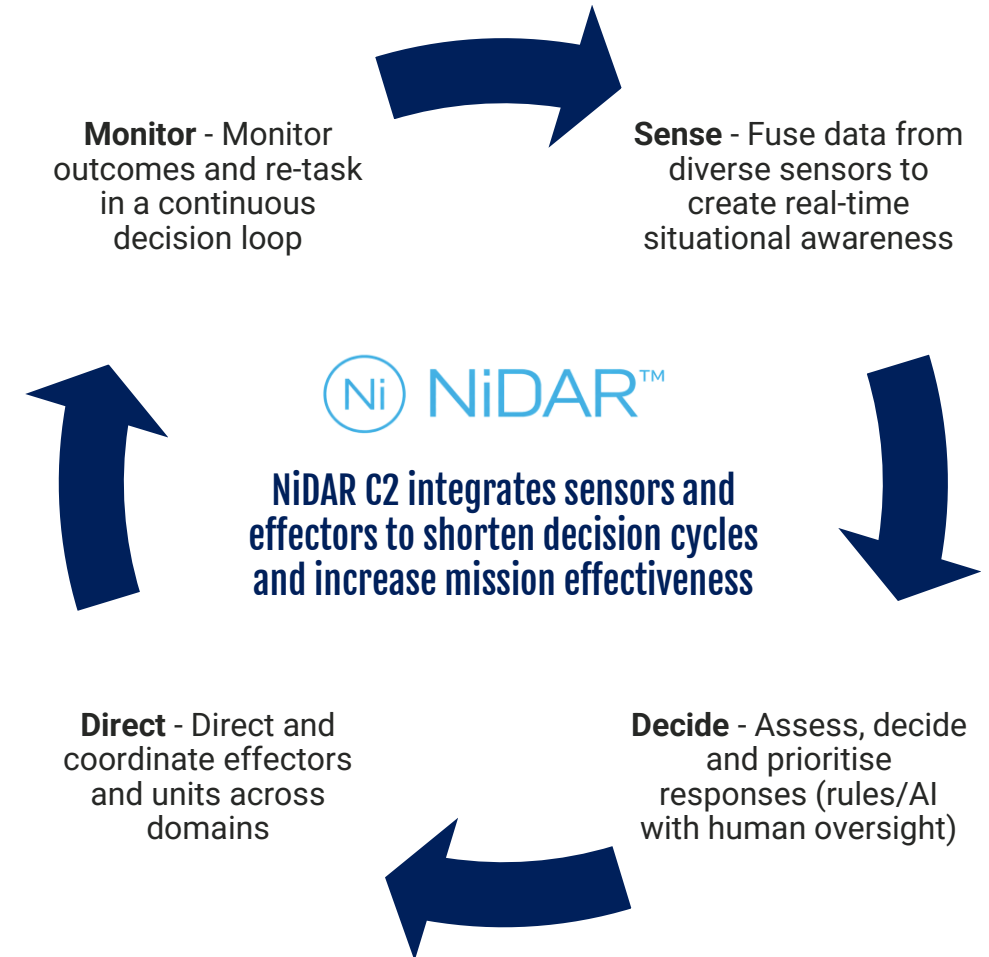


# C2: ORCHESTRATING COMPLEXITY INTO DECISIVE ACTION



NiDAR C2 is the mission brain – transforming fragmented sensors and effectors into a unified, rapid-response network to defeat complex threats

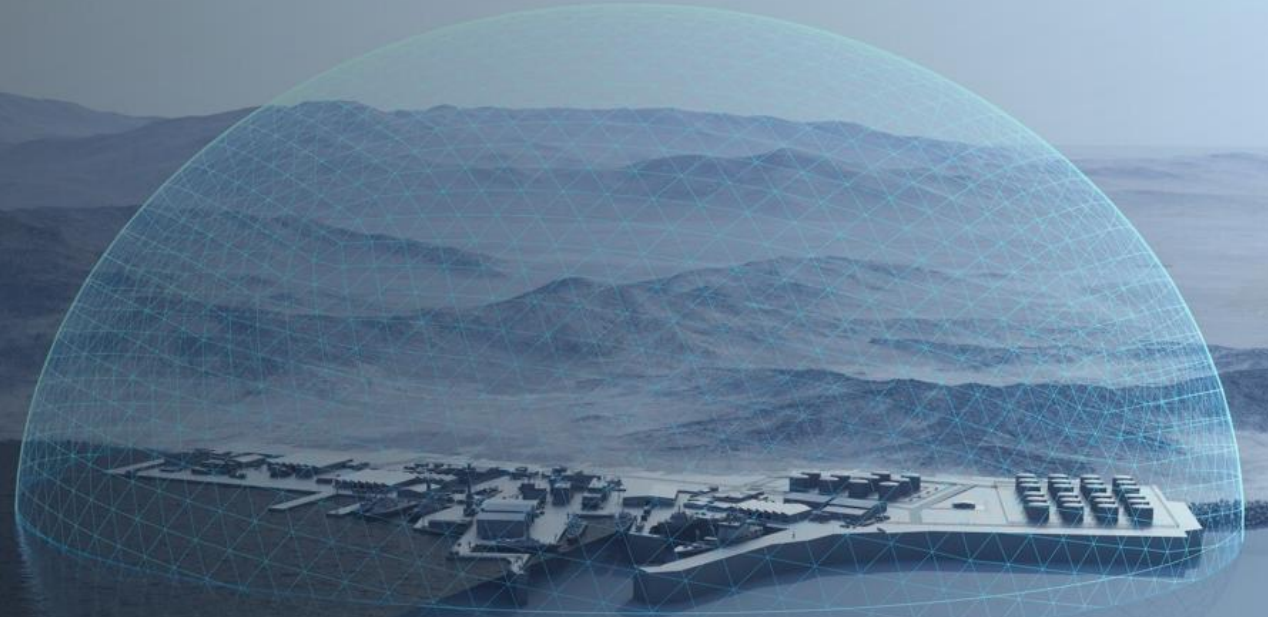
- C2 refers to the means by which military and security forces exercise authority, make decisions, and direct operations in real time
- Modern C2 combines physical command structures with a digital layer that connects decision-makers to the operational environment. This digital layer integrates data from multiple sensors and platforms – such as radars, cameras, and unmanned systems – into a single operational picture, enabling rapid threat assessment and coordinated tasking of assets
- The importance of C2 has increased markedly as the drone threat evolves from isolated systems to coordinated, autonomous, and swarm-based attacks. The speed, scale, and complexity of these threats exceed human capacity to manage manually, making AI-enabled C2 essential for data fusion, threat prioritisation, and effective human decision-making
- MARSS's NiDAR platform functions as the central C2 layer. NiDAR integrates multiple systems, correlates threats, and orchestrates coordinated responses across domains, delivering faster detection, decision-making, and action through a single interface







# MARSS OVERVIEW



# MARSS OVERVIEW



MARSS is a global defence technology innovator

## Overview

- Established in 2006, MARSS is a global defence and security technology provider of C2 systems, primarily for counter-drone use
- MARSS' systems integrate data from multiple sensors to provide real time situational awareness, threat detection and automated response across multi-domain environments
- Well established track record with 60+ deployments worldwide
- ~80 team members, primarily located across EMEA

## Core Technology Platform

- MARSS has a proprietary, hybrid-intelligence, Internet-of-Things ("IoT") platform, NiDAR, which fuses data from multiple sensors (radar, EO/IR, RF) to deliver complete situational awareness across domains
- NiDAR enables automated detection, classification, and decision support, reducing overall time from detection to effect
- Designed to be sensor and effectors agnostic, interoperable with broad suite of vendor offerings

NiDAR C4i EXAMPLE – CENTRALISED C2



NiDAR EXAMPLE – AI RADAR CLASSIFICATION



# NiDAR PLATFORM



The NiDAR platform is the centrepiece of MARSS' product suite

## NiDAR

- NiDAR is an AI-powered, IoT platform at the heart of all MARSS' solutions
- Open architecture software stack that provides comprehensive data-fusion and system-of-systems integration capability
- Fully deployable across existing and new platforms, with access via fixed and mobile command centres delivering NiDAR's full operational capability wherever and whenever operators require

## Key features

- Hybrid intelligence combining AI and other solutions to maximise situational awareness
- Fuses multiple sensors and countermeasures into a single intuitive platform
- Fully modular and sensor agnostic
- Multi-domain – air, land, sea and sub-surface
- Seamless integration into other security and defence systems

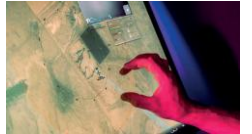
### LONG-RANGE DETECTION

- NiDAR integrates sensors to track objects across land, sea and air with live views and precise diagnostics



### SMART SURVEILLANCE

- NiDAR classifies and prioritises threats, minimises false alarms, and predicts outcomes in real time



### ADVANCED AI ANALYSIS

- NiDAR's proprietary AI analyses behaviour patterns, video, RF signals and historical data for accurate ID



### DECISIVE ACTION

- NiDAR's intuitive UI links to countermeasures – RF/GPS jamming, kinetic (including EOS' Slinger, HEL and Interceptor) options – for rapid threat elimination

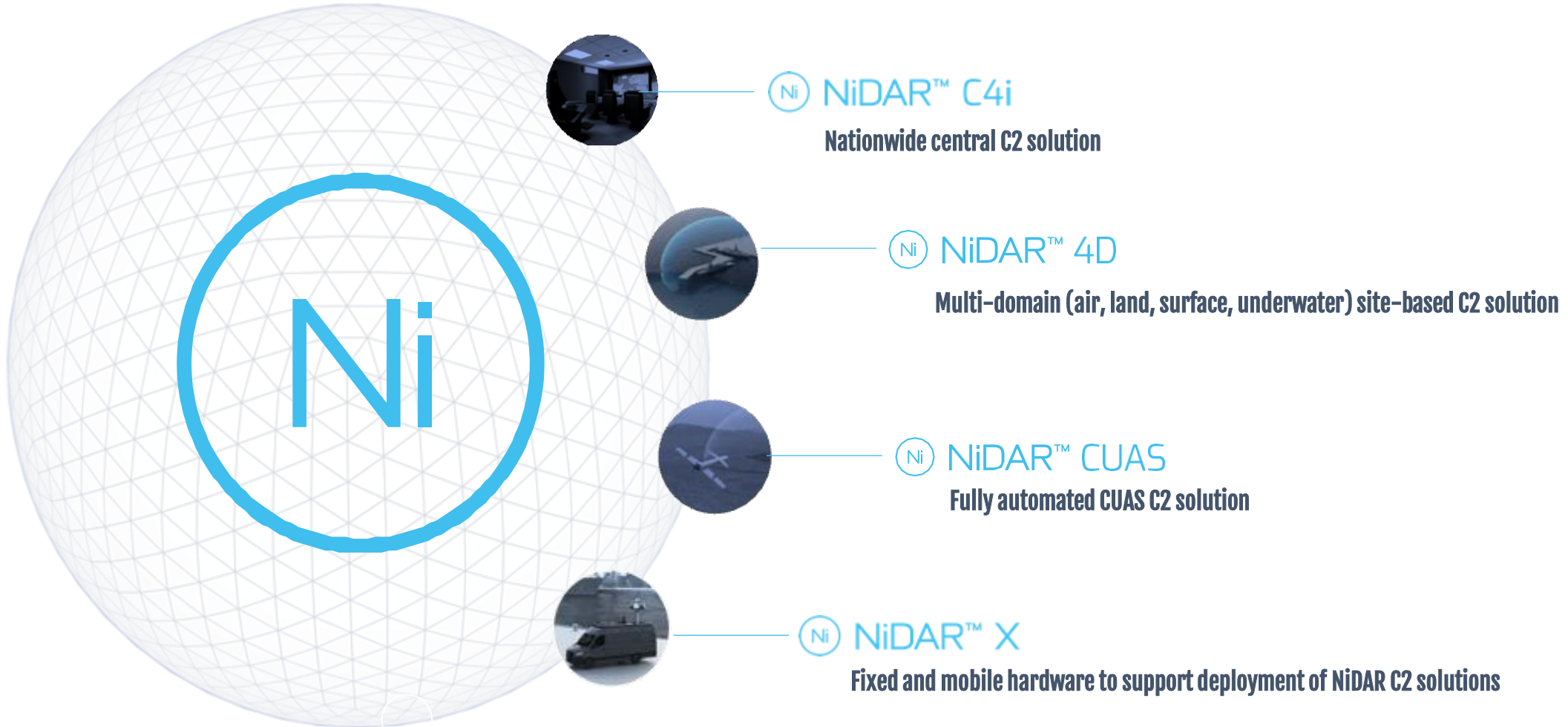




# NiDAR PRODUCT OFFERING



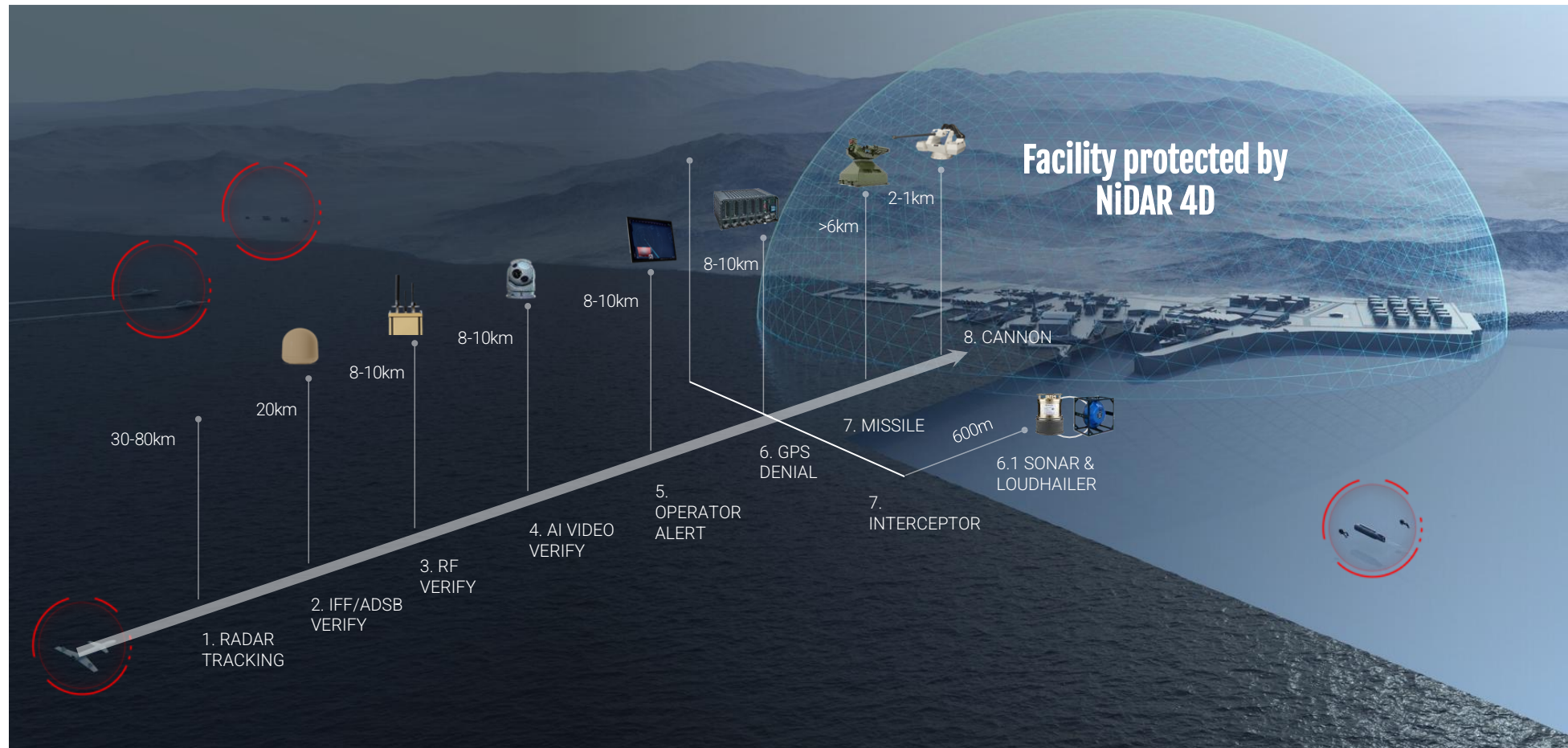
MARSS has developed a suite of NiDAR-based C2 solutions for varying customer needs and threat environments, supported by flexible hardware deployment options



# NiDAR DELIVERS LAYERED AGNOSTIC PROTECTION



NiDAR's sophisticated technology integrates sensors and effectors to detect, verify and deny

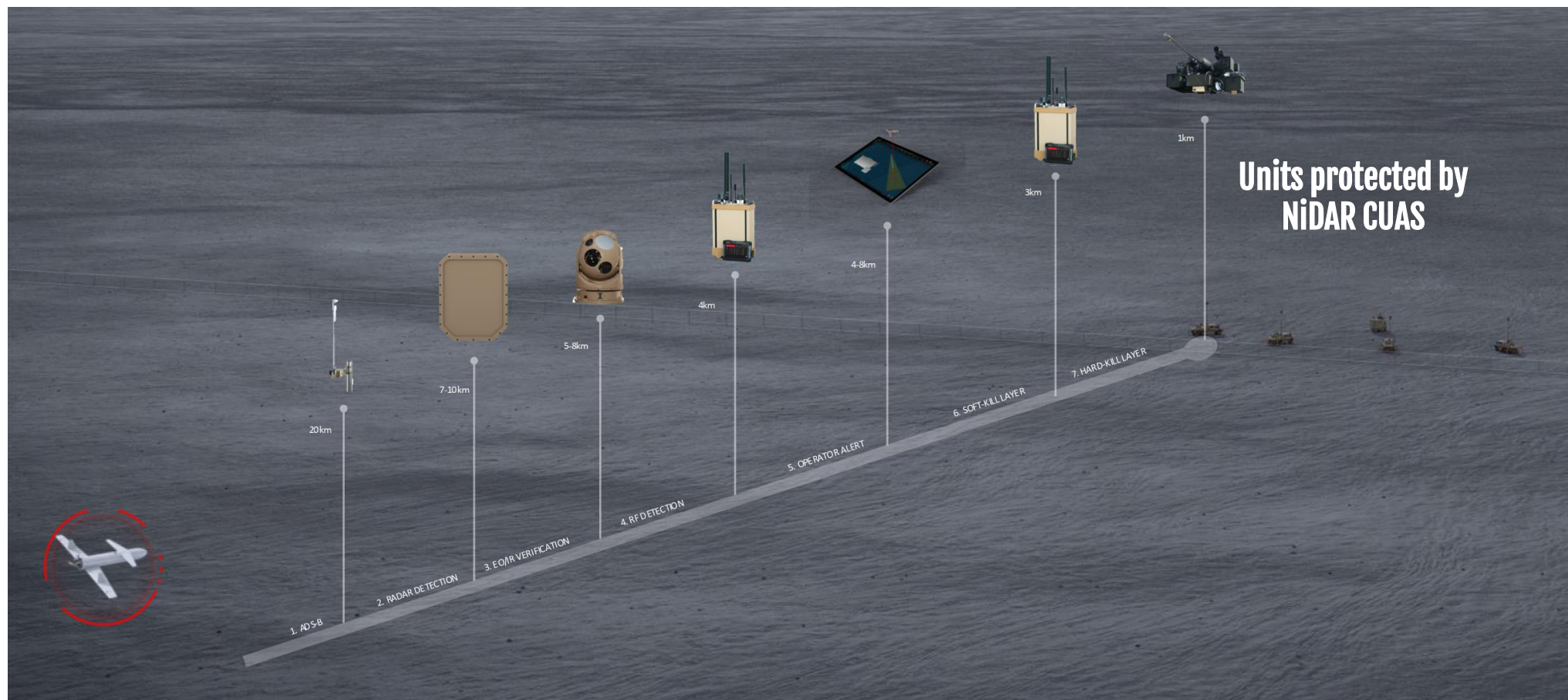




# NiDAR DELIVERS LAYERED AGNOSTIC PROTECTION *CONT'D*



NiDAR CUAS significantly increases the speed and efficiency with which military and security operators can detect, verify, track, and counter UAS threats



# EOS + MARSS CUAS CASE STUDY



## Illustrative customer deployment configuration for networked area CUAS protection

### Deployment Configuration

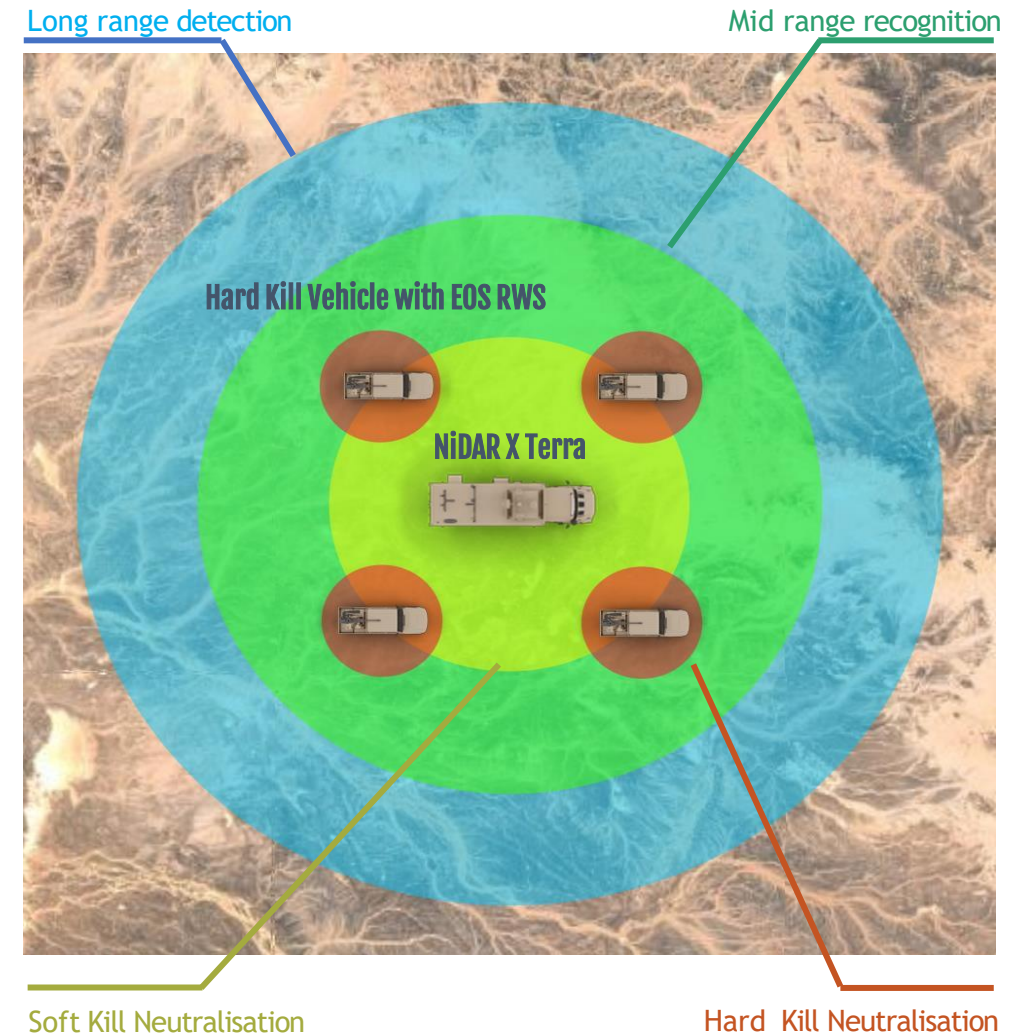
- 1 x NiDAR X Terra vehicle with EOS and 3<sup>rd</sup> party sensors
- 4 x hard kill vehicles configured with EOS RWS
- Ongoing support and maintenance services

### EOS+MARSS Key Advantages

- Intuitive UI, AI-driven threat classification with NiDAR C2 software
- Sensor and effector agnostic architecture
- Direct slew-to-cue from NiDAR to EOS effectors
- Layered CUAS protection solution tailored to customer needs

### How EOS+MARSS Protects the Assets

- Radar detects threat cueing EO/IR camera for continuous tracking.
- NiDAR AI classifies the target as a threat and alerts the operator.
- Recognition and confirmation through EO/IR camera
- Soft kill effectors neutralise the threat through layered defence
- A final hard kill layer will defeat any remaining threat

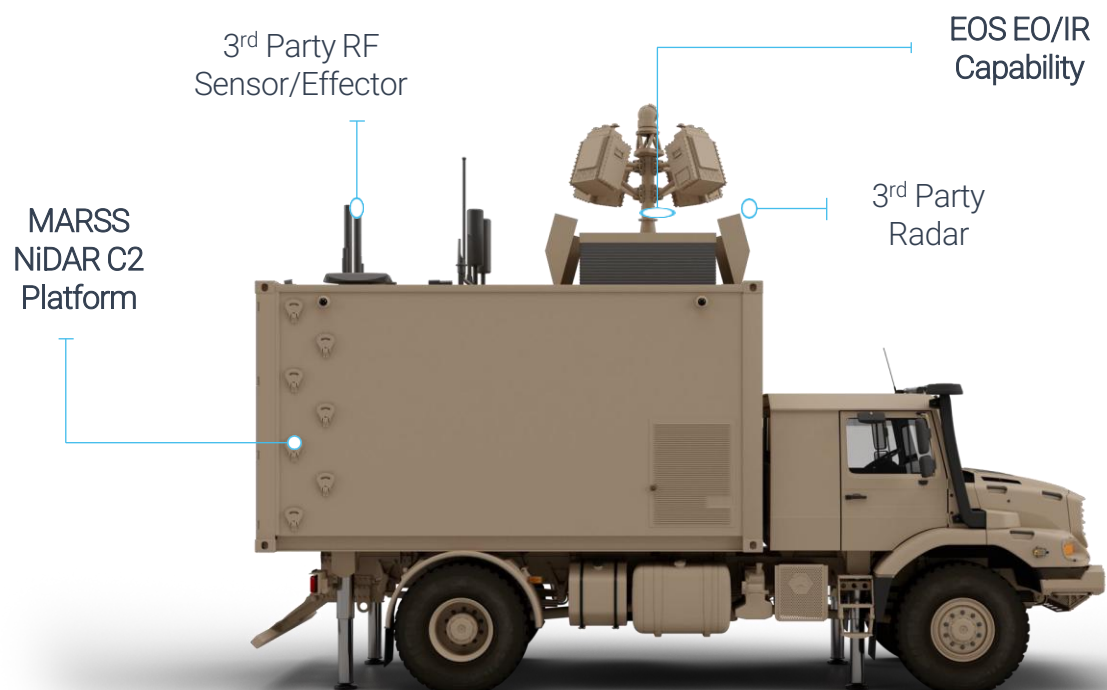


# EOS + MARSS CUAS CASE STUDY *CONT'D*



Illustrative customer deployment configuration for networked area detect and defeat

## NiDAR X Terra



## Hard Kill Vehicle with EOS RWS



## Other EOS Effectors

R400 UGV



R800 CUAS



High Energy Laser



Interceptor





## ACQUISITION OF MARSS TRANSFORMS EOS INTO AN INTEGRATED COUNTER-DRONE SYSTEMS PROVIDER

- Closing the capability gap caused by the evolving threat environment
- Proven, world class technology
- Moving EOS up the value chain, with stronger tender positioning and cross-sell
- Enhanced go-to-market proposition
- Expanded international footprint
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