ASX Announcement **29 May 2025**

European defence OEM expands supply agreement for additional US$5.35M (~A$8.2M) for a total of US$9.63M (~A$15M) to be delivered in 2025

Key Highlights:

- **Elsight has received an additional contract from a European defence drone OEM for US$5.35M (~A$8.2M) for delivery through end of 2025 (May Contract)**
- **The order follows the previously announced contract on 9 April 2025 from the same customer for a total of US$4.28m (~A$6.8m) (April Contract), taking customer commitment to a total of US$9.63M (~A$15M)**
- **The April and May contracts are expected to move Elsight through to profitability and cash flow break-even in CY25.**
- **Further expansion of the relationship with the European OEM is expected as long-term quantity requirements are finalised and new programs emerge**
- **Elsight's technology validated as a critical enabler of unmanned defence capabilities in a rapidly evolving market, driving accelerated adoption among additional defence customers**
- **More than US$1M of the April Contract has been delivered and recognised as revenue, highlighting Elsight's ability to successfully scale production capacity to meet higher volume demand**

Elsight Limited (ASX: ELS) ("Elsight" or the "Company'), the carrier-agnostic, connectivity solutions company, is pleased to announce a further expansion of its engagement with its European-based defence OEM customer. Following the successful early rollout of the previously announced US**$4.28M** (~A**$6.8M**) order on 9 April 2025, the customer has now committed to an additional US**$5.35M** (~A**$8.2M**) in purchases to be delivered between August and December 2025 for a total of US**$9.63M** (~A**$15M**). Of the April Contract, more than **US$1M** has been already successfully delivered and recognised as revenue.

Yoav Amitai, CEO of Elsight, commented:

"Strategic contracts like this do more than validate our technology; they provide a blueprint for how Elsight can scale into a significantly larger organisation in a short period of time. As our solutions become embedded into our customers' critical defence programs, we transition from niche innovation to indispensable infrastructure. We see this expansion as the beginning of a much broader market adoption and are excited about the long-term growth potential it represents. Clearly, 2025 is a truly transformational year for the Company, and we are only in May."

Under the agreed terms of these Contracts, Elsight will receive a significant up-front payment, with the remainder payable upon delivery to the customer. The initial up-front payment will fund the contract's working capital requirement. The April and May contracts are expected to move Elsight to profitability and cash flow break-even during CY25.

Elsight expects to continue expanding this relationship as long-term quantity requirements are finalised and new programs emerge.

The successful delivery of more than **US$1M** on the April Contract highlights Elsight's organizational capability, scalability, and resilient supply chain. Currently, and before any manufacturing expansion, Elsight has hardware production capacity to support approximately US$70 million in annual sales to support further orders from existing customers, and additional pipeline growth.

This new and larger order with the European defence OEM demonstrates the current and future value of this relationship and the strategic importance of Elsight's Halo connectivity platform in modern defence operations. Elsight's recent momentum in new contracts is driven by a combination of:

- ✓ **Unique, field-deployed multi-link solution**, the Halo utilizes all available spectrum technology, integrates cellular, RF, and satellite connections into a single, seamless data pipe. This enables always-on, secure command and control communications, essential for Beyond Visual Line of Sight (BVLOS) missions in contested and complex environments.
- ✓ **Battlefield proven, operational, and validated by leading defence drone OEMs** in mission-critical deployments, where reliability, redundancy, and uptime are non-negotiable.
- ✓ **Delivery of measurable operational and logistical advantages** in the field through compact form factor, rapid deployment capability, and minimal integration overhead reduce time-to-field and total cost of ownership.

Importantly, Elsight is currently seeing a significant shift in global defence postures and budgets, driven by increasing geopolitical instability and growing emphasis on infrastructure and deployments of unmanned systems. The growing demand for scalable, battle-proven technologies presents a meaningful opportunity for Elsight to embed its solutions in foundational defence platforms. These new contract wins, positioned Elsight's technology as a critical enabler of unmanned defence capabilities, driving accelerated adoption among additional defence customers.

These large orders are additional and **should not be confused** with the Company's earlier contract to develop a new communications device, which was announced on 25 September 2024 and should start to deliver orders in H2 2025.

ASX Disclosure under Listing Rule 3.1

Elsight confirms that the entity does not consider the identity of the customer to be information that a reasonable person would expect to have a material effect on the price or value of the entity's securities and further confirms that this announcement contains all material information relevant to assessing the impact of the contract on the price or value of the entity's securities, and is not misleading by omission.

Authorised for release by the Board of Directors of Elsight Limited.

Relevant previous ELS: ASX announcements include:

- Elsight signs a US$4.28M (~A$7.1M) supply agreement for deliveries to be completed by July 31, 2025
- Elsight secures new order from European defence manufacturer, marking major growth milestone
- Elsight wins its biggest order yet with leading defence contractor to create new communications device

-**ENDS**-

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About Elsight (ASX:ELS)

Elsight's (www.elsight.com) flagship product, the Halo, uses AI-based multi-link bonding to provide the most robust connectivity for drones and other unmanned systems. By adding cellular communications aggregated with satellite and RF communications, the Halo is 99.99% reliable and cyber secured. With options for less than a 100-gram card or a boxed ground version, the Halo provides continuous connectivity even in the most challenging areas for stationary, portable, or actively mobile situational requirements. Elsight's products serve many vertical markets leveraging UAV and UAS technologies including the military, HLS, public safety, delivery, medical, oil and gas, utilities, inspections, surveillance and others. Elsight was founded in 2009.