

Sent by email at 11.55am on June 9, 2026

Subject: Request to uncap Electro Optic Systems Share Purchase Plan

ATTENTION EOS BOARD

Dear readers of the EOS email address,

This email is being sent to you because Electro Optic Systems (EOS) does not provide an email contact for an individual on its ASX announcements. Could you please forward this email to all relevant EOS decision makers on the latest capital raising.

I'm not currently an EOS shareholder but am writing to you on behalf of the circa 14,478 retail investors who were eligible to apply to participate in the Share Purchase Plan (SPP), which closed at 5pm today.

Firstly, thank you for at least offering retail shareholders an SPP as part of the \$215 million capital raising. Whilst this is clearly better than this shamefully [long list of companies](#) which have done stand-alone placements with no SPP at all, the proposed \$25 million SPP component is too small relative to the \$190 million institutional placement. This is what I've currently got about your raising on my [public master list](#) summarising all capital raisings above \$15 million by ASX listed companies since COVID:

June 9, 2026: Electro Optic Systems (EOS): *The AFR's Street Talk column [reported at 5.19pm on Sunday, May 17](#) that Canaccord, Bell Potter and Macquarie (which [were paid 2.5%](#) with scope for a 0.5% bonus) were lining up a \$150m-plus equity raising over the weekend at around \$8 per share. The [official announcement](#) dropped at 10.15am on May 18 disclosing a \$150m placement at \$8, a 9.3% discount to the previous close of \$8.82. This will be followed by a \$25m SPP on the same terms with no secondary VWAP-based pricing to deliver downside protection. If all 14,478 shareholders apply for the maximum \$30,000, it will receive \$434.3m in SPP applications. Street Talk then [reported at 9.16am on May 20](#) that an additional \$40m would be placed to two strategic investors, lifting the placement to \$190m, but the column is still yet to report how retail shareholders are being treated or that they have been allocated \$25m via a SPP. The ASX was only [informed about this \\$40m placement expansion at 9.47am](#), 31 minutes after the selective briefing of Street Talk. Gave this whole lamentable Street Talk situation [a slap on Twitter](#). EOS shares [soared to \\$10.69](#) June 9, giving it a post-raise market cap of \$2.32b, so the SPP is likely to be swamped. Sent them an email on June 9 requesting that the SPP be uncapped.*

Unfortunately, the \$25 million SPP cap is so restrictive that if just 834 or 5.76% of the 14,478 shareholders apply for the maximum \$30,000, that will soak up the entire \$25 million SPP allocation. Clearly, the proposed cap is too low and the allocation to retail of just 11.63% of a \$215 million capital raising should be substantially lifted, assuming there are surplus applications.

As a rule of thumb, SPPs should anticipate at least 20% participation and the placement-SPP split should also at least reflect the situation before the raising was announced, in order to prevent any collective dilution between the institutional and retail shareholder classes.

For instance, if retail shareholders as a whole owned 20.83% of EOS before the placement was announced, then the SPP should be a least 20.83% of the overall raising which would be \$50m million out of \$240 million. I personally think an increase to \$50 million for the SPP would be

appropriate, if demand is strong. And you won't have to pay an excessive 3% fee to any ticket clipper for the additional \$25 million in capital!

There are many precedents for this and it would be great if EOS was to [join this long list](#) of almost 50 examples of companies which completely uncapped their SPPs in the face of strong demand and in order to avoid imposing any form of scale back. And when weighing this up, remember that retail shareholders as a class have been diluted out of tens of billions of dollars over the past 20 years by Australia's anything goes public company capital raising system, in which the biggest losers are the inert retail shareholders who don't participate in non-renounceable offers, often because they're not even aware of the offer.

From a retail shareholder perspective, the next best alternative after complete uncapping is partially lifting the cap but still imposing a scale back, as has also been done previously by many companies – see this [long list of almost 50 examples](#).

If there is going to be a scale back, there should ideally be a minimum allocation such as \$500 for all applicants, in order to reduce the number of holders with an unmarketable parcel. Here is a [list of 19 examples](#) of capital raisings by ASX listed companies where there was a minimum allocation before a pro-rata scale back was applied. After that, a pro-rata allocation based on size of holding is fair. Alternatively, you could choose to favour your smaller and poorer retail shareholders by scaling back based on size of application like the many [companies on this list](#).

Whatever you do, please spell out the scale back formula clearly in the SPP outcome announcement, preferably with a table similar to what QBE Insurance produced in [this 2009 ASX announcement](#).

Finally, in terms of the outcome announcement, please follow the best practice transparency demonstrated by [companies on this list](#). For the avoidance of doubt, here are some words to demonstrate how it might read.

“The EOS SPP was open to 15,325 eligible shareholders and the company received applications totalling \$57.2 million from 1,797 holders, a participation rate of 11.72%.”

Once again, I would appreciate an acknowledgment that this email has been received and forwarded to the relevant parties and look forward to seeing the ASX announcement about the hopefully expanded and uncapped SPP.

I will be commenting about your decision on Twitter, in my next *Intelligent Investor* column (see [previous 200-plus columns](#)) and also will potentially travel to Canberra and raise the issue at your upcoming EGM, which really should have been a hybrid meeting to maximise participation.

If you would like to discuss this matter, feel free to make contact via this email address.

Thank you for your consideration.

Kind regards

Stephen Mayne

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