ASX Announcement **2 November 2026**

Elsight announces review of capital management, revenue reporting and corporate governance

Highlights

- Board to review capital management options. At 30 September 2026 Elsight held cash of about US$59.4 million and had no debt.
- Additional quarterly reporting of orders, secured backlog and receipts, starting with the Q4 2026 quarterly report. The board will also adopt and publish a policy on announcing contracts.
- Independent review of board composition, remuneration and governance, responding to shareholder feedback at the 2026 AGM.
- Outcomes to be reported as each matter progresses, and no later than the FY26 results in February 2027.

Elsight Limited (ASX: ELS) (Elsight or the Company) advises that its Board has started a review of three areas: capital management, the consistency of its revenue and contract reporting, and corporate governance. The Board is taking this step after Company's Q3 2026 business update on 28 October 2026 and recent feedback from shareholders.

1. **Capital management**

At 30 September 2026 Elsight held cash of about US$59.4 million and had no borrowings, as reported in its Appendix 4C. Unaudited revenue for the nine months to 30 September 2026 was about US$25.8 million, higher than FY2025.

The Board will consider how the Company's capital is best split between investment in growth, a prudent cash reserve and returns to shareholders. The options being considered include:

- adopting a formal capital allocation framework, including a minimum cash reserve; and
- an on-market share buy-back within the limit that does not need shareholder approval.

The Board has not made a decision on any of these options. Any capital management initiative will be announced in line with the Company's continuous disclosure obligations, and any buy-back will be carried out in accordance with the Corporations Act 2001 (Cth) and the ASX Listing Rules.

2. **Revenue reporting and contracts**

Elsight sells to defence, public safety and commercial customers. Many of them buy through programs whose delivery timing can move from one quarter to the next. As the Q3 2026 result showed, the Company's quarterly revenue can vary significantly.

To give shareholders a clearer view of the business between reporting periods, the Company intends to include the following in its quarterly reports, starting with the Q4 2026 report due by 31 January 2027:

- orders received during the quarter;
- secured backlog (orders supported by a purchase order or down payment) and the period in which it is expected to be delivered;
- customer receipts for the quarter; and
- pipeline, measured on a consistent basis from quarter to quarter.

The Board will also adopt a policy for announcing customer contracts and orders. The policy will set out when a contract will be announced and what each announcement will contain. It will be published on the Company's website.

The Company is not providing revenue guidance at this time. The Board will consider guidance once secured backlog gives enough visibility to support it.

As noted on the Company's investor call on 28 October 2026, management expects Q4 2026 revenue to be higher than Q3 2026. In addition, the Company's pipeline supports a view that revenue in 2027 will represent a material increase over 2026.

3. **Corporate governance review**

At the Company's 2026 AGM, more than 25% of votes cast were against the remuneration report. The Board takes that vote seriously.
The Board will appoint an independent adviser to review:

- the size, skills and independence of the Board, including the appointment of additional two (2) independent non-executive directors (an ongoing activity);
- the structure and charters of the Board's committees (an ongoing activity); and
- how the Company engages with shareholders.

Over the coming weeks the Chair and independent non-executive director will meet shareholders and proxy advisers to hear their views. The Board will report the outcome of the review, and its response to the 2026 vote, in the FY26 remuneration report.

Timing

The Company will update the market as each part of the review progresses. It expects to report final outcomes no later than the release of its FY26 results in February 2027.

Chair's comment

Elsight Chair, Ami Shafran, said: "Elsight has grown quickly and our balance sheet is strong. Shareholders have told us they want clearer visibility of the business and confidence in how it is run. This review is our response, and we will report back on each part of it."

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

-ENDS-

For more information, please contact:

Corporate & Business Enquiries	Media Enquiries	Investor Relations
Howard Digby Elsight Limited T: +61 434 987 750 E: howarddigby@elsight.com	**Melanie Singh** NWR Communications T: +61 439 748 819 E: melanie@nwrcommunications.com.au	E: IR@elsight.com

About Elsight

Elsight (ASX: ELS) (www.elsight.com) develops technology that enables uncrewed operations. Its flagship Halo platform combines cellular, satellite and radio-frequency links to provide resilient connectivity for unmanned systems. Elsight is broadening its portfolio beyond connectivity, beginning with software-based positioning for GNSS-denied environments and investing in video and autonomy capabilities. The Company's products serve defence, public safety and commercial markets across air, land and maritime applications.

Forward-looking statements

This announcement contains forward-looking statements, including statements regarding Elsight Limited's (the "Company") expected commercial and operational performance, customer pipeline, product development, and market positioning. Forward-looking statements are based on the Company's current expectations and assumptions as at the date of this announcement and are subject to risks and uncertainties, including customer purchasing decisions, government procurement cycles, regulatory changes, geopolitical developments, supply chain conditions, and foreign exchange movements, that could cause actual outcomes to differ materially. Readers should not place undue reliance on forward-looking statements. Except as required by the ASX Listing Rules and applicable law, the Company does not undertake to update any forward-looking statement. Past performance is not indicative of future performance.