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RESEARCH

Mobilicom Ltd.

NASDAQ – MOB

December 8, 2025

Three Recent Catalysts Set the Stage for Momentum Into 2026– Reiterating Buy and Raising Target to $12

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- On December 5th Teledyne FLIR announced a $42.5M USMC production contract for 600+ loitering munitions. As we discuss in this report, while not officially disclosed, we believe that Mobilicom is a major vendor on this platform.
- On November 25th, the company announced a major European design win with the order embedding Mobilicom's MCU-30, SkyHopper PRO, and ICE Cybersecurity Suite into German internal-security platforms validating its technology in a high-barrier market.
- On December 4th the company announced Nasdaq direct listing effective today. It is transitioning from ADRs to ordinary shares unlocking index/ETF eligibility and institutional access.
- Production Scaling Underway: Q3 revenue was up 63% sequentially to $987K (84% U.S. defense) with an $882K backlog to be filled in 2025 signal a shift from pilot programs to series production with Tier-1 partners.
- We believe that these combined catalysts mark Mobilicom's inflection into a globally relevant supplier of mission-critical drone cybersecurity solutions, therefore we increase our one-year price target from $11 to $12 per share.

Rating	Buy
Target Price	$12.00
Ticker Symbol	MOB
Market	NASDAQ
Stock Price	$8.01
52 wk High	$11.02
52 wk Low	$1.31
Fully Dillluted Shares Outstanding:	12.7 M
Public Market Float:	12.0 M
Avg. Daily Volume	473,412
Fully Diluted Market Capitalization:	$101.8 M
Institutional Holdings:	58.9%
Dividend Yield:	0.0%

Earnings Per ADS	Normalized to exclude unusual items			
FYE - December	**2024**	**2025E**	**2026E**	**2027E**
1H - June	($0.16)	$0.00 A		
2H Dec.	($0.62)	($0.57)		
Year	**($0.78)**	**($0.57)**	**($0.05)**	**$0.63**
Revenue ($mm)	**3.2**	**4.0**	**10.0**	**25.0**
FD EV/Rev	32.0X	25.4X	10.2X	4.1X
EBITDA ($mm)	**(3.4)**	**(3.6)**	**0.2**	**8.8**
EV/EBITDA	NM	NM	NM	11.5X

Risks/Valuation

- **Risk Factors:** Mobilicom provides highly secure military equipment to the U.S. and Israeli militaries as its end customers. As such, it is a target of the most prominent government and terrorist organization cyberattacks. However, cybersecurity is the company's business, and they have a proven track record. Another risk factor is that they may not be selected to provide their products to the major UAS programs for which they are competing.
- **Valuation:** We value MOB ADS on a multiple of revenue using the average revenue multiple of a large group of comparable companies.

Company description: Mobilicom Ltd. is an Israeli drone technology company offering a range of hardware and software products, as well as support and integration services. It has supplier relationships with some of the major drone defense contractors in the United States, Europe, and Asia, and all three of the major Israeli defense contractors.

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Three Recent Catalysts Set the Stage for Momentum Into 2026

Mobilicom is emerging as a critical enabler of cybersecure autonomy at the tactical edge, supplying integrated communications and cybersecurity solutions for drones, loitering munitions, and robotic systems. Following several years of platform development, customer evaluations, and early design wins, the company now appears to be entering its first true production-scaling phase. This transition became visible in Q3 2025, when Mobilicom reported revenue growth of 63% sequentially to $987,000, with approximately 84% of the quarter's revenue generated from U.S. defense customers. As of September 30, backlog was $882,000, which combined with management commentary, suggests that Tier-1 integrators are beginning to advance from prototyping and pilots into early series production.

Against this increasingly constructive backdrop, three material catalysts have emerged in rapid succession, each addressing a different pillar of Mobilicom's long-term investment narrative. The first is likely exposure to Teledyne FLIR's $42.5 million Rogue 1 production award under the U.S. Marine Corps Organic Precision Fires–Light (OPF-L) program, representing potential participation in a multi-year program-of-record within the rapidly expanding loitering-munitions segment. The second is a new European government design win supporting internal-security missions in Germany, embedding multiple Mobilicom technologies into platforms used by public institutions. The third is a structural transition in the company's capital-markets profile, shifting from American Depositary Shares to directly listed ordinary shares on Nasdaq, a change designed to enhance liquidity, institutional access, and potential index eligibility.

Taken together, we believe that these catalysts form one of the most strategically significant moments in Mobilicom's corporate trajectory. The Rogue-1 optionality provides the most powerful potential upside driver, while the European design win validates technology in a highly regulated market and expands operational reach. The Nasdaq transition positions the stock structurally to absorb and reflect these operational gains. In our view, these forces are mutually reinforcing and support a favorable risk-reward profile as Mobilicom enters 2026. As a result, we increase our one-year price target from $11 to $12 per share.

Three Recent Catalysts Set the Stage for Momentum Into 2026

		Catalyst	Type	What It Is	Timing / Horizon	Potential Economic Impact
1	12/5/2025	Rogue 1 / OPF-L Teledyne FLIR Production Contract (Indirect Exposure)	Operational / Program of Record Optionality	USMC awards Teledyne FLIR a $42.5M production contract for 600+ Rogue 1 loitering munitions under OPF-L; circumstantial evidence suggests Mobilicom likely is the supplier for secure datalink / mesh components, but no public confirmation.	2025–2027 (multi-year production ramp; fielding from summer 2026)	If integrated, plausible multi-million, recurring annual revenue tied to a U.S. Program of Record, plus multiple expansion from Tier-1 validation / "secured autonomy" theme.
2	11/25/2025	European Internal-Security Design Win (Germany)	Commercial / Geographic Expansion	Initial design win and order from a new EU customer supporting German public institutions and government authorities for internal security missions, using MCU-30, SkyHopper PRO, and ICE Cybersecurity Suite as an integrated stack.	2025–2026 (integration in 2025–26; follow-on orders over multi-year cycle)	Modest initial revenue, but high-quality reference in a regulated EU market; follow-on orders could drive meaningful incremental $1–3M+ over time and reduce U.S. revenue concentration.
3	12/4/2025	Nasdaq Transition: ADR → Direct Ordinary Shares + 1-for-275 Reverse Split	Capital-Markets / Structural	Listing ordinary shares on Nasdaq and delisting ADRs and (same ticker MOB) with a 1-for-275 reverse split to meet listing standards, improve optics, and eliminate ADR costs.	Q4 2025–H1 2026 (effective Dec 8, 2025; structural effects accrue over time)	No direct revenue, but improves liquidity, ETF/index eligibility, institutional access, and may support higher trading multiples as the story gains visibility.

Source: Company reports and Litchfield Hills Research

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12/5/25 Catalyst 1: Rogue 1 / OPF-L — The Most Consequential Driver of Long-Term Value

The most potentially transformative development for Mobilicom arises from a customer announcement rather than its own press materials. On December 5, 2025, Teledyne FLIR Defense disclosed it had been awarded a $42.5 million production contract from the U.S. Marine Corps Systems Command under the OPF-L program. The award covers more than 600 Rogue 1 reusable loitering-munitions systems, ground-control stations, and training kits, with fielding scheduled to begin in summer 2026. For Teledyne FLIR, this marks the first transition of Rogue 1 from demonstration and evaluation into full-rate production.

Rogue 1 is designed to provide squads and platoons a lightweight, attritable, beyond-line-of-sight reconnaissance and strike capability. It incorporates EO/IR sensors, modular warheads, and an advanced fuzing system enabling mission abort and safe recovery. As a frontline capability expected to operate in jamming-heavy and GPS-degraded environments, Rogue 1's communications backbone must be secure, encrypted, low-latency, and resilient—precisely the functional domains of Mobilicom's SkyHopper and MCU-30 product families.

To date, Teledyne FLIR has not publicly confirmed Mobilicom's involvement in Rogue 1. However, prior Mobilicom announcements form a compelling circumstantial narrative. In 2023, the company revealed that Teledyne FLIR had selected the SkyHopper PRO datalink for a new small-UAS platform destined for U.S. and allied militaries. In early 2025, Mobilicom further disclosed that its MCU-30 mesh systems had been chosen by "one of the world's largest loitering-munitions manufacturers"—described as an existing Tier-1 customer—for integration into a new platform that includes fleets of loitering munitions.

Overlaying these disclosures with the timing and nature of the Rogue 1 award creates meaningful optionality. The alignment between product requirements and Mobilicom's technology, combined with confirmed Tier-1 relationships and the broader DoD push toward distributed autonomy, strengthens the inference that Mobilicom could be participating—directly or indirectly—in the Rogue 1 supply chain.

From a valuation standpoint, this optionality is significant even without confirmation. Participation in a multi-year program of record could support several million dollars of annual revenue at full production scale. More importantly, investors in defense-technology micro-caps traditionally apply a premium to credible—but unconfirmed—exposure to high-visibility procurement programs. Confirmation, if it occurs, we believe would be a major re-rating event. Given its scale, alignment with U.S. modernization priorities, and potential multi-year revenue implications, this catalyst remains the single most important driver of upside.

11/25/25 Catalyst 2: European Design Win — Strategic Expansion Into Germany

On November 25, 2025, Mobilicom announced an initial design win and order from a new customer in the European Union, supporting platforms used by government authorities and public institutions responsible for internal-security missions in Germany. The order includes multiple Mobilicom technologies—MCU-30, SkyHopper PRO, and the ICE Cybersecurity Suite—reflecting a full-stack integration rather than a single-component design-in. This win is strategically important for several reasons.

- First, Germany represents one of Europe's most stringent markets for cybersecurity, interoperability, and reliability. Winning a foothold in this environment validates Mobilicom's ability to meet the high regulatory and operational thresholds required for mission-critical unmanned systems in homeland-security applications.
- Second, procurement in European internal-security markets typically evolves in long cycles. Initial deployments are evaluated in controlled field environments, followed by progressive scaling across fleets or geographic regions. Mobilicom's management has already indicated that follow-on orders

are expected after system integration and testing, consistent with traditional European adoption patterns.

- Third, this catalyst diversifies the company's geographic exposure. With the current revenue mix heavily concentrated in U.S. defense, expansion into Europe—particularly through a high-barrier entry point such as Germany—broadens the company's addressable market and enhances strategic value. It also positions Mobilicom more favorably for future NATO-aligned and EU-wide tenders as cybersecure autonomy becomes central to modern internal-security missions.

In total, while the initial revenue contribution may be modest, the strategic value of this design win is high and should translate into improving revenue visibility as deployments scale in 2026 and beyond.

12/4/25 Catalyst 3: Nasdaq Transition — Structural Improvement in Market Access

Mobilicom's December 4 announcement that it will transition from American Depositary Shares to directly listed ordinary shares on the Nasdaq Capital Market represents a structural upgrade in the company's capital-markets profile. The transition takes effect on December 8 following the termination of the ADR program, with each ADS automatically converting into one ordinary share. A 1-for-275 reverse split accompanies the transition to align the per-share price with Nasdaq standards.

Although purely mechanical from a valuation perspective, this shift offers meaningful strategic benefits. Ordinary shares are eligible for inclusion in U.S. equity indices and ETFs that typically exclude ADRs, thereby broadening the universe of potential institutional investors. Many institutional mandates also explicitly prohibit ADR ownership, making the transition a prerequisite for wider adoption. Eliminating depositary fees and simplifying corporate actions reduces administrative friction for both the company and shareholders.

The reverse split, while often viewed skeptically in isolation, serves a purpose here. It helps shift the stock into a price range that meets the thresholds of numerous institutional investors and reduces perception issues associated with low-priced international micro-caps. In this sense, the split and relisting create the structural foundation needed for the stock to respond appropriately to operational execution. We do not expect this catalyst to materially drive the stock in isolation. Instead, it enhances Mobilicom's ability to capture the valuation uplift associated with operational catalysts—most notably the Rogue 1 optionality and the European expansion.

Future Prospects Coming into Focus

Mobilicom enters 2026 with one of the most favorable multi-catalyst setups in its corporate history. The Rogue 1 / OPF-L opportunity has the potential to anchor Mobilicom within a long-duration U.S. defense procurement cycle and significantly elevate its strategic profile. The European internal-security design win, though smaller in near-term revenue, provides high-quality validation in a demanding regulatory environment and opens a meaningful new geographic growth channel. The Nasdaq ordinary-share transition strengthens the company's capital-markets infrastructure, enabling improved liquidity and institutional engagement.

Taken together, these developments support a view that Mobilicom is evolving from a technology developer into a globally relevant supplier of mission-critical communications and cybersecurity components for autonomous systems. With a strengthened listing, expanding Tier-1 relationships, and favorable market positioning, we believe the stock's risk-reward profile is compelling and raise our one-year price target from $11 to $12 per share.

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Mobilicom Ltd. Income Forecast

Fiscal years ended December 31	2022	2023	2024	2025E 1H	2025E 2H	2025E YEAR	2026E	2027E
Revenue	**1,616,612**	**2,193,791**	**3,180,565**	**1,450,561**	**3,549,439**	**5,000,000**	**10,000,000**	**25,000,000**
Year-over-year growth	-35.0%	35.7%	45.0%	-10.3%	61.8%	57.2%	100.0%	150.0%
Total cost of revenue	610,012	902,006	1,348,711	653,381	1,446,619	2,100,000	3,800,000	8,750,000
As a percent of revenue	37.7%	41.1%	42.4%	45.0%	40.8%	42.0%	38.0%	35.0%
Gross margin	1,006,600	1,291,785	1,831,854	797,180	2,102,820	2,900,000	6,200,000	16,250,000
As a percent of revenue	62.3%	58.9%	57.6%	55.0%	59.2%	58.0%	62.0%	65.0%
Selling and marketing	1,738,918	2,088,200	1,965,426	903,353	1,455,158	2,358,511	2,358,511	2,830,213
As a percent of revenue	107.6%	95.2%	61.8%	62.3%	41.0%	47.2%	23.6%	11.3%
Research and development	1,773,245	1,936,802	2,127,409	1,274,687	2,125,313	3,400,000	2,552,891	3,063,469
As a percent of revenue	109.7%	88.3%	66.9%	87.9%	59.9%	68.0%	25.5%	12.3%
General and administrative	1,869,389	2,256,408	1,970,849	1,150,596	2,349,404	3,500,000	2,365,019	2,838,023
As a percent of revenue	115.6%	102.9%	62.0%	79.3%	66.2%	70.0%	23.7%	11.4%
Operating Income	**(4,374,952)**	**(4,989,625)**	**(4,231,830)**	**(2,531,456)**	**(3,827,055)**	**(6,358,511)**	**(1,076,421)**	**7,518,295**
Operating margin	-270.6%	-227.4%	-133.1%	-174.5%	-107.8%	-127.2%	-10.8%	30.1%
Government grants	641,233	197,041	187,718	101,493	98,507	200,000	200,000	200,000
Interest received	117,296	293,478	269,771	108,054	141,946	250,000	250,000	250,000
Foreign exchange	848,575	359,218	203,593	(49,114)	49,114	-	-	-
Fair value gains from financial liability	2,550,563	-	-	2,517,148	(2,517,148)	-	-	-
Finance costs	(10,217)	(14,734)	(27,052)	(90,258)	(9,742)	(100,000)	(30,000)	(30,000)
Fair value loss from financial liability	-	(330,209)	(4,251,756)		-	-	-	-
Pretax Income	(227,502)	(4,484,831)	(7,849,556)	55,867	(6,064,378)	(6,008,511)	(656,421)	7,938,295
Taxes	9,716	80,923	160,802	23,120	16,880	40,000	-	-
Tax rate	-4.3%	-1.8%	-2.0%	41.4%	-0.3%	0.0%	0.0%	0.0%
Net income to common	**(237,218)**	**(4,565,754)**	**(8,010,358)**	**32,747**	**(6,081,258)**	**(6,048,511)**	**(656,421)**	**7,938,295**
Net income margin	-14.7%	-208.1%	-251.9%	2.3%	-171.3%	-121.0%	-6.6%	31.8%
Diluted shares outstanding	664,158,704	1,328,152,166	1,670,912,794	2,069,708,742	2,069,708,742	2,069,708,742	2,344,708,742	2,344,808,742
Seq change		663,993,462	342,760,628	398,795,948	-	-	275,000,000	100,000
EPS diluted - continuing	**($0.0004)**	**($0.0034)**	**($0.0048)**	**$0.0000**	**($0.0029)**	**($0.0029)**	**($0.0003)**	**$0.0034**
EBITDA								
Operating income	(4,374,952)	(4,989,625)	(4,231,830)	(2,531,456)	(3,827,055)	(6,358,511)	(1,076,421)	7,518,295
Addback:								
Depreciation and amortization	217,985	233,984	252,524	124,393	125,607	250,000	275,000	300,000
Share-based compensation	189,499	610,303	610,395	541,197	2,558,803	3,100,000	1,000,000	1,000,000
Other	-	-	-	-	-	-	-	-
EBITDA	**(3,967,468)**	**(4,145,338)**	**(3,368,911)**	**(1,865,866)**	**(1,142,645)**	**(3,008,511)**	**198,579**	**8,818,295**
							2.0%	35.3%
Capital expenditures	3,152	12,760	26,926	13,565	26,435	40,000	50,000	60,000
Free cash flow	**(3,970,620)**	**(4,158,098)**	**(3,395,837)**	**(1,879,431)**	**(1,169,080)**	**(3,048,511)**	**148,579**	**8,758,295**

Source: Company reports and Litchfield Hills Research

Disclosures:

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